Leading Edge Materials

First tranche improves funding visibility

Equity raise

Metals and mining

19 August 2026

Leading Edge Materials (LEM) has closed the first tranche of its previously announced C$6m private placement, raising C$4.0m. The company's cornerstone shareholder has committed to subscribe for any units not otherwise taken up, providing good visibility over completion of the raise. The closing improves near-term funding visibility and supports progress on the updated pre-feasibility study (PFS) and environmental permitting at Norra Kärr, LEM's 100%-owned heavy rare earth elements project in Sweden, following the recent award of the 25-year mining lease.

Year end	Revenue (C$m)	EBITDA (C$m)	PBT (C$m)	EPS (C$)	P/E (x)
10/24	0.0	(2.4)	(2.7)	(0.01)	N/A
10/25	0.0	(3.2)	(3.2)	(0.01)	N/A
10/26e	0.0	(3.4)	(3.4)	(0.01)	N/A

Note: PBT and EPS as reported

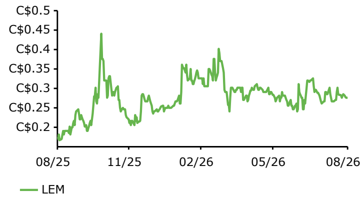
LEM raised C$4.0m through the issue of 16.0m units at C$0.25 each, representing c 67% of the targeted C$6m placement. Each unit comprises one common share and one warrant exercisable at C$0.40 for two years. Cornerstone shareholder Eric Krafft has provided a binding commitment to subscribe for any units not otherwise purchased, materially reducing uncertainty around completion of the remaining tranche.

The proceeds will be used primarily to advance the updated PFS and environmental permitting at Norra Kärr following the recent award of the mining lease, alongside studies related to a potential restart of the Woxna graphite mine and general working capital. LEM continues to seek alternative capital for its Romanian exploration activities.

The Norra Kärr project is LEM's principal value driver and one of Europe's most advanced potential sources of dysprosium, terbium and yttrium, providing differentiated exposure to a heavy rare earth market characterised by tight ex-China supply. The International Energy Agency recently highlighted that European dysprosium and terbium prices remain at around five times Chinese domestic levels and identified magnet rare earths and yttrium among the materials most exposed to supply disruption. Against this backdrop, the financing improves funding visibility and supports the technical and permitting work required to further advance and de-risk Norra Kärr.

Price	**C$0.28**
Market cap	**C$71m**
Net cash/(debt) at April 2026	C$0.6m
Shares in issue, pre-equity raise	258.8m
Free float	60.0%
Code	LEM
Primary exchange	TSXV
Secondary exchange	OTCQB

Share price performance



Business description

Leading Edge Materials is a Canadian-listed developer of critical raw material assets in the European Union. Its principal asset is the 100%-owned Norra Kärr heavy rare earth element project in Sweden, one of the few advanced EU projects capable of producing dysprosium, terbium and yttrium at meaningful scale. The company also owns the fully constructed and permitted Woxna graphite mine in Sweden and a 90% interest in the Bihor Sud nickel-cobalt-polymetallic exploration alliance in Romania.

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