

Leading Edge Materials

Equity raise to advance Norra Kärr

Leading Edge Materials (LEM) has announced its intention to raise up to US \$4.3m (C\$6.0m) through a non-brokered private placement. The proceeds will support the updated pre-feasibility study (PFS) and environmental permitting work at Norra Kärr following the recent award of the 25-year exploitation concession, alongside Woxna restart studies and general working capital. The binding standby commitment from cornerstone shareholder Eric Krafft materially reduces placement risk. The issue is only modestly dilutive and improves near-term funding visibility, allowing LEM to progress the main technical and permitting milestones required for further project de-risking.

Year end	Revenue (\$m)	EBITDA (\$m)	PBT (\$m)	EPS (\$)	P/E (x)	EV/EBITDA (x)
10/24	0.0	(1.8)	(2.0)	(0.01)	N/A	N/A
10/25	0.0	(2.3)	(2.3)	(0.01)	N/A	N/A
10/26e	0.0	(2.4)	(2.4)	(0.01)	N/A	N/A

Note: PBT and EPS as reported

LEM has announced its intention to raise up to US\$4.3m (C\$6.0m) through a non-brokered private placement of 24.0m units at US\$0.18 (C\$0.25) per unit. Each unit comprises one common share and one two-year warrant exercisable at US\$0.28 (C\$0.40). Full warrant exercise would provide a further US\$6.8m (C\$9.6m) of funding. Assuming full subscription, the issue would increase the current share count by c 9%, excluding warrants, with the new shares representing c 8.5% of the enlarged share capital. Certain insiders are expected to participate in the equity raise, while cornerstone shareholder Eric Krafft has provided a binding commitment to subscribe for any units not otherwise purchased, materially reducing placement execution risk.

The proceeds will support the updated PFS, expected in 2026, and environmental permitting at Norra Kärr following the recent mining concession award, alongside Woxna restart studies and general working capital. The placement therefore improves near-term funding visibility and allows LEM to progress the technical and permitting milestones required to further de-risk Norra Kärr and support the next phase of development. In parallel, the company is seeking to engage with potential strategic, offtake and financing partners and may consider reapplying for Strategic Project designation under the EU Critical Raw Materials Act. Management aims to bring Norra Kärr into production within four years, although delivery remains contingent on permitting, technical studies, offtake and financing. Together, these activities should help define the project's development route and provide the basis for future offtake and project financing discussions.

Norra Kärr remains LEM's principal value driver and one of Europe's most advanced potential sources of dysprosium, terbium and yttrium, providing differentiated exposure to the constrained heavy rare earth elements (HREE) market. Our valuation of LEM is based on Norra Kärr, with an unrisks net present value of US \$1.8bn at a 10% discount rate, or US\$0.9bn after applying a 50% risk weighting. We continue to assign no value to Woxna. While the placement is modestly dilutive, it provides funding to advance the technical, permitting and commercial activities required to further de-risk this strategically important European HREE project.

Equity raise

Metals and mining

13 July 2026

Price	\$0.21
Market cap	\$52m
	US\$/C\$ 1.41
Net cash at end April 2026	\$0.4m
Code	LEMIF
US market	OTCQB
Underlying exchange	TSXV

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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