



Annual General Meeting  
2008

[www.leafcleanenergy.com](http://www.leafcleanenergy.com)

# Letter from the Chairman

**Leaf Clean Energy Company**  
Incorporated in Cayman Islands  
(Registered Number 187481)  
Registered Office: PO Box 309GT, Ugland House,  
George Town, Grand Cayman, Cayman Islands

Dear Shareholder

**Leaf Clean Energy Company (the "Company" or "Leaf")**

I have great pleasure in extending an invitation to you to the first annual general meeting ("AGM") of the Company to be held at the Ugland House, George Town, Grand Cayman, Cayman Islands at 4.00p.m. (GMT) on 8th August 2008.

You will find with this letter:

- The Notice of Meeting setting out the resolutions to be proposed, together with explanatory notes, and guidance notes for shareholders who wish to vote by post.
- Forms of proxy.

#### **Accounts/Annual Report:**

Unfortunately, due to the timing of the meeting we will be unable to present you with a copy of the financial statements for the year ended Monday 30 June 2008 for presentation at the AGM. Your Board apologises for the inconvenience however we hope to convene an extraordinary general meeting later in the year in order for shareholders to receive these financial statements. It is expected that the financial statements for subsequent years will be available for presentation at the relevant annual general meeting.

#### **Investments:**

The Company is currently working towards being fully invested within 18 months of its initial public offering ("IPO"). The Company has already made a number of significant investments:

The Company's first investment was a \$20 million preferred equity investment in Greenline Industries, Inc. ("**Greenline**"). Greenline is a leading provider of modular waterless biodiesel equipment that enables the consistent, cost-effective production of biodiesel. Greenline facilities use multiple feedstock choices in a computer controlled continuous flow technology, previously used only in large-scale production facilities. Unlike most designs that must use water, Greenline pioneered an innovative waterless technology thereby eliminating the energy intensive problem of removing the water from the fuel and avoiding the environmental complications associated with obtaining permits and treating wastewater. Leaf's investment is intended to assist Greenline in accelerating research and development to improve upon its existing technology leadership and add new products to reduce the costs to produce biodiesel.

The Company has also made a \$15 million preferred stock investment in SkyFuel, Inc ("**SkyFuel**"). SkyFuel is a technology leader for next-generation utility-scale solar thermal power systems and is an industry leader in advanced materials and components. SkyFuel will use the funding to deploy commercially its breakthrough SkyTrough™, a high-performance, low cost parabolic trough solar collector. The SkyTrough™ incorporates the proprietary, patented ReflecTech™ film, which is a highly reflective and unbreakable mirrored film that has the potential to significantly lower the cost of solar energy generation by replacing expensive glass mirrors. The funding will also allow SkyFuel to pursue solar markets and progress research and development on the Linear Power Tower™, a high-temperature linear Fresnel system. SkyFuel is currently working with several independent power producers to develop utility-scale solar thermal power plants in the U.S. and abroad.

The Company has also invested \$20 million in Range Fuels, Inc ("**Range Fuels**"), a company focused on building the first commercial cellulosic ethanol production facility. Range Fuels is a leading cellulosic technology and production company which has developed an innovative process to convert biomass, such as wood chips and a variety of agricultural wastes, to ethanol through a proprietary thermo-chemical conversion process. Range Fuels has broken ground on a commercial-scale operation in Soperton Georgia, which is expected to be the world's first commercial-scale cellulosic plant and Leaf's investment is intended to help with development and construction of this facility.

Heads of Terms have also been entered into in connection with a diverse range of opportunities, which are now progressing through due diligence towards their scheduled completions. It is the intention to create a wide ranging portfolio and these targeted investments extend across several sectors including hydropower, traditional alternative fuels, solar power, geothermal energy, carbon credit aggregation and landfill gas.

#### **Resolutions proposed:**

The resolutions to be proposed at the forthcoming AGM are as follows:

##### Resolution 1:

Resolution 1 gives the Company authority to repurchase its own shares. Any actual repurchase would have to be subsequently approved by the board of directors of the Company. This authority will be limited to 20,000,000 shares (representing 10 per cent. of the Company's current issued share capital as at 8 July 2008, being the last date practicable prior to the publication of this document).

##### Resolutions 2 and 3:

Peter Tom and Peter O'Keefe are required in accordance with the Company's articles of association (the "Articles") to retire by rotation. Being eligible, they both offer themselves for re-election as proposed by resolutions 2.1 and 2.2.

Nora Brownwell was appointed as a director on 24 September 2007 by the board of directors of the Company. The Articles provide that all directors so appointed by the board of directors shall retire at the next annual general meeting but shall be eligible for re-election.

Nora Brownwell offers herself for re-election as proposed by resolution 3.

##### Resolution 4:

The directors are not permitted to allot new shares (or to grant rights over shares) unless authorised to do so by the shareholders of the Company. At the time of the Company's IPO (on 20 June 2007), the directors were given authority to allot relevant securities (as defined in the Articles) up to a maximum nominal amount of £5,000. This authority expires at the conclusion of the AGM. It is the current intention of the directors to seek fresh shareholder authority to allot relevant securities at each annual general meeting. Accordingly, it is proposed that a similar authority be granted in substitution of the existing authority to allot securities up to a maximum nominal amount equal to £5,000 (representing approximately 25 per cent. of the Company's current issued share capital as at 8 July 2008, being the latest practicable date prior to publication of this document).

Although the directors have no present intention of exercising this authority, the general authority to allot shares will provide flexibility for the Company to take advantage of business opportunities as they arise. The authority will expire on the earlier of the conclusion of the next annual general meeting and 8 February 2010.

##### Resolution 5:

The Articles further provide that the directors shall not be entitled to allot relevant securities for cash unless such allotment is authorised by special resolution of the Company. The directors believe that it is in the best interests of the shareholders that the directors should have the right to allot relevant securities for cash on a pre-emptive basis and a limited authority to allot relevant securities for cash on a non-pre-emptive basis.

Resolution 5 proposes that power be granted to allot securities for cash on a pre-emptive basis and on a non-pre-emptive basis up to a maximum nominal amount equal to £1,500 (representing approximately 7.5 per cent. of the current issued share capital of the Company as at 8 July 2008, being the latest practicable date prior to publication of this document).

The authority will expire on the earlier of the conclusion of the next annual general meeting and 8 February 2010.

If you are unable to attend the meeting in person, you should complete, sign and return the applicable forms of proxy in accordance with the instructions therein in good time before the meeting and in any event by no later than 4.00p.m. (GMT) on 6 August 2008.

**Peter Tom**  
**Non-Executive Chairman**  
10 July 2008

# Leaf Clean Energy Company

(the "Company")

## Notice of Annual General Meeting of the Company

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Notice is hereby given that the Annual General Meeting of the Company (the "AGM") will be held at the offices of Maples and Calder, Ugland House, South Church Street, George Town, Grand Cayman KY1-1104, Cayman Islands on the 8 day of August, 2008 at 4.00p.m. (GMT) for the purpose of considering and, if thought fit, passing and approving the following resolutions by way of:

### Ordinary Resolutions:

- 1 **THAT**, in accordance with Article 39 of the Articles of Association of the Company (the "**Articles**"), the Company be generally and unconditionally authorised to make market purchases of ordinary shares of £0.0001 each ("**Ordinary Shares**") on such terms and in such manner as the Directors of the Company may determine provided that:
  - 1.1 the maximum number of Ordinary Shares that may be purchased pursuant to this authority is 20,000,000;
  - 1.2 the minimum price that may be paid for any such Ordinary Share shall be the nominal value of that share (exclusive of expenses payable by the Company in connection with the purchase);
  - 1.3 the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall be not more than 5 per cent. above the average of the market values for an Ordinary Share as derived from the AIM Appendix of the Stock Exchange Daily Official List for the five business days immediately preceding the date on which the Ordinary Share is purchased; and
  - 1.4 this authority shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, on the date falling eighteen months after the passing of this resolution but the Company may make a contract to purchase Ordinary Shares under this authority before its expiry which will or may be completed wholly or partly after the expiry of this authority and may make a purchase of Ordinary Shares in pursuance of any such contract;
  
- 2 **THAT**, pursuant to Article 146 of the Articles:
  - 2.1 Peter Tom, who retires by rotation pursuant to Article 144, be re-appointed as a Director of the Company to hold office in accordance with the Articles until his retirement or earlier removal from office; and
  - 2.2 Peter O'Keefe, who retires by rotation pursuant to Article 144, be re-appointed as a Director of the Company to hold office in accordance with the Articles until his retirement or earlier removal from office.
  
- 3 **THAT** pursuant to Article 149 of the Articles, Nora Brownell, who retires pursuant to Article 149, be re-appointed as a Director of the Company to hold office in accordance with the Articles until her retirement or earlier removal from office;
  
- 4 **THAT** the Directors be generally and unconditionally authorised to exercise all the powers of the Company to allot Relevant Securities (as defined in the Articles), subject to the Articles, up to a maximum aggregate nominal amount of £5,000, such authority expiring at the conclusion of the next annual general meeting of the Company or, if earlier, eighteen months from the passing of this resolution, unless

previously revoked or varied by the Company in general meeting, save that the Company may, before such expiry, make an offer or agreement which would or might require Relevant Securities to be allotted after such expiry and the Directors may allot Relevant Securities pursuant to such an offer or agreement as if the authority conferred hereby had not expired;

**Special Resolution:**

- 5 **THAT**, subject to the passing of resolution 4, the Directors be empowered pursuant to the authority conferred by resolution 4 to allot Relevant Securities for cash, provided that such power is limited to:
- 5.1 the allotment of Relevant Securities in connection with or pursuant to a rights issue, open offer or any other offer in favour of the holders of Relevant Securities where the Relevant Securities respectively attributable to their interests are proportionate (as nearly as may be practicable) to the respective number of such securities held by them, on a fixed record date, subject to such exclusions or other arrangements as the Directors may deem necessary, expedient, desirable or appropriate to deal with any fractional entitlements or legal or practical problems which may arise under the laws of, or the requirements of any regulatory body or stock exchange in, any territory; and/or
  - 5.2 the allotment (otherwise than pursuant to sub-paragraph (a) above) of Relevant Securities up to an aggregate nominal amount of £1,500;  
and shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, eighteen months from the passing of this resolution unless otherwise revoked or varied by the Company in general meeting, save that the Company may, before such expiry, make an offer or agreement which would or might require Relevant Securities to be allotted after such expiry and the Directors may allot Relevant Securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

By order of the Board

**Peter Tom**  
**Non-Executive Chairman**  
Dated: 10 day of July 2008

Registered Office:  
c/o Maples Corporate Services Limited  
PO Box 309, Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

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\* A form of proxy has been included with this Notice.

\* In accordance with Article 15 of the Articles of Association of the Company, the Register of Members of the Company shall be closed 48 hours prior to the time of the AGM, for the purpose of determining shareholders entitled to notice of, or to vote at the AGM or any adjournment thereof.

## NOTES

**IF YOU HAVE EXECUTED A STANDING PROXY, YOUR STANDING PROXY WILL BE VOTED AS INDICATED IN NOTE 3 BELOW, UNLESS YOU ATTEND THE AGM IN PERSON OR SEND IN A SPECIFIC PROXY.**

- 1 A shareholder entitled to attend and vote at the above AGM is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a shareholder of the Company.
- 2 A form of proxy for use at the AGM is enclosed. Whether or not you propose to attend the AGM in person, you are strongly advised to complete and sign the enclosed form of proxy in accordance with the instructions printed on it and then send it to, or deposit it (together with any power of attorney or other authority under which it is signed or a notarially certified copy of that power or authority) at the offices of EHM Service Providers, 22 Billiter Street, London, EC3M 2RY or sent by facsimile to +44 203 014 8879, in each case marked for the attention of Stuart Wilson, 48 hours prior to the start of the AGM or adjourned AGM. Returning the completed form of proxy will not preclude you from attending the AGM and voting in person if you so wish. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
- 3 Any standing proxy previously deposited by a shareholder with the Company will be voted in favour of the resolutions to be proposed at the AGM unless revoked prior to the AGM or the shareholder attends the AGM in person or executes a specific proxy.
- 4 If two or more persons are jointly regarded as holders of a share, the vote of the senior person who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders. For this purpose seniority shall be determined by the order in which the names stand on the Company's register of shareholders in respect of the relevant shares.
- 5 Only those shareholders registered in the register of members of the Company at 6.00 p.m. (UK time) on 6 August 2008 shall be entitled to attend or vote at the AGM in respect of the number of shares registered in their name at that time. Changes to the entries on the register of members after 6.00 p.m. on 6 August 2008 or, in the event that the meeting is adjourned, on the register of members at 6.00 p.m. (UK time) on the day falling two days before the date of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the AGM notwithstanding any provisions in any enactment, the Articles or other instrument to the contrary.
- 6 The quorum for the AGM is two or more shareholders present in person or by proxy.



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