



# **LEADING EDGE MATERIALS CORP.**

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED  
APRIL 30, 2021

*(Unaudited - Expressed in Canadian Dollars)*

**NOTICE OF NO AUDITOR REVIEW OF  
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

**LEADING EDGE MATERIALS CORP.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**  
*(Unaudited - Expressed in Canadian Dollars)*

	Note	April 30, 2021 \$	October 31, 2020 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash		2,121,189	3,361,424
GST/VAT receivables		46,595	43,895
Amounts receivable	4	261,883	-
Prepaid expenses		62,841	55,775
Investments	5	1,537,278	74,143
Inventory		90,294	92,452
Plant stores and supplies		97,681	100,015
<b>Total current assets</b>		<b><u>4,217,761</u></b>	<b><u>3,727,704</u></b>
<b>Non-current assets</b>			
Exploration and evaluation assets	6	16,210,208	16,332,855
Property, plant and equipment	7	8,600,004	7,049,001
Reclamation deposit	8	105,960	108,492
<b>Total non-current assets</b>		<b><u>24,916,172</u></b>	<b><u>23,490,348</u></b>
<b>TOTAL ASSETS</b>		<b><u>29,133,933</u></b>	<b><u>27,218,052</u></b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		282,605	450,694
<b>Total current liabilities</b>		<b><u>282,605</u></b>	<b><u>450,694</u></b>
<b>Non-current liabilities</b>			
Provision for site restoration	8	8,039,324	6,458,606
Property acquisition obligation	6(a), 7	581,376	595,268
<b>Total non-current liabilities</b>		<b><u>8,620,700</u></b>	<b><u>7,053,874</u></b>
<b>TOTAL LIABILITIES</b>		<b><u>8,903,305</u></b>	<b><u>7,504,568</u></b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	9	56,386,871	56,291,523
Share issue costs		(2,872,173)	(2,872,173)
Share-based payments reserve	9(d)	6,187,686	6,187,686
Deficit		(39,471,756)	(39,893,552)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b><u>20,230,628</u></b>	<b><u>19,713,484</u></b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b><u>29,133,933</u></b>	<b><u>27,218,052</u></b>

**Nature of Operations and Going Concern** - Note 1

**Events after the Reporting Period** - Note 14

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on June 23, 2021 and are signed on its behalf by:

/s/ Eric Krafft  
Eric Krafft  
Director

/s/ Daniel Major  
Daniel Major  
Director

*The accompanying notes are an integral part of these condensed consolidated interim financial statements.*

**LEADING EDGE MATERIALS CORP.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
*(Unaudited - Expressed in Canadian Dollars)*

	Note s	Three Months Ended April 30,		Six Months Ended April 30,	
		2021 \$	2020 \$	2021 \$	2020 \$
<b>Expenses</b>					
Accounting and administration	10(b)	24,882	19,778	78,833	51,057
Accretion of provision for site restoration	8	7,891	1,942	15,782	3,884
Audit		14,755	8,953	63,141	48,953
Bank charges		485	642	1,767	1,788
Conferences		5,582	177	5,769	8,897
Corporate Development		19,412	6,576	53,484	17,200
Depreciation	7	6,886	6,136	13,933	12,463
Directors and officer's compensation	10(a)	106,016	58,500	215,680	117,000
Environmental		18,430	12,055	34,870	22,851
Fuel, electricity and utilities		31,939	19,014	58,129	45,534
General exploration		-	1,978	7,802	3,879
Insurance		4,536	4,460	9,219	10,421
Legal		22,624	1,174	30,181	7,536
Office		8,546	14,065	19,494	24,755
Plant maintenance		11,907	27,327	11,314	36,672
Plant supplies and consumables		8,182	7,114	14,470	12,047
Regulatory		23,326	40,240	49,961	68,629
Research and development		37,301	4,632	240,001	22,160
Salaries, compensation and benefits		92,719	79,321	170,231	144,095
Shareholder costs		9,025	9,673	17,000	21,422
Transfer agent		29,051	3,800	37,061	12,315
Travel		-	10,052	47	19,981
		<u>483,495</u>	<u>337,609</u>	<u>1,148,169</u>	<u>713,539</u>
<b>Loss before other items</b>		<u>(483,495)</u>	<u>(337,609)</u>	<u>(1,148,169)</u>	<u>(713,539)</u>
<b>Other items</b>					
Interest income		3,695	2,219	9,119	7,364
Other Income		20,572	-	22,178	-
Foreign exchange		77,045	5,324	66,413	(31,195)
Gain on sale of property		1,472,255		1,472,255	
Gain on disposal of capital assets		-	12,644	-	12,644
		<u>1,573,567</u>	<u>20,187</u>	<u>1,569,965</u>	<u>(11,187)</u>
<b>Net Profit (Loss) and comprehensive loss</b>		<u>1,090,072</u>	<u>(317,422)</u>	<u>421,796</u>	<u>(724,726)</u>
<b>Profit (Loss) per share -</b>					
Basic		\$0.01	(\$0.00)	\$0.00	(\$0.01)
Diluted		<u>\$0.01</u>	<u>(\$0.00)</u>	<u>\$0.00</u>	<u>(\$0.01)</u>
<b>Weighted average number of common shares outstanding</b>					
Basic		146,944,770	113,667,391	146,833,404	107,867,391
Diluted		<u>172,266,784</u>	<u>113,667,391</u>	<u>174,180,439</u>	<u>107,867,391</u>

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

**LEADING EDGE MATERIALS CORP.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
*(Unaudited - Expressed in Canadian Dollars)*

**Six Months Ended April 30, 2021**

	Share Capital		Share-Based Payments Reserve \$	Deficit \$	Total Equity \$
	Number of Shares	Amount \$			
<b>Balance at October 31, 2020</b>	<b>146,467,391</b>	<b>53,419,350</b>	<b>6,187,686</b>	<b>(39,893,552)</b>	<b>19,713,484</b>
Common shares issued for:					
Options Exercised	493,109	95,348	-	-	95,348
Net profit (loss) for the period	-	-	-	421,796	421,796
<b>Balance at April 30, 2021</b>	<b>146,960,500</b>	<b>53,514,698</b>	<b>6,187,686</b>	<b>(39,471,756)</b>	<b>20,230,628</b>

**Six Months Ended April 30, 2020**

	Share Capital		Share-Based Payments Reserve \$	Deficit \$	Total Equity \$
	Number of Shares	Amount \$			
<b>Balance at October 31, 2019</b>	<b>95,667,391</b>	<b>48,874,669</b>	<b>5,837,686</b>	<b>(38,171,731)</b>	<b>16,540,624</b>
Common shares issued for:					
Private placement	18,000,000	1,008,000	-	-	1,008,000
Share issue costs	-	(37,342)	-	-	(37,342)
Net loss for the period	-	-	-	(724,726)	(724,726)
<b>Balance at April 30, 2020</b>	<b>113,667,391</b>	<b>49,845,327</b>	<b>5,837,686</b>	<b>(38,896,457)</b>	<b>16,786,556</b>

*The accompanying notes are an integral part of these condensed consolidated interim financial statements.*

**LEADING EDGE MATERIALS CORP.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
*(Unaudited - Expressed in Canadian Dollars)*

	<b>Six Months Ended</b>	
	<b>April 30,</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Operating activities</b>		
Net Profit (Loss) for the period	421,796	(724,726)
Adjustments for:		
Accretion of provision for site restoration	15,782	3,884
Depreciation	13,933	12,463
Foreign exchange	(6,867)	18,224
Gain on disposal of property	(1,472,255)	(12,644)
Changes in non-cash working capital items:		
Amounts receivable	(4,604)	(790)
GST/VAT receivables	(2,699)	170
Prepaid expenses and other	(66,661)	(1,537)
Accounts payable and accrued liabilities	(168,091)	(99,239)
<b>Net cash used in operating activities</b>	<u>(1,269,666)</u>	<u>(804,195)</u>
<b>Investing activity</b>		
Additions to property, plant and equipment	-	(2,590)
Proceeds on disposal of property	250,000	12,644
Expenditures on exploration and evaluation assets	(315,917)	(22,139)
<b>Net cash used in investing activity</b>	<u>(65,917)</u>	<u>(12,085)</u>
<b>Financing activities</b>		
Issuance of common shares	95,348	1,008,000
Share issue costs	-	(37,342)
<b>Net cash provided by financing activities</b>	<u>95,348</u>	<u>970,658</u>
<b>Net change in cash</b>	(1,240,235)	154,378
<b>Cash at beginning of period</b>	<u>3,361,424</u>	<u>395,609</u>
<b>Cash at end of period</b>	<u>2,121,189</u>	<u>549,987</u>

**Supplemental cash flow information** - See Note 12

*The accompanying notes are an integral part of these condensed consolidated interim financial statements.*

**LEADING EDGE MATERIALS CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED APRIL 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

**1. Nature of Operations and Going Concern**

The Company is a Canadian public company primarily focussed on developing a portfolio of critical raw material projects located in the European Union. The portfolio of projects includes the 100% owned Woxna Graphite mine (Sweden), Norra Kärr HREE project (Sweden) and the 51% owned Bihor Sud Nickel Cobalt exploration alliance (Romania). The Company's common shares trade on the TSX Venture Exchange (the "TSXV") under the symbol "LEM", on the OTCQB under the symbol "LEMIF" and on NASDAQ First North under the symbol "LEMSE". The Company's principal office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7.

During the six months ended April 30, 2021 the Company recorded a net profit of \$421,796 and, as at April 30, 2021, the Company had an accumulated deficit of \$39,471,756 and working capital of \$3,935,156. For the Woxna Graphite Mine the Company maintains ongoing research and development to produce higher specialty products such as high purity graphite for battery and other specialty end uses. The Company is maintaining its Woxna Graphite Mine on a "production-ready" basis to minimize costs whilst such development work is ongoing. For the Norra Kärr HREE project the Company's main focus is progressing the ongoing mining lease application process and development work to increase resource efficiency and minimize local environmental footprint for the project. Finally, for the Bihor Sud exploration alliance the Company is awaiting the conclusion of the current legal proceedings to which the Company is not a party and subsequent adjudication of its lodged exploration license application. 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 recommence operations at the Woxna Graphite Mine and/or modernize the plant to produce value added production, to fund future development of the Norra Kärr Property and complete the tendering process and, if successful, 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.

These condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") appropriate for a going concern. The going concern basis of accounting assumes the Company will continue to realize the value of its assets and discharge its liabilities and other obligations in the ordinary course of business. Should the Company be required to realize the value of its assets in other than the ordinary course of business, the net realizable value of its assets may be materially less than the amounts shown in the consolidated financial statements. These condensed consolidated interim financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that may be necessary should the Company be unable to repay its liabilities and meet its other obligations in the ordinary course of business or continue operations.

**2. Basis of Preparation**

***Statement of Compliance***

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"), and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended October 31, 2020, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies followed in these condensed consolidated interim financial statements are consistent with those applied in the Company's consolidated financial statements for the year ended October 31, 2020.

**LEADING EDGE MATERIALS CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED APRIL 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

**2. Basis of Preparation** (continued)

***Basis of Measurement***

The Company's condensed consolidated interim financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value. The condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise noted.

**3. Subsidiaries**

The subsidiaries of the Company are as follows:

<b><u>Company</u></b>	<b><u>Location of Incorporation</u></b>	<b><u>Ownership Interest</u></b>
Flinders Holdings Limited ("Flinders Holdings")	British Columbia	100%
Woxna Graphite AB ("Woxna")	Sweden	100%
Tasman Metals Ltd.	British Columbia	100%
GREENNA Mineral AB (Formerly "Tasman Metals AB")	Sweden	100%
Acp Akku Oy	Finland	100%
LEM Resources SRL ("LEM Romania")	Romania	51%

**4. Amounts Receivable**

The amounts receivable of the Company are as follows:

<b>Particulars</b>	<b>April 30, 2021 \$</b>	<b>October 31, 2020 \$</b>
Cash consideration receivable	250,000	-
Other receivable	11,883	-
<b>Total</b>	<b><u>261,883</u></b>	<b><u>-</u></b>

The cash consideration is due to be received on October 29, 2021, as a part of total consideration received against sale of Bergby project (see note 6(c)).

**5. Investments**

Investments made by the company are as follows:

<b>Particulars</b>	<b>April 30, 2021 \$</b>	<b>October 31, 2020 \$</b>
Shares in United Lithium Corp.	1,031,864	-
Warrants in United Lithium Corp.	371,675	-
Other investments	133,739	74,143
<b>Total</b>	<b><u>1,537,278</u></b>	<b><u>74,143</u></b>

The investment in United Lithium Corp will be revalued with level 1 input at each reporting period.



**LEADING EDGE MATERIALS CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED APRIL 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

**6. Exploration and Evaluation Assets**

	As at April 30, 2021			As at October 31, 2020		
	Acquisition Costs	Deferred Exploration Costs	Total	Acquisition Costs	Deferred Exploration Costs	Total
	\$	\$	\$	\$	\$	\$
Graphite Concessions	10,081	4,706	14,787	10,081	4,706	14,787
Norra Kärr	15,402,622	792,799	16,195,421	15,402,622	489,895	15,892,517
Bergby	-	-	-	66,579	358,972	425,551
	<b>15,479,282</b>	<b>769,610</b>	<b>16,210,208</b>	<b>15,479,282</b>	<b>853,573</b>	<b>16,332,855</b>

	Graphite concessions	Norra Kärr	Bergby	Total
	\$	\$	\$	\$
<b>Balance at October 31, 2019</b>	<b>14,787</b>	<b>15,798,665</b>	<b>413,269</b>	<b>16,226,721</b>
<b>Exploration costs</b>				
Geological	-	6,102	436	6,538
Permitting	-	10,339	-	10,339
Preliminary economic assessment	-	77,411	-	77,411
	-	<b>93,852</b>	<b>436</b>	<b>94,288</b>
<b>Acquisition costs</b>				
Mining rights	-	-	11,846	11,846
Recovery	-	-	-	-
	-	-	<b>11,846</b>	<b>11,846</b>
<b>Balance at October 31, 2020</b>	<b>14,787</b>	<b>15,892,517</b>	<b>425,551</b>	<b>16,332,855</b>
<b>Exploration costs</b>				
Permitting	-	18,331	10,300	28,558
Geological	-	-	2,786	2,786
Preliminary economic assessment	-	284,573	-	284,573
<b>Sale of property</b>			(438,564)	(438,564)
<b>Balance at April 30, 2021</b>	<b>14,787</b>	<b>16,195,421</b>	<b>-</b>	<b>16,210,208</b>

(a) *Graphite Concessions*

Through Woxna, the Company holds a 100% interest in the Woxna Graphite Mine, comprising four concessions, known as Kringelgruvan, Mattsmyra, Gropabo and Mansberg. The Woxna Graphite Mine is located in Ovanaker Municipality, Gavleborg County, central Sweden.

In 1993 Woxna entered into agreements under which it acquired:

- (i) the Kringelgruvan concession for an initial payment of SEK 150,000 and a further payment of SEK 4,000,000 (the "Property Acquisition Obligation"); and
- (ii) the Mattsmyra, Gropabo and Mansberg concessions (the "Graphite Concessions") for an initial payment of SEK 32,500 and a further payment of SEK 1,000,000 on each of the three concessions (the "Additional Consideration").

**LEADING EDGE MATERIALS CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED APRIL 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

**6. Exploration and Evaluation Assets (continued)**

Payment of the Property Acquisition Obligation and the Additional Consideration is to be made to a Swedish governmental agency and will be based on annual production, at a rate of SEK 20 per metric ton processed and is payable only once accumulated profits have been generated from the individual concessions. No production has commenced on the Mattsmyra, Gropabo and Mansberg concessions and the additional payments are considered to be contingent amounts and will only be recognized as obligations when production commences on these concessions.

During fiscal 2014 the technical feasibility and commercial viability of the Kringelgruvan concession and the Woxna Graphite Mine was demonstrated, transitioning the Kringelgruvan concession to the development stage of mining. Accordingly the costs of the exploration and evaluation assets attributed to the Kringelgruvan concession and the Woxna Graphite Mine were reclassified to property, plant and equipment. See also Note 7.

(b) *Norra Kärr*

The Norra Kärr Property consists of an exploration license, valid until August 31, 2025, and a mining lease reapplication, located in south-central Sweden. The exploration license and the mining lease application have been subject to ongoing legal opposition and appeals. In June 2020 the Company received confirmation from the Mining Inspectorate of Sweden that the exploration license was extended to August 31, 2025. The extension decision is under appeal. The Company believes that it will continue to be successful in defending its tenure over the Norra Kärr Property. In May 2021, the Norra Kärr Mining lease application was rejected by the Mining Inspectorate of Sweden, subsequently the company has made an appeal against this decision to the Government of Sweden.

(c) *Bergby*

The Bergby Project consists of three exploration permits, Bergby 1, 2 and 3 located in central Sweden. Bergby 1 expires June 16, 2022 and Bergby 2 and 3 expire December 7, 2022. On April 29, 2021, the company completed the sale to United Lithium Corp. (ULTH) of 100% of the issued and outstanding share capital of Bergby Lithium AB. In consideration for the shares of Bergby, the Company's wholly owned subsidiary, GREENNA Mineral AB as the owner of the Bergby shares, received from ULTH:

- CAD 250,000 in cash;
- 1,031,864 common shares in the capital of ULTH.
- 400,000 common share purchase warrants, with each Warrant entitling Tasman Metals to acquire, for a period of 36 months from the closing date of the Transaction, one common share in the capital of ULTH. at an exercise price equal to approximately CAD 0.485; and
- a 2% net smelter returns royalty on the Project, which is subject to a buyback right in favor of ULTH, exercisable for CAD 1,000,000.

The ULTH Shares are escrowed and will be released over a 20-month period. ULTH shall also pay an additional CAD 250,000 in cash on October 29, 2021.

(d) *Romania Permit Applications*

In fiscal 2017 the Company and REMAT Group Management SRL ("REMAT") agreed to pursue the investigation and initiate a prospecting permit application over the Bihor area of Romania. REMAT proceeded to incorporate LEM Resources SRL ("LEM Romania") in fiscal 2017. LEM Romania successfully applied for a non-exclusive prospecting permit (the "Permit") over 25.5 square kilometers in the Bihor area. On August 9, 2018, the Company and REMAT completed a share purchase agreement (the "Share Purchase Agreement") and executed a shareholders' joint venture agreement whereby the Company acquired an initial 51% ownership interest (the "Initial Interest") in LEM Romania, by issuing 367,006 common shares of the Company at a fair value of \$165,152. As LEM Romania had no assets or liabilities at the time of acquisition of the initial interest, the Company has recorded the initial consideration as general exploration expenses. The permitting process for an exclusive exploration license for the area

**LEADING EDGE MATERIALS CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED APRIL 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

**6. Exploration and Evaluation Assets (continued)**

is ongoing and only once such exclusive license is obtained will costs be capitalized. Until such time all costs will be expensed.

The Company can acquire an additional 39% interest in LEM Romania (for an aggregate 90% interest) by issuing up to an additional 2,202,036 common shares, as follows:

- (i) 550,509 common shares following the granting of an exploration license;
- (ii) 734,012 common shares on completion of a National Instrument 43-101 compliant resource estimate (the "Resource Estimate"); and
- (iii) 917,515 common shares on completion of a feasibility study.

The Company was required to fund all exploration expenditures and was required to incur a minimum of EUR 150,000 on exploration expenditures by April 26, 2020, which has been met. The Company is also required to issue up to 8,074,136 common shares (the "Bonus Shares"), which will be based on certain historic resource estimates and the Resource Estimate. A finder's fee of 5% (the "Finder's Fee") will be paid in stages, concurrently with the issuance of common shares under the Share Purchase Agreement. On August 9, 2018 the Company issued 18,350 common shares, at a fair value of \$8,258 for the initial Finder's Fee. The initial Finder's Fee consideration was also recorded as general exploration expenses.

**7. Property, Plant and Equipment**

<b>Cost:</b>	<b>Vehicles \$</b>	<b>Equipment and Tools \$</b>	<b>Building \$</b>	<b>Manufacturing and Processing Facility \$</b>	<b>Mineral Property Acquisition and Development Costs \$</b>	<b>Total \$</b>
Balance at October 31, 2019	<b>81,147</b>	<b>287,018</b>	<b>344,139</b>	<b>7,567,878</b>	<b>8,835,639</b>	<b>17,115,821</b>
Addition	-	-	-	-	2,591	2,591
Adjustment to site restoration	-	-	-	-	(714,302)	(714,302)
Disposal	(65,053)	-	-	-	-	(65,053)
Balance at October 31, 2020	<b>16,094</b>	<b>287,018</b>	<b>344,139</b>	<b>7,567,878</b>	<b>8,123,928</b>	<b>16,339,057</b>
Adjustment to site restoration	-	-	-	-	1,564,936	1,564,936
Balance at April 30, 2021	<b>16,094</b>	<b>287,018</b>	<b>344,139</b>	<b>7,567,878</b>	<b>9,688,864</b>	<b>17,903,993</b>
<b>Accumulated Depreciation and Impairment:</b>						
Balance at October 31, 2019	<b>(66,889)</b>	<b>(260,272)</b>	<b>(93,506)</b>	<b>(3,910,218)</b>	<b>(5,000,000)</b>	<b>(9,330,885)</b>
Depreciation	(770)	(1,445)	(22,009)	-	-	(24,224)
Disposal	65,053	-	-	-	-	65,053
Balance at October 31, 2020	<b>(2,606)</b>	<b>(261,717)</b>	<b>(115,515)</b>	<b>(3,910,218)</b>	<b>(5,000,000)</b>	<b>(9,290,056)</b>
Depreciation	(443)	(830)	(12,660)	-	-	(13,933)
Balance at April 30, 2021	<b>(3,049)</b>	<b>(262,547)</b>	<b>(128,175)</b>	<b>(3,910,218)</b>	<b>(5,000,000)</b>	<b>(9,303,989)</b>
<b>Carrying Value:</b>						
Balance at October 31, 2020	<b>13,488</b>	<b>25,301</b>	<b>228,624</b>	<b>3,657,660</b>	<b>3,123,928</b>	<b>7,049,001</b>
Balance at April 30, 2021	<b>13,045</b>	<b>24,471</b>	<b>215,964</b>	<b>3,657,660</b>	<b>4,688,864</b>	<b>8,600,004</b>

**LEADING EDGE MATERIALS CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED APRIL 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

**7. Property, Plant and Equipment** (continued)

During fiscal 2014 technical feasibility and commercial viability of the extraction of mineral resources at the Woxna Graphite Mine was demonstrated, transitioning the Company to the development stage of mining. Upon the transition, costs on the exploration and evaluation assets attributed to the mine were reclassified to property, plant and equipment. On August 1, 2015, the refurbishment and commissioning of the Woxna Graphite Mine was completed.

During fiscal 2019 management assessed whether there were any indications of impairment of the Company's property, plant and equipment as required by IAS 36. In light of the continued suspension of the operations of the Woxna Graphite Mine, large net loss and the low trading value of the Company's common shares, management concluded there were indications of impairment.

When indications of impairment are determined to be present, IAS 36 requires the Company to estimate the recoverable amount of the Company's property, plant and equipment. The Company does not have sufficient verifiable information to prepare adequately detailed and meaningful calculations of fair value less costs of disposal or value in use. Therefore, the Company applied a value in use method that takes into account the Company's financial position and results of operations and operational issues among other factors in determining an estimated recoverable amount. This method indicated that an impairment provision of \$8,800,000 was appropriate in fiscal 2019.

As at April 30, 2021 the Company has recognized \$581,376 (October 31, 2020 - \$595,268) for the Property Acquisition Obligation associated with the Kringelgruvan concession, as described in Note 6(a)(i).

**8. Provision for Site Restoration**

Although the ultimate amount of the decommissioning obligation for the Kringelgruvan concession is uncertain, the fair value of this obligation is based on information currently available. Significant closure activities include land rehabilitation, demolition of buildings and mine facilities and other costs. The provision for site restoration may be subject to change based on management's current estimates, changes in remediation technology or changes to the applicable laws and regulations. The total undiscounted amount of estimated cash flows to settle the Company's risk adjusted estimated obligation is SEK 40,000,000 and is expected to be incurred in 2041.

The fair value of the decommissioning obligation was calculated using a discounted cash flow approach based on a risk free rate of 0.4% (2020 - 0%) and an inflation factor of 2.0% (2020 - 0.3%). Settlement of the obligation is expected to be funded from general corporate funds at the time of decommissioning. Changes to the decommissioning obligation were as follows:

	<b>\$</b>
<b>Balance at October 31, 2019</b>	<b>7,165,140</b>
Accretion	7,768
Revision of estimates	(1,450,913)
Foreign exchange adjustment	736,611
<b>Balance at October 31, 2020</b>	<b>6,458,606</b>
Accretion	15,782
Revision of estimates	1,712,876
Foreign exchange adjustment	(147,940)
<b>Balance at April 30, 2021</b>	<b><u>8,039,324</u></b>

As at April 30, 2021 reclamation deposits totaling \$105,960 (October 31, 2020 - \$108,492) have been paid. The reclamation deposits were placed as security for site restoration on the Kringelgruvan concession and on certain exploration and evaluation assets.

As at April 30, 2021 the Mattsmyra, Gropabo and Mansberg concessions remain undeveloped and there are no property restoration obligations relating to these concessions.

**LEADING EDGE MATERIALS CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED APRIL 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

**9. Share Capital**

(a) **Authorized Share Capital**

The Company's authorized share capital consists of an unlimited number of common shares without par value. All issued common shares are fully paid.

(b) **Equity Financings**

*Six Months Ended April 30, 2021*

During the period ended 30<sup>th</sup> April 2021, 493,109 options were exercised at a price of \$0.19 per share for gross proceeds of \$95,348.

*Fiscal 2020*

- i. On December 30, 2019, the Company completed a private placement financing of 18,000,000 units at a price of \$0.056 per unit for gross proceeds of \$1,008,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant is exercisable by the holder to acquire one additional common share, an exercise price of \$0.10 per share, expiring December 30, 2023. A significant minority shareholder of the Company acquired 13,000,000 units of the private placement.
- ii. On August 7, 2020, the Company completed a non-brokered private placement and issued 32,000,000 units at a price of \$0.11 per unit for gross proceeds of \$3,520,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant is exercisable by the holder to acquire one additional common share of the Company at an exercise price of \$0.20 per share, expiring on August 7, 2024. Directors and officers of the Company acquired a total of 27,770,000 units of the private placement.
- iii. In addition, the Company issued 800,000 common shares on the exercise of warrants for \$80,000. The net proceeds from these financings and warrant exercises have been designated to maintain the Company's projects in Sweden and Romania and for general working capital and corporate purposes.

(c) **Warrants**

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at April 30, 2021 and 2020 and the changes for the six months ended on those dates is as follows:

	2021		2020	
	Number	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Balance beginning of period	55,277,855	0.19	13,764,595	0.58
Issued	-	-	18,000,000	0.10
Expired	-	-	(4,010,376)	0.70
Balance end of period	<b>55,277,855</b>	0.19	<b>27,754,219</b>	0.25

**LEADING EDGE MATERIALS CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED APRIL 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

**9. Share Capital** (continued)

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding and exercisable at April 30, 2021:

Number	Exercise Price \$	Expiry Date
6,027,855	0.37	November 21, 2021
17,200,000	0.10	December 30, 2023
<u>32,000,000</u>	0.20	August 7, 2024
<b><u>55,277,855</u></b>		

(d) **Share Option Plan**

The Company has established a rolling share option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of up to five years.

No share options were granted during the six months ended April 30, 2021.

During the six months ended April 30, 2021, 493,109 options were exercised at a price of \$0.19 per share for gross proceeds of \$95,348.

Option-pricing models require the use of estimates and assumptions including the expected volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide reliable measure of the fair value of the Company's share options.

A summary of the Company's share options at April 30, 2021 and 2020 and the changes for the six months ended on those dates is as follows:

	2021		2020	
	Number of Options Outstanding	Weighted Average Exercise Price \$	Number of Options Outstanding	Weighted Average Exercise Price \$
Balance beginning of period	10,008,109	0.34	7,163,109	0.44
Exercised	<u>(493,109)</u>	0.19	<u>-</u>	-
Balance end of period	<b><u>9,515,000</u></b>	0.34	<b><u>7,163,109</u></b>	0.44

**LEADING EDGE MATERIALS CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED APRIL 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

**9. Share Capital** (continued)

The following table summarizes information about the share options outstanding and exercisable at April 30, 2021:

Number	Exercise Price \$	Expiry Date
3,465,000	0.39	October 14, 2021
600,000	0.225	May 30, 2022
1,900,000	0.64	November 2, 2022
3,400,000	0.155	August 11, 2023
150,000	0.33	August 14, 2023
<u>9,515,000</u>		

**10. Related Party Disclosures**

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and its executive officers.

- (a) During the six months ended April 30, 2021 and 2020 the following compensation was incurred:

	2021 \$	2020 \$
Directors and officer's compensation (current and former)	<u>215,680</u>	<u>117,000</u>

As at April 30, 2021 \$15,188 (October 31, 2020 - \$65,858) remained unpaid and has been included in accounts payable and accrued liabilities.

- (b) SKS Business Services Ltd., a private corporation owned by Sanjay Swarup (appointed as Chief Financial Officer ("CFO") of the Company on March 1, 2021), provides accounting and administrative services. During the six months ended April 30, 2021, the Company incurred \$20,503 (2020 - \$NIL) for accounting services by SKS Business Services.

Chase Management Ltd. ("Chase"), a private corporation owned by the Former Chief Financial Officer ("CFO") of the Company, provides accounting and administrative services. During the six months ended April 30, 2021 the Company incurred \$36,099 (2020 - \$33,550) for services provided by Chase personnel, exclusive of the CFO, and \$1,675 (2020 - \$2,010) for rent. As at April, 2021 \$1,813.85 (October 31, 2020 - \$5,835) remained unpaid and has been included in accounts payable and accrued liabilities.

**LEADING EDGE MATERIALS CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED APRIL 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

**11. Financial Instruments and Risk Management**

***Categories of Financial Assets and Financial Liabilities***

Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"); amortized cost; fair value through other comprehensive income ("FVOCI"). The carrying values of the Company's financial instruments are classified into the following categories:

<b>Financial Instrument</b>	<b>Category</b>	<b>April 30, 2021 \$</b>	<b>October 31, 2020 \$</b>
Cash	FVTPL	2,121,189	3,361,424
Amounts receivable	amortized cost	261,883	-
Reclamation deposit	amortized cost	105,960	108,492
Investments	FVTPL	1,537,278	74,143
Accounts payable and accrued liabilities	amortized cost	(282,605)	(450,694)
Property acquisition obligation	amortized cost	(581,376)	(595,268)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for amounts receivable and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The recorded amounts for the reclamation deposit and property acquisition obligation approximate their fair value. The Company's fair value of cash under the fair value hierarchy is measured using Level 1.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

*Credit Risk*

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, amounts receivable and reclamation deposit. Management believes that the credit risk concentration with respect to financial instruments included in cash, amounts receivable and reclamation deposit is remote.

*Liquidity Risk*

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. The following table is based on the contractual maturity dates of financial assets and liabilities and the earliest date on which the Company can be required to settle financial liabilities.



**LEADING EDGE MATERIALS CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED APRIL 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

**11. Financial Instruments and Risk Management** (continued)

**Contractual Maturity Analysis at April 30, 2021**

	Carrying Amount \$	Contractual Cash Flows \$	Less than 3 Months \$	1 - 5 Years \$	Over 5 Years \$
Cash	2,121,189	2,121,189	2,121,189	-	-
Amounts receivable	261,883	261,883	-	261,883	-
Reclamation deposit	105,960	105,960	-	-	105,960
Investments	1,537,278	1,537,278	-	1,537,278	-
Accounts payable and accrued liabilities	(282,605)	(282,605)	(282,605)	-	-
Property acquisition obligation	(581,376)	(581,376)	-	(581,376)	-

*Market Risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

*Interest Rate Risk*

The Company is exposed to interest rate risk to the extent that the cash bear floating rates of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

*Foreign Currency Risk*

The Company's functional currency is the Canadian Dollar and major transactions are transacted in Canadian Dollars and Swedish Krona ("SEK"). The Company maintains SEK bank accounts in Sweden to support the cash needs of its foreign operations. Management believes the foreign exchange risk related to currency conversions is minimal and therefore does not hedge its foreign exchange risk. At April 30, 2021, 1 Canadian Dollar was equal to 6.83 SEK as per Swedish Central Bank.

Balances are as follows:

	SEK	CDN \$ Equivalent
Cash	3,093,730	452,962
VAT receivable	1,919,722	281,072
Inventories	616,708	90,294
Plant stores and supplies	667,161	97,681
Reclamation deposit	723,707	105,960
Accounts payable and accrued liabilities	(1,194,615)	(174,907)
Property acquisition obligation	<u>(4,000,000)</u>	<u>(581,376)</u>
	<u>1,826,413</u>	<u>271,686</u>

Based on the net exposures as of April 30, 2021 and assuming that all other variables remain constant, a 10% fluctuation of the Canadian Dollar against the SEK would result in the Company's net loss being approximately \$187,000 higher or lower.

**LEADING EDGE MATERIALS CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED APRIL 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

**11. Financial Instruments and Risk Management (continued)**

*Capital Management*

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain development of the business. The Company defines capital that it manages as share capital and cash. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

**12. Supplemental Cash Flow Information**

During the six months ended April 30, 2021 and 2020 non-cash activities were conducted by the Company as follows:

	2021 \$	2020 \$
Operating activity		
Provision for site restoration	1,564,936	(289,366)
Investing activity		
Revisions of estimates on property, plant and equipment	(1,564,936)	289,366

**13. Segmented Information**

The Company is involved in the exploration and development of resource properties in Sweden with corporate operations in Canada and accordingly, has no reportable segment revenues or operating results. The Company's total assets are segmented geographically as follows:

	<b>As at April 30, 2021</b>			
	Corporate Canada \$	Mineral Operations Sweden \$	Mineral Operations Romania \$	Total \$
Current assets	2,219,960	960,800	8,766	3,189,527
Exploration and evaluation assets	-	16,210,108	-	16,210,208
Property, plant and equipment	-	8,600,004	-	8,600,004
Reclamation deposit	-	105,960	-	105,960
	<u>2,219,960</u>	<u>25,876,972</u>	<u>8,766</u>	<u>28,105,699</u>

**LEADING EDGE MATERIALS CORP.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED APRIL 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

**13. Segmented Information** (continued)

	<b>As at October 31, 2020</b>			<b>Total</b>
	<b>Corporate Canada</b>	<b>Mineral Operations Sweden</b>	<b>Mineral Operations Romania</b>	
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Current assets	3,307,444	419,740	520	3,727,704
Exploration and evaluation assets	-	16,332,855	-	16,332,855
Property, plant and equipment	-	7,049,001	-	7,049,001
Reclamation deposit	-	108,492	-	108,492
	<u>3,307,444</u>	<u>23,910,088</u>	<u>520</u>	<u>27,218,052</u>

**14. Events after the Reporting Period**

- a) In May 2021, the Norra Karr Mining lease application was rejected by the Mining Inspectorate of Sweden, subsequently the company has made an appeal against this decision to the Government of Sweden.
- b) On June 9, 2021, the Company announced robust preliminary economic assessment results for its Woxna graphite anode project.
- c) On June 21, 2021, the Company announced preliminary life cycle assessment results on the Woxna Graphite project demonstrating a potential 90% lower carbon footprint compared with currently dominating Chinese supply alternatives.
- d) The company changed the name of its subsidiary from Tasman Metals AB to GREENNA Mineral AB.
- e) The company has filed the documents for dissolution of its subsidiary ACP Akku Oy.



# LEADING EDGE MATERIALS CORP.

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE SIX MONTHS ENDED APRIL 30, 2021

This discussion and analysis of financial position and results of operation is prepared as at June 23, 2021 and should be read in conjunction with the unaudited condensed consolidated interim financial statements for the six months ended April 30, 2021 of Leading Edge Materials Corp. ("Leading Edge Materials" or the "Company"). The following disclosure and associated financial statements are presented in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

### Forward Looking Statements

Certain information in this MD&A 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. On June 9, 2021, Leading Edge announced the results of an independent preliminary economic assessment for the development of Woxna (the "2021 PEA"), the full details of which will be included in a technical report which will be available on Leading Edge's website and under its SEDAR profile on or before July 23, 2021. The 2021 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. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, socio-political, marketing or other relevant issues, and dealings with non-governmental organizations. 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.

## COVID-19

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.

## Corporate Overview

The Company was incorporated on October 27, 2010, under the *Business Corporations Act* (British Columbia) as Tasex Capital Limited. The Company's common shares began trading on the TSX Venture Exchange (the “TSXV”) as a capital pool company on June 10, 2011. On February 22, 2012, the Company completed the acquisition of the Woxna Project and changed its name to Flinders Resources Limited. On August 25, 2016, the Company completed the acquisition of Tasman Metals Ltd. (“Tasman”) and changed its name to Leading Edge Materials Corp. The Company's common shares trade on the TSXV as a Tier 1 mining issuer under the symbol “LEM”, on the OTCQB under the symbol “LEMIF” and on the Nasdaq First North, trading under the symbol “LEMSE”. The Company's principal office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7. The Company's strategy is 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 Kärr HREE project (Sweden) and the 51% owned Bihor Sud Nickel Cobalt exploration alliance (Romania).

As at the date of this MD&A the Board of Directors and Officers of the Company are:

Filip Kozlowski	- CEO
Nick DeMare	- Corporate Secretary
Sanjay Swarup	- CFO
Lars-Eric Johansson	- Director and Non-Executive Chairman
Eric Krafft	- Director
Daniel Major	- Director

## Highlights During and After the Quarter

During the three months ended April 30, 2021, the Company:

- Appointed Mr. Sanjay Swarup as new Chief Financial Officer on March 1, 2021
- Held its Annual General Meeting of Shareholders on April 21, 2021, where shareholders voted in favour of setting the number of directors at three and for the re-election of all director nominees. In addition, shareholders also approved the ratification of the Company's 10% rolling stock option plan and the appointment of D&H Group LLP, Chartered Professional Accountants, as the auditors of the Company for the ensuing year and the authorization for the directors of the Company to fix their remuneration.
- On April 29, 2021, the company completed the sale to United Lithium Corp. (ULTH) of 100% of the issued and outstanding share capital of Bergby Lithium AB

Subsequent to April 30, 2021, the Company:

- On May 5, 2021, the Mining Inspectorate of Sweden decided to reject the mining lease application for the Norra Karr project. The Company subsequently appealed this decision to the Government of Sweden.
- The Company announced on June 9, 2021, positive preliminary economic assessment results for its Woxna graphite anode project with US\$317/US\$248 million pre/post-tax NPV and 42.9%/37.4% pre/post-tax IRR.
- On June 21, 2021, the Company announced preliminary life cycle assessment results on the Woxna Graphite project demonstrating potential 90% lower carbon footprint compared with currently dominating Chinese supply alternatives.
- The company changed the name of its subsidiary from Tasman Metals AB to GRENNA Mineral AB.
- The company has filed the documents for dissolution of its subsidiary ACP Akku Oy.

## **Outlook**

The Company's projects are linked to disruptive high growth industrial applications such as electromobility, renewable energy and energy storage that underpin the transition to a sustainable society. The fundamental drivers behind the Company's strategy continue to show positive momentum. G7 leaders after their latest summit published a shared agenda outlining a commitment to a "green revolution" with the objective to cap the rise in global temperatures to 1.5°C and promising to reach net-zero carbon emissions by 2050 and halve emissions by 2030. On an EU level Commissioner Thierry Breton in a recent speech called on member states to identify critical raw material mining, processing and waste valorisation projects that can be operational by 2025, specifically mentioning critical raw materials like rare earths and natural graphite. The Commissioner further emphasized the economic, geopolitical, and moral reasons why sustainable mining in the EU should be developed.

The planned production capacity of lithium-ion batteries in Europe is continuously expanding. Examples like Northvolt's recent capital raise of US\$2.75bn to increase planned capacity at its Swedish battery factory from 40GWh to 60GWh, and subsequent announcement of an additional joint battery factory together with Volvo Cars for 50GWh shows the expected demand growth in Europe. In parallel an emerging theme is developing with a noteworthy potential misallocation of capital investment across the battery value chain. The planned capacity and associated capital investments in the downstream parts of the value chain has led to a point where expected future demand is close to being met. However, the situation is the complete opposite when looking at some of the upstream parts of the value chain where graphite and anode materials stand out as becoming the biggest supply gap. These raw materials need to come from somewhere in order for the battery factories to meet their production targets, and European supply alternatives would be a more resilient and sustainable solution.

We have demonstrated the potential viability and associated economic potential of our Woxna Graphite anode project through the recent release of the results from a preliminary economic assessment ("PEA"). The positive PEA results were subsequently complemented with the preliminary life cycle assessment results for the project showing a potential 90% reduction of carbon footprint when compared with current Chinese supply alternatives that dominate the market.

The upcoming finalization of the PEA for Norra Karr is targeted to provide the same demonstrated opportunity for Europe but for rare earths. The redesigned project in the PEA will form the basis for a renewed permitting process trying to leave the past history of rejections and appeals behind us and show a positive path forward for the project.

## **Projects Overview**

### ***Woxna Graphite Anode Project***

The Woxna graphite mine and production facility is comprised of four graphite deposits, an open pit mine, a permit to process 100,000 tonnes of mineralized material per annum, a processing plant and tailings dam, located some 8 kilometres ("km") WNW of the town of Edsbyn, Sweden, approximately 3.5 hour drive north

of Stockholm. Access is via 10 km of all-weather forest road from Highway 301. The principal property is the Kringelgruvan concession, where permission to mine remains current until 2041. Ongoing development has been directed towards test work focused on the possible production and modification of high purity graphite using thermal purification technologies for emerging high growth high value markets, one such example being the lithium-ion battery industry. Other potential high-value end-markets being investigated are purified micronized graphite for metallurgical and electroconductive additives and purified large flake graphite as a precursor for the production of expandable graphite suitable as a feed for graphite foil and fuel cell bipolar plates.

On June 9, 2021, the Company announced preliminary economic assessment results for a vertically integrated mine to anode material production. The main results from the PEA as released on June 9, 2021 were the following where all figures are US dollars unless otherwise specified;

### **Main PEA Highlights**

- The PEA indicates the potential viability of a Swedish operation producing battery grade graphite anode material utilizing an existing graphite mine and concentrator with the addition of a value-add processing facility offsite;
- The proposed process route in the PEA uses a thermal purification process which, combined with access to low cost hydropower offers a low carbon footprint for the Project to be further demonstrated in an upcoming life cycle assessment (LCA) report. The PEA also focused on improved waste management process for tailings further improving the sustainability ambitions of the Project;
- The Report shows a financially robust Project with average annual EBITDA of \$49m and a pre-tax Internal Rate of Return (IRR) of 42.9%;
- The PEA utilizes one out of four deposits currently owned by Woxna under granted exploitation concessions, where two of the other deposits also have indicated and inferred mineral resource estimates offering potential upside for further expansion in future development or studies;

### **Project Financial Highlights**

- Pre-tax Net Present Value (NPV) of \$317m using an 8% discount rate
- Pre-tax IRR of 42.9%
- Accumulated project revenues of \$1,425m
- Average annual EBITDA of \$49m
- Initial Capital Expenditures (CAPEX) of \$121m
- Pre-tax Payback Period from first production of 2.24 years
- Operating cost per tonne of coated spherical purified graphite (CSPG) of \$2,519 after revenue credit from micronized graphite product

### **Operational Highlights**

- Life of Project (LOP) is 19 years
- Life of Mine (LOM) is 15 years
- LOM average annual plant feed of 159,967 tonnes
- LOM average annual CSPG product 7,435 tonnes
- LOM average annual micronized graphite product 8,421 tonnes
- LOM average strip ratio of 3.7:1

On June 21, 2021, preliminary life cycle assessment results were announced showing that the production of 1 tonne of natural graphite anode material (coated spherical purified graphite ("CSPG")) from natural graphite extracted at the Woxna Graphite mine is forecast to have an impact of 1.8 tonnes CO<sub>2</sub> eq. Minviro applied the same methodology in the report to evaluate current Chinese natural and synthetic graphite anode material, with Woxna CSPG demonstrating an 85% to 90% lower impact than the current market dominant Chinese alternatives. A significant factor influencing the dramatically reduced carbon footprint for Woxna Graphite is the access to hydropower as the main electricity source.

### ***Norra Karr Heavy Rare Earth Elements Project***

Norra Karr is highly significant within Europe and can deliver a secure long-term source of rare earth elements ("REE"), zirconium, hafnium and niobium to European renewable energy and electric vehicle industries. The Norra Karr REE deposit was acquired by the Company and drill tested in 2009. Following thick intersections of mineralized rock, the project progressed quickly through drill out, metallurgical testing, resource calculation, Preliminary Economic Assessment ("PEA"), environmental and social studies, and Mining Lease application, culminating in a Pre-Feasibility Study ("PFS") completed in 2015. Relevant supporting documentation can be found on the Company's website.

A 25-year Mining Lease (exploitation concession) was granted to the Company's Swedish subsidiary Tasman Metals AB, recently renamed to GREENNA Mineral AB, covering Norra Karr in 2013. In 2016, following an appeal to the Supreme Administrative Court in Sweden regarding the decision-making process of the Bergsstaten under the Minerals Act, the Norra Karr Mining Lease reverted from Granted to Application status. On May 5, 2021, Bergsstaten rejected the mining lease application and the Company has subsequently appealed this decision to the Government of Sweden.

In June 2020, the Company received confirmation that the exploration license underlying the mining lease application received an extension with the Bergsstaten to August 31, 2024. Subsequently the Swedish parliament passed legislation to mitigate the impacts of COVID-19 by giving exploration companies an additional year to carry out their work which extends the Norra Karr exploration license to August 31, 2025. The extension of the exploration license was appealed, and the administrative court of Lulea rejected the appeal earlier this year, upon which the case has been appealed to the next instance which is pending decision to grant leave of appeal. The extension of the exploration license remains in force until a final ruling in the case has been made, and remains in force until a final ruling has been made on the mining lease application. The Company will diligently work towards challenging this appeal which the Company has successfully done in the past to ensure security over the Norra Karr heavy rare earth element project. The Company is in the process of finalizing a preliminary economic assessment study with the objective to maximize resource efficiency of the project whilst minimizing the local footprint of the project by incorporating technical advancements and valorisation of by-products.

### ***Bergby Lithium Project***

On April 29, 2021 the company completed the sale to United Lithium Corp. (ULTH) of 100% of the issued and outstanding share capital of Bergby Lithium AB. In consideration for the shares of Bergby, the Company's wholly owned subsidiary, GREENNA Mineral AB as the owner of the Bergby shares, received from ULTH:

- CAD 250,000 in cash;
- 1,031,864 common shares in the capital of ULTH.
- 400,000 common share purchase warrants, with each Warrant entitling Tasman Metals to acquire, for a period of 36 months from the closing date of the Transaction, one common share in the capital of ULTH. at an exercise price equal to approximately CAD 0.485; and
- a 2% net smelter returns royalty on the Project, which is subject to a buyback right in favour of ULTH, exercisable for CAD 1,000,000.

The ULTH Shares are escrowed and will be released over a 20-month period. ULTH shall also pay an additional CAD 250,000 in cash on October 29, 2021.

### ***Bihor Sud Cobalt Nickel Project***

In 2018 Leading Edge Materials initiated an Exploration Alliance (the "Exploration Alliance") in Romania focused on the discovery and development of lithium-ion battery raw materials. The Exploration Alliance has principally been directed towards cobalt mineralization within the Upper Cretaceous Carpathian magmatic belt of the Balkan region, with an eye to identifying other opportunities. The Carpathian is a well mineralized intrusive arc that extends from Western Turkey to Hungary, forming the western end of the Tethyan Metallogenic Belt.



Following technical and commercial due diligence, Leading Edge Materials established a local branch company ("LEM Romania") of which it is the majority shareholder with the right to earn a 90% interest. During 2018 and early 2019, LEM Romania completed various prospecting, sampling and geological activity across an area of 25.5 sq km (2,550 ha) pertaining to the Bihor Sud Prospecting Permit in central western Romania.

On the basis of positive results, in October 2019 LEM Romania elected to submit an Exploration License application to the permitting authority Agenția Națională Pentru Resurse Minerale ("NAMR") for the Bihor Sud area in a competitive tender process. The LEM Romania tender document was declared as compliant by NAMR. The Company was notified that one other application (submitted by Romanian private company Global Centurions SRL) was received under the competitive tender process. The tender is adjudicated based on technical and financial merit, with substantial credit given to the work completed under the prior Prospecting Permit.

During January 2020 Leading Edge Materials was advised that Global Centurions SRL lodged an appeal to the Bucharest Court of Appeal against NAMR. The appeal seeks to cancel the outcome of the tender process for the Bihor Sud Exploration License before a winner is declared. Adjudication of the tender has been suspended until the appeal by the Second Bid Party has been definitively resolved. The Bucharest Court of Appeal has published a ruling dismissing the appeal against NAMR by the competing bidder for the Bihor Sud Exploration license in Romania as groundless. Subject to the full ruling being served to the parties of the appeal and a subsequent appeal window, NAMR can reinstate the adjudication process of the competing bids for the Bihor Sud Exploration license.

## Qualified Person

The qualified person for the Woxna Graphite Project, Mr. Christopher Stinton, BSc (Hons), CEng MIMMM, being the lead PEA consultant and for the processing and infrastructure, has reviewed and verified the contents of this document relating to the Woxna Graphite project.

The qualified person for the Company's projects, Mr. Mark Saxon, B.Sc. Hons (Geology), a Fellow of the Australasian Institute of Mining and Metallurgy, technical adviser to the Company, has reviewed and verified the contents of this document.

## Financial Information

The report for the quarter ending July 31, 2021, is expected to be published on or about September 27, 2021.

## 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 2021		Fiscal 2020				Fiscal 2019	
	April 30, 2021 \$	January 31, 2021 \$	October 31, 2020 \$	July 31, 2020 \$	April 30, 2020 \$	January 31, 2020 \$	October 31, 2019 \$	July 31, 2019 \$
<b>Operations</b>								
Expenses	(483,495)	(664,675)	(882,556)	(420,959)	(337,609)	(375,930)	(409,297)	(561,771)
Other items	1,573,567	(3,603)	327,987	(21,567)	20,187	(31,374)	(8,799,476)	27,101
Comprehensive profit/(loss)	1,090,072	(668,278)	(554,569)	(442,526)	(317,422)	(407,304)	(9,208,773)	(534,670)
Basic Profit/(loss) per share	0.01	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.09)	(0.01)
Diluted profit/(loss) per share	0.01	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.09)	(0.01)
<b>Financial Position</b>								
Working capital	3,935,156	2,598,191	3,277,010	3,354,422	499,883	711,727	132,551	518,129
Total assets	29,133,933	28,759,753	27,218,052	27,832,104	24,722,718	24,803,562	24,825,107	34,088,219
Total non-current liabilities	(8,620,700)	(9,154,787)	(7,053,874)	(7,486,123)	(7,452,242)	(7,154,761)	(7,701,324)	(7,876,382)

## Results of Operations

### *Three Months Ended April 30, 2021 Compared to Three Months Ended January 31, 2021*

During the three months ended April 31, 2021 ("Q2") the Company reported a net profit of \$1,090,072 compared to a reported net loss of \$668,278 for the three months ended January 31, 2021 ("Q1"), a decrease in loss of \$1,758,351, mainly due to gain on sale of the Bergby Project amounting to \$1,472,255.

### *Six Months Ended April 30, 2021 Compared to Six Months Ended April 30, 2020*

During the six months ended April 30, 2021 ("2021 period") the Company reported a net profit of \$421,796 compared to a net loss of \$724,726 for the six months ended April 30, 2020 ("2020 period"), a decrease in loss of \$1,146,522. The decrease in loss was primarily attributed to the gain on sale of the Bergby Project.

Specific expenses of note during six months ended April 30, 2021 are as follows:

- (i) incurred \$215,680 (2020 - \$117,000) for directors and officer's compensation.
- (ii) incurred \$49,961 (2020 - \$68,629) for regulatory fees with respect to ongoing fees for the Company's listing of its common shares on the Nasdaq First North and TSXV exchanges.
- (iii) incurred a total of \$141,974 (2020 - \$100,010) for accounting and administration services and audit out of which \$36,099 (2020 - \$33,550) was incurred for accounting and administration services provided by Chase Management Ltd. ("Chase"), a private corporation controlled by Mr. DeMare, and the Company incurred \$20,503 (2020 - \$NIL) for accounting services of SKS Business Services along with \$14,153 (2020 - \$9,279) for bookkeeping and accounting services for subsidiary companies provided by other independent accountants;
- (iv) incurred research and development expenses of \$240,001 (2020 - \$22,160). The Company has increased research and development towards adding value to its projects such as the preliminary economic assessment studies on Woxna and Norra Karr;
- (v) incurred \$170,231 (2020 - \$144,095) for salary and staff expenses.

Interest income is primarily generated from cash held on deposit with the Bank of Montreal. During the six months ended April 30, 2021 the Company reported interest income of \$9,119 compared to \$7,364 during the six months ended April 30, 2020.

During the six months ended April 30, 2021, the Company recorded a foreign exchange gain of \$66,413 compared to a loss of \$31,195 during six months ended April 30, 2020 period due to changes in exchange rates.

### *Financings*

During the six months ended April 30, 2021 the company has issued 493,109 shares due to exercise of options by option holders for gross proceeds of \$95,348.

During fiscal 2020 the Company completed the following private placement financings:

- (i) 18,000,000 units at \$0.056 per unit for gross proceeds of \$1,008,000; and
- (ii) 32,000,000 units at a price of \$0.11 per unit for gross proceeds of \$3,520,000.

In addition, the Company issued 800,000 common shares on the exercise of warrants for \$80,000. The net proceeds from these financings and warrant exercises have been designated to maintain the Company's projects in Sweden and Romania and for general working capital and corporate purposes.

## Property, Plant and Equipment

	Vehicles \$	Equipment and Tools \$	Building \$	Manufacturing and Processing Facility \$	Mineral Property Acquisition and Development Costs \$	Total \$
<b>Cost:</b>						
Balance - October 31, 2019	81,147	287,018	344,139	7,567,878	8,835,639	17,115,821
Addition	-	-	-	-	2,591	2,590
Disposal	(65,053)	-	-	-	-	(65,053)
Adjustment to site restoration	-	-	-	-	(714,302)	(714,302)
Balance - October 31, 2020	16,094	287,018	344,139	7,567,878	8,123,928	16,339,057
Addition	-	-	-	-	-	-
Adjustment to site restoration	-	-	-	-	1,564,936	1,564,936
Disposal	-	-	-	-	-	-
Balance - April 30, 2021	16,094	287,018	344,139	7,567,878	9,688,864	17,903,993
<b>Accumulated Depreciation:</b>						
Balance - October 31, 2019	(66,889)	(260,272)	(93,506)	(3,910,218)	(5,000,000)	(9,330,885)
Depreciation	(770)	(1,445)	(22,009)	-	-	(24,224)
Disposal	65,053	-	-	-	-	65,053
Balance - October 31, 2020	(2,606)	(261,717)	(115,515)	(3,910,218)	(5,000,000)	(9,290,056)
Depreciation	(443)	(830)	(12,660)	-	-	(13,933)
Disposal	-	-	-	-	-	-
Balance - April 30, 2021	(3,049)	(262,547)	(128,175)	(3,910,218)	(5,000,000)	(9,303,989)
<b>Carrying Value:</b>						
Balance - October 31, 2020	13,488	25,301	228,624	3,657,660	3,123,928	7,049,001
<b>Balance - April 30, 2021</b>	<b>13,045</b>	<b>24,471</b>	<b>215,964</b>	<b>3,657,660</b>	<b>4,688,864</b>	<b>8,600,004</b>

## Exploration and Evaluation Assets

	Graphite Concessions \$	Norra Karr \$	Bergby \$	Total \$
<b>Balance at October 31, 2019</b>	14,787	15,798,665	413,269	16,226,721
<b>Exploration costs</b>				
Geological	-	6,102	436	6,538
Preliminary economic assessment	-	77,411	-	77,411
Permitting	-	10,339	-	10,339
	-	93,852	436	94,288
<b>Acquisition costs</b>				
Mining rights	-	-	11,846	11,846
Recovery	-	-	-	-
	-	-	11,846	11,846
<b>Balance at October 31, 2020</b>	14,787	15,892,517	425,551	16,332,855
<b>Exploration costs</b>				
Geological	-	-	2,786	2,786
Permitting	-	18,331	10,227	28,558
Preliminary economic assessment	-	284,573	-	284,573
Sale of property	-	-	(438,564)	(438,564)
	-	302,904	(425,551)	(122,647)
<b>Acquisition costs</b>				
Mining rights	-	-	-	-
<b>Balance at April 30, 2021</b>	<b>14,787</b>	<b>16,195,421</b>	<b>-</b>	<b>16,210,208</b>

## **Financial Condition / Capital Resources**

During the six months ended April 30, 2021, the Company recorded a net profit of \$421,796 and, as at April 30, 2021 the Company had an accumulated deficit of \$39,471,756 and working capital of \$3,935,156. 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 specialty products. 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 and/or modernize the plant to produce value added production, to fund future development of the Norra Karr Property and complete the tendering process and, if successful, 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. See also "COVID-19".

## **Off-Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

## **Proposed Transactions**

The company has no proposed transactions.

## **Critical Accounting Estimates**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Examples of significant estimates made by management include estimating the fair values of financial instruments, valuation allowances for deferred income tax assets and assumptions used for share-based compensation. Actual results may differ from those estimates.

A detailed summary of all the Company's critical accounting estimates is included in Note 3 to the October 31, 2020 audited annual consolidated financial statements.

## **Changes in Accounting Policies**

There is no change in accounting policy during the six months ended April 30, 2021.

A detailed summary of all the Company's significant accounting policies and accounting standards and interpretations issued but not yet effective, is included in Note 3 to the October 31, 2020 audited annual consolidated financial statements.

## **Related Party Transactions and Balances**

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Company's current and former Board of Directors and its executive officers.

(a) During six months ended April 30, 2021 and 2020 the following compensation was incurred:

	2021 \$	2020 \$
Mr. Filip Kozlowski, CEO and former director <sup>(1)</sup>	156,512	15,000
Mr. Nick DeMare, former CFO and Corporate Secretary <sup>(2)</sup>	10,000	15,000
Mr. Lars-Eric Johansson, Chairman and director <sup>(1)</sup>	15,000	-
Mr. Eric Krafft, director <sup>(1)</sup>	15,000	-
Mr. Daniel Major, director <sup>(1)</sup>	15,000	-
Mr. Sanjay Swarup, CFO <sup>(3)</sup>	4,168	-
Mr. Mark Saxon, former interim CEO, President and director <sup>(1)(3)</sup>	-	72,000
Mr. Michael Hudson, former director <sup>(1)</sup>	-	15,000
	<u>215,680</u>	<u>117,000</u>

(1) On May 4, 2020 the Company announced changes to the Board of Directors and senior Management. Messr. Hudson, Saxon and Kozlowski resigned as Directors and Messr. Lars-Eric Johansson, Daniel Major and Eric Krafft were appointed as new Directors. Concurrently, a change in senior management was announced with the appointment of Mr. Filip Kozlowski as Chief Executive Officer ("CEO"). Mr. Kozlowski replaced Mr. Mark Saxon, former Interim CEO and President.

(2) Mr. DeMare, the Company's ex CFO, was appointed as Corporate Secretary on April 30, 2018.

(3) Mr. Sanjay Swarup of SKS Business Services has been appointed as CFO from March 1, 2021.

(b) During the six months ended April 30, 2021 period the Company incurred \$36,099 (2020 - \$33,550) to Chase, for accounting and administrative services provided by Chase personnel, exclusive of Mr. DeMare, and \$1,675 (2020 - \$2,010) for rent. During the six months ended April 30, 2021, the Company incurred \$20,503 (2020 - \$NIL) for accounting services of SKS Business Services.

### Outstanding Share Data

The Company's authorized share capital is unlimited common shares without par value. As at June 23, 2021, there were 146,960,500 issued and outstanding common shares, 55,227,855 warrants outstanding with exercise prices ranging from \$0.10 to \$0.37 per share and 9,515,000 share options outstanding with exercise prices ranging from \$0.155 to \$0.64 per share.