



LEADING EDGE MATERIALS CORP.

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

NEWS RELEASE

October 1, 2021

LEADING EDGE MATERIALS SUPPORTS EUROPEAN CALL FOR ACTION ON RARE EARTH MAGNETS AND MOTORS

Vancouver, October 1, 2021 – Leading Edge Materials Corp. (“Leading Edge Materials” or the “Company”) (TSXV: LEM) (Nasdaq First North: LEMSE) (OTCQB: LEMIF) (FRA: 7FL) welcomes the publication of the report *“Rare Earth Magnets and Motors: A European Call for Action”* (the “Report”) by the European Raw Materials Alliance (“ERMA”).

The Report is the result of an extensive stakeholder consultation process organized by ERMA. In 2020, the European Commission launched ERMA under the leadership of Commissioner Thierry Breton and Vice President Maroš Šefčovič with EIT RawMaterials tasked with managing the work of the alliance. The first objective of ERMA became the support the growth of an alternative European and global rare earth supply chain to increase resiliency of EU industrial ecosystems. ERMA works along two workstreams; identifying solutions to regulatory and structural bottlenecks that hinder growth of the sector in Europe, and the establishment of an investment channel to support the development of a more secure and resilient value chain for permanent magnet rare earths in Europe.

To meet its objectives of ERMA the Report identifies 6 strategic action areas together with a set of 12 specific actions. Specifically, these key points from the Report could benefit the development of the Company's Norra Karr Heavy Rare Earth project:

- Identification of primary mining sources of rare earth raw materials suitable for a supply into an EU value chain
- Exploration of regulatory measures to incentivize mining using best available practices that come with the lowest environmental impacts. The measures should target inconsistencies and obstacles in the EU regulatory framework in order to reduce the institutional risks for investments with the mention that Member States should be encouraged to determine the fitness of their raw materials policies.
- Facilitation of access to finance for rare earth projects through a Raw Materials Investment Platform. The Report proposes the creation of a Raw Materials Bridge Fund targeting investments of €150-200m per year to secure bankability and de-risk projects, and a Raw Materials Investment Vehicle in the form of a state-supported investment and procurement organization to act as a lead buyer and pooler of raw materials demand across European countries.
- Promotion of ethical and transparent sourcing in the value chain by enforcing regulations.
- Creation of a level playing field for European rare earth materials producers to compete against Chinese competitors through the introduction of taxation incentives, tax shields and carbon border adjustment mechanisms.
- Raising awareness to all stakeholders and society in general of the importance of rare earths and that they can be produced sustainably.

Filip Kozlowski, CEO of Leading Edge Materials states *“It has been a pleasure to participate in the stakeholder consultation process of ERMA under the visionary management of EIT RawMaterials. Norra Karr is one of the best opportunities for Europe to source magnet rare earth materials in a secure and sustainable fashion. Seeing the proposals of the Report and how they can directly support the development of Norra Karr makes me extremely optimistic about the opportunity to collaboratively work towards a successful establishment of a sustainable and resilient European rare earth magnet and motor industrial ecosystem.”*

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

Filip Kozlowski, 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 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 information was submitted for publication through the agency of the contact person set out above, on October 1, 2021, at 6:00 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

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. The Woxna project has never defined a mineral reserve. 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. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the Forward-Looking Statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such Forward-Looking Statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such Forward-Looking Statements. Such Forward-Looking Statements has been provided for the purpose of assisting investors in understanding the Company's business, operations and exploration plans and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on Forward-Looking Statements. Forward-Looking Statements are made as of the date hereof, and the Company does not undertake to update such Forward-Looking Statements except in accordance with applicable securities laws.