



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

June 21, 2024

LEADING EDGE MATERIALS REPORTS QUARTERLY RESULTS TO APRIL 30, 2024

Vancouver, June 21, 2024– Leading Edge Materials Corp. (“Leading Edge Materials” or the “Company”) (TSXV: LEM) (Nasdaq First North: LEMSE) (OTCQB: LEMIF) (FRA: 7FL) second quarter results for the period ending April 30, 2024. All references to dollar amounts in this release are in Canadian dollars.

Recent Announcements

- On 19 May 2024, the company announced the appointment of Mr. Kurt Budge as Chief Executive Officer.
- On 18 June 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.

Results of Operations

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

During the three months ended April 30, 2024 (“Q2 2024”) the Company reported a net loss of \$859,529 compared to a reported net loss of \$685,928 for the three months ended January 31, 2024 (“Q1 2024”), a increase in loss by \$173,601, the increase in loss mainly due to share based compensation expenses of \$349,923 (Q1 2024- \$159,425), foreign exchange loss \$5,754 (Q1 2024 gain - \$35,971) and net mark to market adjustment loss of \$10,662 (Q1 2024- \$86,074).

Three Months Ended April 30, 2024, Compared to Three Months Ended April 30, 2023

During the three months ended April 30, 2024 (“2024 period”), the Company reported a net loss of \$859,529 compared to a net loss of \$1,235,603 for the three months ended April 30, 2023 (“2023 period”), a decrease in loss of \$376,074, the decrease in loss mainly due to share based compensation of \$349,923 (Q2 2023-710,563), , foreign exchange loss \$5,754 (Q2 2023 - \$187,455) and operation expenses of \$89,947 (Q2 2023- \$37,590).

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				Fiscal 2022	
	April 30, 2024 \$	January 31, 2024 \$	October 31, 2023 \$	July 31, 2023 \$	April 30, 2023 \$	January 31, 2023 \$	October 31, 2022 (Restated) \$	July 31, 2022 (Restated) \$
Operations								
Expenses	(863,745)	(660,617)	(582,552)	(313,950)	(1,048,182)	(489,432)	(860,062)	(685,569)
Other items	4,216	(25,311)	195,209	(8,442)	(187,421)	(147,703)	308,721	(190,659)
Comprehensive profit/(loss)	(859,529)	(685,928)	(387,343)	(322,392)	(1,235,603)	(637,135)	(551,341)	(876,228)
Basic Profit/(loss) per share	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)
Diluted profit/(loss) per share	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)
Financial Position								
Working capital	1,610,635	2,316,098	2,713,098	848,952	1,344,044	2,124,643	1,365,657	1,686,095
Total assets	24,991,481	26,003,943	25,387,449	23,584,544	24,181,654	24,845,430	23,832,418	24,827,062
Total non-current liabilities	(5,101,289)	(5,489,843)	(4,670,790)	(5,109,575)	(5,404,808)	(5,556,603)	(5,292,618)	(6,159,922)

Financial Condition / Capital Resources

During the three months ended April 30, 2024, the Company recorded a net loss of \$859,529 and, as of April 30, 2024, the Company had an accumulated deficit of \$48,395,757 and working capital of \$1,610,635. 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

European policy continues to move in a positive direction, providing a supportive backdrop for the development of projects in the company's portfolio.

On 18 March 2024, the European Council adopted the regulation to establish a framework to ensure a secure and sustainable supply of critical raw materials, known as the Critical Raw Materials Act (CRMA).

The CRMA introduces clear deadlines for permit procedures for EU extracting projects, allows the Commission and member states to recognise a project as strategic, requires supply-chain risk assessments, requires member states to have national exploration plans and ensures the EU's access to critical and strategic raw materials through ambitious benchmarks on extraction, processing, recycling and diversification of import sources.

The Critical Raw Materials Act, together with the Net Zero Industry Act and the Reform of the electricity market design, is one of the flagship legislative initiatives under the Green Deal Industrial Plan.

On 23 May 2024, a call for Strategic Projects as defined by the CRMA was opened. The CRMA designates strategic projects to increase EU capacity to extract, process and recycle strategic raw materials and diversify EU supplies from third countries. Strategic raw materials are crucial for the success of the green and digital transitions as well as the resilience of the defence and aerospace sectors.

Considering Norra Kärr, the company is reviewing the application process for Strategic Project designation and is motivated to apply in the inaugural round given Norra Kärr's potential importance in ensuring the security of the supply of HREE in Europe.

In Romania, the company plans to start drilling at Bihor Sud in the coming weeks, firstly targeting cobalt-nickel in G7 gallery, before moving onto G2 gallery for which we have high expectations; with the purpose of adding further high-grade drill intercepts and proving up the scale of mineralization. This work should generate strong newsflow in the coming months.

Norra Kärr Heavy Rare Earth Project

Norra Kärr, as one of the largest HREE deposits globally, and the most advanced one in the EU, has the potential to be a cornerstone supplier to Western magnet producers.

The Company is preparing a mining lease application (Exploitation Concession or Bearbetningskoncession, “BK”), including Environmental Impact Assessment (Miljökonsekvensbeskrivning, “MKB”); identifying opportunities to accelerate the timeline to submission.

The latest mining lease application is based on the new 2021 design of the project. The redesign has significantly reduced potential environmental impacts. For example, land usage has been reduced by approximately 65% with only mining and physical (non-chemical) concentration of mineralized ore taking place at the mine site. Downstream processing using chemicals will take place on an industrial site, which specifically permits and controls those activities.

On 3 May 2024, consultation commenced with the County Administrative Boards involved. This is an important part of the overall permitting process and the Company is looking forward to listening and responding to stakeholder views.

Woxna Graphite Mine

The Company is maintaining its Woxna graphite mine and plant on care and maintenance, while monitoring markets and considering a restart of graphite concentrate production, as the first step to developing a downstream anode business.

As European policy development seeks to create new regional supply chains and reduce dependency on China, this month, the US has announced 25% tariffs on imports of natural and synthetic graphite anodes from China, following last month's announcement 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]

Woxna is well-positioned to play a significant role in the production of natural flake graphite and the establishment of a European anode value chain.

Bihor Sud Nickel-Cobalt Exploration Project

High grade assays reported in October and December last year support our continuing belief in the polymetallic exploration prospectivity of Bihor Sud.

We are excited about the mineralization showing in G2, which opens a significantly larger mineralization extent than seen previously. The LEMR team believes we are just starting to discover the potential of G2. There was reportedly further mineralization encountered in the rear part of G2 and in respective transversals during historical exploration works, also of cobalt-nickel. The company is now preparing for reconnaissance trips to these areas as well, to be followed by systematic geological work to understand the full extent of this mineralized system, both for Zn-Pb-Ag+/-Cu, and for Co-Ni before drilling starts later in the year.

Financial Information

The report for three months ending July 31, 2024, is expected to be published on or about September 20, 2024.

**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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^[1]The 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>

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 six months ended April 30, 2024, and related management's discussion and analysis are available on the Company's website at www.leadingedgematerials.com or under its profile on SEDAR at www.sedar.com

The information was submitted for publication through the agency of the contact person set out above, on June 21, 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 Sicono. 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.