



LEADING EDGE MATERIALS CORP.

14th Floor – 1040 West Georgia Street, Vancouver, BC, V6E 4H1
 info@leadingedgematerials.com | www.leadingedgematerials.com
 TSX.V: LEM | Nasdaq First North: LEMSE | OTCQB: LEMIF | FRA: 7FL

NEWS RELEASE

September 20, 2024

LEADING EDGE MATERIALS REPORTS QUARTERLY RESULTS TO JULY 31, 2024

Vancouver, September 20, 2024– Leading Edge Materials Corp. (“Leading Edge Materials” or the “Company”) (TSXV: LEM) (Nasdaq First North: LEMSE) (OTCQB: LEMIF) (FRA: 7FL) third quarter results for the period ending July 31, 2024. All references to dollar amounts in this release are in Canadian dollars.

Highlights During and After the Quarter

During the three months ended July 31, 2024:

- On May 19, 2024, Mr. Kurt Budge was appointed Chief Executive Officer of the Company.
- On June 18, 2024, the Company announced that it has identified extensive Zn-Pb-Ag+/-Cu mineralization in galleries G2 and G7 at the Company’s Bihor Sud Project in Romania.
- On July 23, 2024, the Company closed the 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.

Results of Operations

Three Months Ended July 31, 2024, Compared to Three Months Ended April 30, 2024

During the three months ended July 31, 2024 (“Q3 2024”) the Company reported a net loss of \$822,238 compared to a reported net loss of \$859,529 for the three months ended April 30, 2024 (“Q2 2024”), a decrease in loss by \$37,291, the decrease in loss mainly due to share based compensation expenses of \$133,295 (Q2 2024- \$349,923), research, development & general exploration expenses \$192,866 (Q2 2024 - \$94,017) and directors and officer’s compensation of \$115,338 (Q2 2024- \$46,385).

Three Months Ended July 31, 2024, Compared to Three Months Ended July 31, 2023

During the three months ended July 31, 2024 (“2024 period”), the Company reported a net loss of \$822,238 compared to a net loss of \$322,392 for the three months ended July 31, 2023 (“2023 period”), an increase in loss of \$499,846, the increase in loss mainly due to share based compensation of \$133,295 (Q3 2023- Nil), research, development & general exploration expenses of \$192,866 (Q3 2023- \$10,200), directors and officer’s compensation of \$115,338 (Q3 2023- \$46,270) and Corporate development expense of \$87,320 (Q3 2023- \$8,822).

Selected Financial Data

The following selected financial information is derived from the unaudited condensed consolidated interim financial statements of the Company prepared in accordance with IFRS.

Three Months Ended	Fiscal 2024			Fiscal 2023				October 31, 2022 (Restated)
	July 31, 2024	April 30, 2024	January 31, 2024	October 31, 2023	July 31, 2023	April 30, 2023	January 31, 2023	
	\$	\$	\$	\$	\$	\$	\$	\$
Operations								
Expenses	(797,070)	(863,745)	(660,617)	(582,552)	(313,950)	(1,048,182)	(489,432)	(860,062)
Other items	(25,168)	4,216	(25,311)	195,209	(8,442)	(187,421)	(147,703)	308,721
Comprehensive profit/(loss)	(822,238)	(859,529)	(685,928)	(387,343)	(322,392)	(1,235,603)	(637,135)	(551,341)

Basic Profit/(loss) per share	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)
Diluted profit/(loss) per share	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)
Financial Position								
Working capital	3,973,458	1,610,635	2,316,098	2,713,098	848,952	1,344,044	2,124,643	1,365,657
Total assets	28,454,783	24,991,481	26,003,943	25,387,449	23,584,544	24,181,654	24,845,430	23,832,418
Total non-current liabilities	(5,683,545)	(5,101,289)	(5,489,843)	(4,670,790)	(5,109,575)	(5,404,808)	(5,556,603)	(5,292,618)

Financial Condition / Capital Resources

During the three months ended July 31, 2024, the Company recorded a net loss of \$822,238 and, as of July 31, 2024, the Company had an accumulated deficit of \$49,217,995 and working capital of \$3,973,458. The Company is maintaining its Woxna Graphite Mine on a “production-ready” basis to minimize costs and is conducting ongoing research and development to produce higher value specialty products. The Company is also evaluating a potential restart of production at the Woxna Graphite Mine. The Company anticipates that it has sufficient funding to meet anticipated levels of corporate administration and overheads for the ensuing twelve months however, it will need additional capital to provide working capital and recommence operations at the Woxna Graphite Mine, establish a production facility for the Anode Project, to fund future development of the Norra Karr Property or to complete exploration activities in Romania. There is no assurance such additional capital will be available to the Company on acceptable terms or at all. In the longer term the recoverability of the carrying value of the Company's long-lived assets is dependent upon the Company's ability to preserve its interest in the underlying mineral property interests, the discovery of economically recoverable reserves, the achievement of profitable operations and the ability of the Company to obtain financing to support its ongoing exploration programs and mining operations.

Outlook

2024 has marked a breakthrough year for policy support within the European Union, driving the development and exploration of critical raw materials projects.

The Critical Raw Materials Act (CRMA), adopted by the European Council on March 18, 2024, represents a potential game-changer for the Company's portfolio. The CRMA is at the forefront of the EU's efforts to build secure and sustainable supply chains for critical raw materials.

On May 23, 2024, the EU opened a call for Strategic Projects as defined by the CRMA. These projects are key to expanding the EU's capacity to extract, process, and recycle strategic raw materials, as well as diversifying supply sources from third countries. These materials are vital to the success of the green and digital transitions, and to the resilience of the defence and aerospace sectors.

Further supporting these goals, on July 31, the European Bank for Reconstruction and Development (EBRD) and the EU launched a joint facility aimed at providing equity investments of up to €100 million for the exploration of critical and strategic raw materials. This new initiative directly aligns with the EU's CRMA objectives and the REPowerEU Plan, both essential to the EU's green and digital transitions.

The EBRD has committed €25 million to the facility, which will be matched by the EU's Horizon Europe Programme under the InvestEU umbrella, with the goal of mobilizing an additional €50 million in investments.

Woxna Graphite Mine

The CEO will be visiting Woxna at the beginning of October, meeting with the site team, and the County Administrative Board. The mine and plant remain on care and maintenance, while the Company continues to monitor market developments and consider commercial opportunities to restart operations.

As European policy development seeks to create new regional supply chains and reduce dependency on China, in June, the US announced 25% tariffs on imports of natural and synthetic graphite anodes from China, following the

announcement in May of 25% tariffs on natural graphite imports beginning in 2026. Fastmarkets analyst Georgi Georgiev has said “graphite has emerged as Washington’s ‘Achilles Heel’ in its trade confrontation with Beijing”.^[1]

As one of the few built and permitted graphite mines, Woxna is well-positioned to play a significant role in the production of natural flake graphite, a critical raw material, as feedstock to the European anode value chain or industrial graphite markets.

Norra Kärr Heavy Rare Earth Element (HREE) Project

The Company submitted an application for Strategic Project status as defined by the CRMA in August. Given the volume of applications received, the EU is indicating that a decision on which projects are successful will now be made by mid-March 2025.

Also, the Company is working towards the completion of a mining lease application (Exploitation Concession or Bearbetningskoncession, “BK”), including Environmental Impact Assessment (EIA, Miljökonsekvensbeskrivning, “MKB”); with submission planned for Q4 2024. The EIA will respond to the valuable feedback received from stakeholders during the recent 3-month consultation process.

The latest mining lease application reflects the 2021 redesign of the project, that significantly enhances the project's sustainability while minimizing environmental impact. The revised plan cuts land usage by approximately 65%, limiting activities at the mine site to mining and the physical (non-chemical) concentration of mineralized ore. All chemical-based downstream processing will be conducted offsite at an industrial facility specifically permitted for such activities and ensuring strict environmental controls. The mine will produce a concentrate rich in heavy rare earth elements (HREEs), yielding valuable heavy rare earths, zirconium and niobium oxides, along with the industrial mineral nepheline syenite.

Norra Kärr has been designated a mineral deposit of national interest by the Swedish Geological Survey, due to its potential to supply rare earth elements (REEs) to both Sweden and Europe. As a key upstream asset, Norra Kärr HREE value chain. This would bolster the EU's self-reliance and reduce strategic dependence on China for HREEs.

As one of the largest HREE deposits globally—and the most advanced within the EU—Norra Kärr has the potential to become a cornerstone supplier for Western magnet producers^[2].

Bihor Sud Nickel-Cobalt Exploration Project

Drilling operations, initially delayed over the summer due to the late arrival of the drill rig and the implementation of robust health and safety protocols, are now in the final stages of preparation. Inspections and final works are underway, ensuring a safe and compliant start to the project. In July, the Company welcomed a new Chief Geologist, who is now on site, overseeing operations and finalizing the exploration plan. The primary objective is to identify a large-scale, mineable mineralization body. Early findings have already highlighted the strong potential for discovering a significant polymetallic deposit, reinforcing the project's exciting prospects.

Financial Information

The report for the year ended October 31, 2024, is expected to be published on or about January 24, 2025.

¹The graphite fight: US tariffs trigger race to build non-Chinese supply chain, Financial Times, 9 June 2024, <https://www.ft.com/content/9117e5e6-baf9-4bdf-8080-9aa019ef1bfc>

² <https://www.fastmarkets.com/insights/rare-earth-magnet-production-outside-asia-gearing-up-2024-preview/>

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

For further information, please contact the Company at:

info@leadingedgematerials.com
www.leadingedgematerials.com

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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 batteries for electromobility and energy storage and permanent magnets for electric motors and wind power that underpin the clean energy transition towards climate neutrality. The portfolio of projects includes the 100% owned Woxna Graphite mine (Sweden), Norra Karr HREE project (Sweden) and the 51% owned Bihor Sud Nickel Cobalt exploration alliance (Romania).

Additional Information

The Company's unaudited consolidated financial statements for the nine months ended July 31, 2024, and related management's discussion and analysis are available on the Company's website at www.leadingedgematerials.com or under its profile on SEDARPlus at www.sedar.com

The information was submitted for publication through the agency of the contact person set out above, on September 20, 2024, at 10:00 am 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

Certain information in this news release may constitute forward-looking statements or forward-looking information within the meaning of applicable Canadian securities laws (collectively, "Forward-Looking Statements"). All statements, other than statements of historical fact, addressing activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are Forward-Looking Statements. Forward-Looking Statements are often, but not always, identified by the use of words such as "seek," "anticipate," "believe," "plan," "estimate," "expect," and "intend" and statements that an event or result "may," "will," "can," "should," "could," or "might" occur or be achieved and other similar expressions. Forward-Looking Statements are based upon the opinions and expectations of the Company based on information currently available to the Company. Forward-Looking Statements are subject to a number of factors, risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the Forward-Looking Statements including, among other things, the Company has yet to generate a profit from its activities; there can be no guarantee that the estimates of quantities or qualities of minerals disclosed in the Company's public record will be economically recoverable; uncertainties relating to the availability and costs of financing needed in the future; competition with other companies within the mining industry; the success of the Company is largely dependent upon the performance of its directors and officers and the Company's ability to attract and train key personnel; changes in world metal markets and equity markets beyond the Company's control; the possibility of write-downs and impairments; the risks associated with uninsurable risks arising during the course of exploration; development and production; the risks associated with changes in the mining regulatory regime governing the Company; the risks associated with tenure to the Norra Karr property; the risks associated with the various environmental regulations the Company is subject to; rehabilitation and restitution costs; the Woxna project has never defined a mineral reserve or a feasibility study and the associated increased risk of technical and economic failure in case of restarting production; risks relating to the preliminary and non-binding nature of the MOU with Sicona. On June 9, 2021,

Leading Edge announced the results of an independent preliminary economic assessment for the development of Woxna (the "2021 Woxna PEA"), the full details of which are included in a technical report entitled "NI 43-101 Technical Report – Woxna Graphite" prepared for Woxna Graphite AB with effective date June 9, 2021 and issue date July 23, 2021, available on Leading Edge's website www.leadingedgematerials.com and under its SEDAR profile www.sedar.ca. The 2021 Woxna PEA is preliminary in nature, it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability. On July 22, 2021, Leading Edge announced the results of an independent preliminary economic assessment for the development of Norra Karr (the "2021 Norra Karr PEA"), the full details of which are included in a technical report titled "PRELIMINARY ECONOMIC ASSESSMENT OF NORRA KARR RARE EARTH DEPOSIT AND POTENTIAL BY-PRODUCTS, SWEDEN" prepared for Leading Edge Materials Corp. with effective date August 18, 2021 and issue date August 19, 2021, available on Leading Edge's website www.leadingedgematerials.com and under its SEDAR profile www.sedar.ca. The 2021 Norra Karr PEA is preliminary in nature, it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability. On March 11, 2020, the World Health Organization ("WHO") declared the novel coronavirus outbreak identified as "COVID-19", as a global pandemic. In order to combat the spread of COVID-19 governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets. The Company has implemented safety and physical distancing procedures, including working from home where possible and ceased all travel, as recommended by the various governments. The Company will continue to monitor the impact of the COVID-19 outbreak, the duration and impact which is unknown at this time, as is the efficacy of any intervention. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.