



LEADING EDGE MATERIALS CORP.

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TSX.V: LEM | Nasdaq First North: LEMSE | OTCQB: LEMIF | FRA: 7FL

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NEWS RELEASE

July 23, 2024

LEADING EDGE MATERIALS CLOSSES FIRST TRANCHE OF PRIVATE PLACEMENT

Vancouver, July 23, 2024 – Leading Edge Materials Corp. (“Leading Edge Materials” or the “Company”) (TSXV: LEM) (Nasdaq First North: LEMSE) (OTCQB: LEMIF) announces that the Company has closed a first tranche of the private placement announced previously on July 15, 2024, issuing 34,400,000 common shares at a price of \$0.10/share for gross proceeds of CAD\$3,440,000.

The common shares were issued as part of a unit (“Unit”) private placement. Each Unit will consist of one (1) common share (each, a “Common Share”) in the capital of the Company and one (1) Common Share purchase warrant (a “Warrant”). Each Warrant will entitle the holder to purchase one Common Share (a “Warrant Share”) at a price of C\$0.20 per Warrant Share until the date which is four (4) years from the closing date of the Private Placement (the “Closing Date”).

Leading Edge Materials intends to use net proceeds for the Company’s projects, located in Sweden and Romania and for general working capital and corporate purposes. A finder’s fee of 6% was paid to arm’s length third party on a portion of the Private Placement. The Private Placement is subject to final approval from the TSX Venture Exchange (the “Exchange”).

The securities issued pursuant to the Private Placement are subject to applicable statutory resale restrictions, including a hold period expiring on November 24, 2024, pursuant to applicable Canadian securities laws.

The Units sold in the Private Placement were offered by way of prospectus exemptions in Sweden. The minimum subscription and allotment amount for Sweden and the European Economic Area (“EEA”) investors in the Private Placement was an amount equivalent to at least EUR 100,000.

Insiders of the Company purchased a total of 16,500,000 Units under the Private Placement which constitutes a “related party transaction” as defined under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“MI 61-101”). The Company relied on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 based on the fact that neither the fair market value of the Units subscribed for by the insiders, nor the consideration for the Units paid by such insiders, exceeded 25% of the Company’s market capitalization as determined in accordance with MI 61-101.

Mr. Eric Krafft, a director of the Company, has subscribed for and acquired 13,000,000 Common Shares under the Private Placement. Prior to the Private Placement, Mr. Krafft beneficially owned and controlled 72,556,577 Common Shares and 34,502,173 warrants of the Company. Mr. Krafft is a Control Person (as defined by the policies of the Exchange), beneficially holding 85,556,577 common shares and 47,502,173 warrants of the Company, representing approximately 37.97% of the issued and outstanding Common Shares on a non-diluted basis, and 41.77% on a partially diluted basis, assuming the exercise of warrants held by Mr. Krafft only. The Company obtained disinterested shareholder approval at the Annual General Meeting held on July 24, 2020 for Mr. Krafft to become a Control Person of the Company.

Eric Krafft has acquired the Units for investment purposes and has a long-term view of his investment. In the future, Mr. Krafft may take such actions in respect of his investment in the Company as he may deem appropriate, depending on the market conditions and circumstances at that time. The foregoing disclosure regarding Mr. Krafft's holdings is being disseminated pursuant to National Instrument 62-103 The Early Warning System and Related Take-Over Bid and Insider Reporting Issues (NI 62-103). A copy of Mr. Krafft's early warning report will appear on the Company's profile on SEDAR Plus. The information herein with respect to the number of Mr. Krafft's securities and his intention relating thereto are not within the knowledge of the Company and are provided by Mr. Krafft.

The securities have not been, and will not be, registered under the U.S. Securities Act, or any United States state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act and applicable United States state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

This news release is not a prospectus under Regulation (EU) 2017/1129 (the "EU Prospectus Regulation"). The Company has not authorized any offer of securities to the public (as defined in the EU Prospectus Regulation) in any EEA member state and no such prospectus has been or will be prepared in connection with the Private Placement.

**On behalf of the Board of Directors,
Leading Edge Materials Corp.**

Kurt Budge, CEO

For further information, please contact the Company at:

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About Leading Edge Materials

Leading Edge Materials is a Canadian public company focused on developing a portfolio of critical raw material projects located in the European Union. Critical raw materials are determined as such by the European Union based on their economic importance and supply risk. They are directly linked to high growth technologies such as lithium-ion batteries and permanent magnets for electric motors and wind power that underpin the sustainability transition of society. The portfolio of projects includes the 100% owned Woxna Graphite mine (Sweden), Norra Kärr HREE project (Sweden), Bergby lithium project (Sweden) and the 51% owned Bihor Sud Nickel Cobalt exploration alliance (Romania).

Additional Information

The information was submitted for publication through the agency of the contact person set out above, on July 23, 2024 at 3:00 PM Vancouver time.

Leading Edge Materials is listed on the TSXV under the symbol "LEM", OTCQB under the symbol "LEMIF" and Nasdaq First North Stockholm under the symbol "LEMSE". Mangold Fondkommission AB is the Company's Certified Adviser on Nasdaq First North and may be contacted via email CA@mangold.se or by phone +46 (0) 8 5030 1550.

Reader Advisory

This news release may contain statements which constitute “forward-looking information”, including statements regarding the plans, intentions, beliefs and current expectations of the Company, its directors, or its officers with respect to the future business activities of the Company. The words “may”, “would”, “could”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “expect” and similar expressions, as they relate to the Company, or its management, are intended to identify such forward-looking statements. Investors are cautioned that any such forward-looking statements are not guarantees of future business activities and involve risks and uncertainties, and that the Company’s future business activities may differ materially from those in the forward-looking statements as a result of various factors, including, but not limited to, fluctuations in market prices, changes in the Company’s intended use of proceeds from the Private Placement, successes of the operations of the Company, continued availability of capital and financing and general economic, market or business conditions. There can be no assurances that such information will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. The Company does not assume any obligation to update any forward-looking information except as required under the applicable securities laws.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accept responsibility for the adequacy or accuracy of this news release.