

2015

Australian Securities Exchange Announcement

Leaf Resources Limited's Appendix 4C – Quarterly Cash Flows for the quarter ended 30 September 2015 is attached.

The Directors recommend that the Appendix 4C be read in conjunction with announcements made since the end of the September 2015 quarter.

Placement raises \$1,000,000 – Share Purchase Plan Announced

Since the end of the quarter, the Company has announced a placement of shares through Lodge Partners raising approximately \$1,000,000 before costs. The first tranche of the placement has raised \$485,794.79 (gross). The second tranche will settle on the 11th November 2015. The placement price is \$0.13 per share.

Leaf Resources has also announced a Share Purchase Plan offer to eligible shareholders, giving them an opportunity to subscribe for up to \$15,000 in the Company's shares at the same issue price as the placement (\$0.13). If valid applications are received by the Company for an amount exceeding \$1.0 million, it intends to scale back applications to that amount.

EMDG entitlement expected to exceed \$100,000

The Company also expects to receive in excess of \$100,000 from its EMDG provisional grant entitlement. The grant amount will be received as two payments. The first payment of \$40,000 will be received as the initial payment ceiling amount with the balance expected in the second tranche payment round.



LEAF RESOURCES LIMITED

Sustainable products from plant biomass

About Leaf Resources Ltd (ASX: LER)

Leaf Resources is commercialising the Glycell™ process.

The Glycell™ Process is an innovative technology that uses a low cost, recyclable, biodegradable reagent glycerol, in a simple process that breaks down plant biomass into lignin, cellulose and hemicellulose at low temperature and pressure. The cellulose is then converted to cellulosic sugars through enzymatic hydrolysis and the lignin, hemicellulose and glycerol become valuable co-products.

Cellulosic sugars are a major feedstock for green, renewable biobased chemicals, bioplastics and biofuels, products whose markets are multi \$billions and fast growing. Many biobased products can now economically replace petroleum based products.

The Glycell™ process can produce cellulosic sugars at under \$50 per tonne when co-products are included. This compares with \$220 per tonne for sugars produced from the conversion of corn starch, the cheapest alternative and \$280 per tonne for raw sugar.

By dramatically reducing the cost of the main feedstock for bio based chemicals, plastics and biofuels, the Glycell™ process has the potential to change the face of global renewable production.

Contacts:

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

LEAF RESOURCES LIMITED

ABN

18 074 969 056

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from customers	27	27
1.2	Payments for (a) staff costs	(221)	(221)
	(b) advertising and marketing	-	-
	(c) research and development	(83)	(83)
	(d) leased assets	-	-
	(e) other working capital	(299)	(299)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	1
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	411	411
1.7	Other (provide details if material)	-	-
	Net operating cash flows	(164)	(164)

+ See chapter 19 for defined terms.

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Quarterly report for entities
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	Current quarter \$A'000	Year to date (months) \$A'000
1.8 Net operating cash flows (carried forward)	(164)	(164)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
Net investing cash flows	Nil	Nil
1.14 Total operating and investing cash flows	(164)	(164)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Net financing cash flows	Nil	Nil
Net increase (decrease) in cash held	(164)	(164)
1.21 Cash at beginning of quarter/year to date	699	699
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter	535	535

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	80,762
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	
	Item 1.24 - Payments to Directors consist of Directors' salaries, Directors' fees and consulting fees for the quarter, including superannuation. This excludes any amounts that were unpaid as at the end of the quarter.	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	
3.2 Credit standby arrangements	Nil	

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Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	535	535
4.2	Deposits at call		
4.3	Bank overdraft		
4.4	Other (provide details)		
Total: cash at end of quarter (item 1.23)		535	535

Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	Nil	Nil
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets		
5.5	Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 30 October 2015

(~~Director~~ / Company secretary)

Print name: Helen Pennisi

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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