

13 October 2016
Australian Securities Exchange Announcement

R&D Tax Incentive

Leaf Resources Ltd ("The Company") has received \$512,479 in respect of its entitlement under the Research and Development Tax Incentive Program for the 2016 financial year.

In addition, the Company has an Application for an Advance / Overseas Finding under review with AusIndustry and if approved, it is expected that a further \$79,000 will be received under the program.

Export Market Development Grant (EMDG)

Based on the Company's EMDG application it is entitled to receive the maximum grant amount for the 2016 year. The maximum grant for eligible applicants is \$150,000, subject to the funds available in the scheme.

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:

Ken Richards (Managing Director)
Jay Hetzel (Chairman)

M: +61 403 385 051
M: +61 413 045 478