LEADING EDGE MATERIALS CORP.

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

NEWS RELEASE September 18, 2026

LEADING EDGE MATERIALS REPORTS QUARTERLY RESULTS TO JULY 31, 2026 AND ANNOUNCES CLOSING OF THE SECOND TRANCHE OF PRIVATE PLACEMENT

Vancouver, September 18, 2026 – Leading Edge Materials Corp. ("**Leading Edge Materials**" or the "**Company**") (**TSXV: LEM**) (**Nasdaq First North: LEMSE**) (**OTCQB: LEMIF**) **(FRA: 7FL)** announces results for the fiscal period ending July 31, 2026. All references to dollar amounts in this release are in Canadian dollars.

Highlights During and After the Quarter

During the three months ended July 31, 2026:

- On May 26, 2026, the Company announced it had agreed to increase its stake in the Bihor Sud Exploration Licence joint venture to 90%, following an amendment to the shareholders joint venture agreement ("JVA") originally entered into with REMAT Group Management SRL ("REMAT") on August 9, 2018.

- On June 9, 2026, the Company announced testwork results on ore sourced from the Woxna Graphite Mine ("Woxna"). The programme was designed to evaluate new processing techniques aimed at producing large-flake, high-purity flake graphite concentrate suitable for premium industrial and battery applications. The testwork, using a simple, industrially practical two-stage alkaline process (without an energy-intensive pre-heating step), achieved 99.96% LOI (loss on ignition) – suggesting a preferred route for commercial scale-up to meet high-end industrial specifications.

- On June 28, 2026, the Company announced that its wholly-owned Swedish subsidiary, GREENNA Mineral AB ("GMAB"), has been granted an Exploitation Concession - 25-year mining lease - for the Norra Kärr Heavy Rare Earth Elements Project in Sweden.

- On July 12, 2026, the Company announced the intent to complete a non-brokered private placement of 24,000,000 units ("Units") at a price of C$0.25 per Unit for aggregate gross proceeds of up to C$6,000,000.00 (the "Private Placement"). The Company's cornerstone shareholder, Mr Eric Krafft, has agreed to subscribe for any Units not otherwise purchased by investors under the private placement.

- On July 20, 2026, the Company provided an update on its midstream processing strategy for eudialyte concentrate from the Norra Kärr – and the path toward pilot-scale hydrometallurgical testing, a key step in demonstrating the process at commercial scale. This builds on the significant flowsheet development work completed over the last 15 years, and new research into silicate management under the Vinnova funded SHLENK project.

- On July 26, 2026, the Company welcomed the Swedish Government's new Mineral Strategy, which places critical raw materials and mining at the centre of Sweden's industrial competitiveness and national security agenda.

After the three months ended July 31, 2026:

- On August 18, 2026, the Company closed a first tranche of the private placement announced previously on July 12, 2026, issuing 16,032,000 common shares at a price of $0.25/share for gross proceeds of CAD$4,008,000.

- On September 7, 2026, The Company announced that it would commence a first-pass diamond drilling programme on September 8, 2026 at Woxna. The programme has been designed to test whether the Kringeltjärn, Råttjärnamyren and Svartboberget graphite occurrences represent parts of the same, larger regional graphite-bearing system.

Results of Operations

Three Months Ended July 31, 2026, Compared to Three Months Ended April 30, 2026

During the three months ended July 31, 2026 ("Q3 2026") the Company reported a net loss of $882,239 compared to a reported net loss of $1,357,598 for the three months ended April 30, 2026 ("Q2 2026"), a decrease in loss of $475,359 is mainly due to share based compensation of $285,658 in Q3 2026 (Q2 2026- $804,590).

Three Months Ended July 31, 2026, Compared to Three months Ended July 31, 2025

During the three months ended July 31, 2026 ("2026 period"), the Company reported a net loss of $882,239 compared to a net loss of $611,307 for the three months ended July 31, 2025 ("2025 period"), an increase in loss of $270,932 is mainly due to share based compensation of $285,658 (Q3 2025- $208,322) and professional fees of $46,632 (Q3 2025- $10,588).

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.

	Fiscal 2026			**Fiscal 2025**				**Fiscal 2024**
Three Months Ended	July 31, 2026 $	April 30, 2026 $	January 31, 2026 $	October 31, 2025 $	July 31, 2025 $	April 30, 2025 $	January 31, 2025 $	October 31, 2024 $
Operations								
Expenses	(798,703)	(1,381,717)	(791,117)	(731,190)	(697,621)	(1,070,402)	(696,037)	(97,209)
Other items	(83,536)	24,119	45,170	(25,684)	86,314	(108,766)	26,821	(222,820)
Comprehensive profit/(loss)	(882,239)	(1,357,598)	(745,947)	(756,874)	(611,307)	(1,179,168)	(669,216)	(320,029)
Basic Profit/(loss) per share	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)
Diluted profit/(loss) per share	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)
Financial Position								
Working capital	1,724,001	539,488	804,249	1,880,436	679,695	1,191,514	2,198,641	3,337,686
Total assets	31,338,835	29,852,958	30,082,554	30,468,689	29,503,036	28,361,774	28,480,311	29,343,716
Total non-current liabilities	(5,631,768)	(5,838,263)	(6,088,012)	(6,056,852)	(6,806,650)	(6,009,933)	(5,596,369)	(5,641,854)

Financial Condition / Capital Resources

During the three months ended July 31, 2026, the Company recorded a net loss of $882,239 and, as of July 31, 2026, the Company had an accumulated deficit of $55,555,007 and working capital of $1,724,001. The Company is maintaining its Woxna Graphite Mine on a "production-ready" basis to minimize costs. The Company continues to review options for Woxna.

On 12 July 2026, the Company announced a non-brokered private placement of up to 24,000,000 units at C$0.25 per unit for gross proceeds of up to C$6,000,000, with the Company's cornerstone shareholder, Eric Krafft, agreeing to subscribe for any units not otherwise taken up. Subsequent to the quarter end, on 18 August 2026 the Company closed the first tranche of this financing, issuing 16,032,000 common shares for gross proceeds of C$4,008,000.

The Company has received approval from the TSX Venture Exchange to extend the closing of the Private Placement. The Company now expects to close the Private Placement on or before September 25, 2026, subject to the receipt of all required regulatory approvals. The terms of the Private Placement remain unchanged from those previously announced.

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.

Net proceeds from the recent equity raise are intended to fund Pre-Feasibility Study ("PFS") workstreams and environmental permitting at Norra Kärr, studies related to a possible restart of the Woxna Graphite mine and processing plant, and general working capital for next 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 and to fund future development of the Norra Kärr Property. There is no assurance such additional capital will be available to the Company on acceptable terms or at all. The consolidated financial statements are prepared in accordance with IFRS Accounting 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 consolidated 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.

Outlook

The imperative for Europe to secure critical raw materials — to protect both its industrial base and its national security — has never been more urgent. The supply outlook for heavy rare earth elements remains acutely critical: these materials are irreplaceable inputs for permanent magnet manufacturing across defence systems, electric vehicles, and wind turbines. The future shape of global alliances and trade flows remains deeply uncertain. Businesses and governments cannot afford to wait for clarity that may not come. Local supply and shorter supply chains are no longer optional — they are a strategic necessity.

The temporary diplomatic détente between Washington and Beijing continues to provide partial, time-limited relief, without resolving Europe's underlying vulnerability. China's suspension of its October 2025 wave of rare earth export controls remains in effect through to 10 November 2026 — but this is a tactical pause, not a structural shift. The April 2025 licensing regime covering terbium, dysprosium, yttrium and other critical heavy rare earths was never suspended and remains active. The 10 November 2026 expiry of the Wave 2 suspension is now the next critical decision point, falling shortly after the end of this reporting period, with no public clarity on whether it will be extended.

The EU has policy, frameworks and laudable initiatives — RESourceEU, a critical minerals centre, Strategic Projects under the Critical Raw Materials Act. Yet real action that delivers the required investment across the value chain is absent. Policy and frameworks do not equate to supply. Europe must create new supply options wherever they exist or face the squeeze from China and the US.

The alarm bells were sounded at the G7 finance ministers' summit in Paris in May 2026, with Germany's finance minister Lars Klingbeil warned that Western nations are already deep in a critical minerals dependency they cannot afford to ignore — calling on G7 countries to expand rare earth production amongst other measures.

This is precisely why the Company's Norra Kärr and Woxna Graphite projects occupy such a compelling position — sitting at the convergence of urgent European demand, unprecedented policy support, and a fundamental reorientation in how Western nations assess supply chain risk. The strategic calculus has shifted permanently. This is no longer a commercial question. It is a matter of economic security.

Norra Kärr Heavy Rare Earth Element ("HREE") Project

On 28 June 2026, the Swedish Government granted GREENNA Mineral AB, an Exploitation Concession (Sw. bearbetningskoncession), 25-year mining lease for Norra Kärr K Nr. 2. This followed the March 2026 recommendation of the Mining Inspectorate and the December 2025 endorsements of the County Administrative Boards of Jönköping and Östergötland and represents a significant permitting milestone in the project"s development.

The project's strategic importance to Sweden and the EU was a decisive factor in the Government's decision. Swedish Minister Ebba Busch has spoken of Sweden's REEs as a security asset for Sweden and Europe, and when granting a new 25-year mining lease for Norra Kärr in June this year, stated that "Norra Kärr could meet a large part of Sweden and Europe's supply needs". The Geological Survey of Sweden ("SGU") has confirmed that Norra Kärr is one of Europe's richest rare earth elements ("REE") deposits, with a particularly high proportion of the most valuable heavy rare earth elements, including terbium, dysprosium and yttrium.

With no REE production anywhere in the EU today, the Government concluded that supplying Sweden and Europe with these critical raw materials - essential for permanent magnets in electric motors and the green energy transition - clearly outweighs competing land-use interests.

In the quarter, the Company announced an initiative to advance its midstream processing strategy and collaboration on hydrometallurgical research in support of a future pilot plant with funding from the Swedish Government through Vinnova, the Swedish Innovation agency, as part of a SEK 70+ million (CAD 10 million) national push to secure Sweden's critical raw materials supply.

The heavy rare earth market for dysprosium, terbium, and yttrium remains the tightest segment of rare earths. All three elements have been shaped by restricted Chinese exports, with markets defined by tight supply, policy-driven uncertainty, leaving consumers scrambling since China's April 2025 dual-use export-licensing controls - covering seven medium and heavy rare earths including terbium, dysprosium, and yttrium plus related alloys and magnet materials, imposed in direct response to U.S. tariffs.

On the supply side, China's separation dominance remains essentially unchanged, with Lynas Malaysia* the only non-Chinese producer at confirmed commercial scale, while MP Materials and Energy Fuels in the U.S. have only reached pilot-to-early-commercial volumes. This concentration is even starker for yttrium: the U.S. relies on imports for 100% of its yttrium supply, historically over 90% sourced from China.

The result is market bifurcation, a widening price gap between China and the rest of the world. European prices for dysprosium and terbium currently run multiples higher than Chinese domestic prices and experts point to yttrium, terbium, and dysprosium as carrying the largest premiums, driven by defence and other high-performance sectors sourcing outside China.

Norra Kärr is Europe's most advanced heavy rare earth elements project, and the grant of the mining lease removes the principal permitting overhang that has impeded commercial and financing discussions. Pre-feasibility and environmental permit planning workstreams are underway, and the Company continues to target production within approximately four years.

The Preliminary Economic Assessment ("PEA") published in 2021 estimated production levels of 248tpa Dysprosium and 36tpa Terbium oxides, over a 26-year mine life ~ 30% of the defined resource which is unconstrained by drilling. These numbers are double those reported by the Lofdal Project in Nambia and comparable with the nameplate capacity figures for Lynas Rare Earths Ltd Malaysian HREO plant.

Source: https://wcsecure.weblink.com.au/pdf/LYC/03015215.pdf

The financials for producing mixed rare earth oxides were modelled as part of the Preliminary Economic Assessment ("PEA") in 2021; the Project had a pre-tax NPV10 of over US$1B. Edison Research ("Edison") has been retained by the Company and its Initiation Note values Norra Kärr at US$1.8bn on an unrisked NPV10 basis, or US$0.9bn risk-weighted, yet at the current share price Leading Edge Materials trades at just US$92 per tonne of contained TREO — against a peer average of US$562/t.

Source: https://www.edisongroup.com/research/addressing-the-european-ree-shortage/BM-2909/

Edison calculates an even greater discount on a dysprosium-equivalent basis, where LEM trades at US$632/t versus a peer average of US$5,617/t. Edison attributes this to the market not yet fully reflecting Norra Kärr's 80,000 tonne dysprosium-equivalent resource, its Swedish location within the EU, and its exceptional heavy rare earth profile — a 52% HREO share and 5.7% DyTb content that gives it direct exposure to the most supply-constrained part of the magnet rare earth market.

Source: https://www.edisongroup.com/research/exceptional-dytb-exposure-at-a-hefty-discount-2/BM-3491/
As one of the largest HREE deposits globally - and the most advanced in Europe - Norra Kärr has the potential to become a cornerstone supplier for Western magnet producers.

Woxna Graphite Mine

The Woxna Graphite Mine is being maintained on a "production ready" basis while keeping operational holding costs to a minimum. In partnership with an engineering consultant, the Company is updating an internal production restart study undertaken in 2022.

On June 9, 2026, the Company announced testwork results on ore sourced from the mine. The programme was designed to evaluate new processing techniques aimed at producing large-flake, high-purity flake graphite concentrate suitable for premium industrial and battery applications. The testwork, using a simple, industrially practical two-stage alkaline process (without an energy-intensive pre-heating step), achieved 99.96% LOI (loss on ignition) – suggesting a preferred route for commercial scale-up to meet high-end industrial specifications. These results are being used to assess potential improvements to the processing facility that could maximize operational efficiency. The Company's goal is to deliver premium-quality high-grade flake graphite concentrate or value-added products.

Woxna already hosts one of the few fully built and permitted natural flake graphite mines in Europe, centred on the Kringelgruvan open pit and processing plant. Recently, the Company has announced a first-pass diamond drilling programme, which consists of five holes, looks beyond the existing mine, testing the idea that three separate graphite occurrences in the wider Woxna area – Kringeltjärn's eastern extension, Råttjärnamyren (to the north-west) and Svartboberget - are not isolated pockets of mineralisation, but different parts of the same, larger graphite-bearing system.

Structural drivers behind the graphite market remain strong. According to Benchmark Mineral Intelligence, global demand for natural flake graphite is forecast to rise from around 1.3 million tonnes in 2026 to approximately 2.7 million tonnes by 2036, more than doubling within a decade and outpacing demand growth for almost every other major battery raw material other than lithium. China continues to dominate the supply chain, accounting for roughly 70% of global natural graphite mine production, more than 80% of the world's spherical graphite processing capacity, and over 90% of global anode manufacturing capacity.

China's Announcement No. 72 (9 Nov 2025) suspended the graphite dual-use export controls, introduced in December 2024 and affecting the US; the suspension expires on 27 November 2026. The suspension eased near-term trade tensions but has done little to change the underlying, structural reliance on Chinese supply that continues to concern battery makers, automakers and governments across Europe and North America.

Against this backdrop, the European Union has set a target under the Critical Raw Materials Act of sourcing at least 10% of its strategic raw material consumption domestically by 2030. The exploration programme announced today also comes as the Swedish Government's newly published Mineral Strategy places critical raw materials and mining at the centre of the country's industrial and national security policy, reinforcing a supportive backdrop for the resurgence of projects such as Woxna.

Bihor Sud Nickel-Cobalt Exploration Project

In February this year, the Company provided an update on its exploration activities in Romania and latest assay results.

From the 2025 exploration campaign, mapping and sampling data revealed extensive mineralisation, notably in the form uranium oxide associated with jasperoid silicification; polymetallic (copper (Cu), cobalt (Co), nickel (Ni), lead (Pb) and zinc (Zn)) sulphides hosted in silica–carbonate rocks (including uranium occurrences); and crystalline carbonate (limestone) exhibiting disseminated and stockwork-style sulphide mineralisation. Supergene enrichment phases, such as erythrite and annabergite, further characterise the mineralogical diversity of the licence area.

Notably, massive sulphide mineralisation is present at the Valea Leucii, Dibarz, and Avram Iancu prospects, with a possibility that these occurrences are interconnected, forming part of a broader mineral system. Moreover, historical prospecting rock chip data reported evidence of widespread and pervasive uranium, base and precious metal mineralisation.

Although mineralisation has been intercepted with channel sampling, more analysis and further study is required to fully understand its geometry, but it appears open in all directions. From channel sampling, significant intercepts appear to show reasonably wide zones of low-grade mineralisation encompassing higher grade cores, which is extremely encouraging.

The Bihor Sud licence possesses a diverse and lengthy mining history, and despite considerable historical extraction, the potential for a profitable, modern mining operation likely remains, with significant areas of mineralisation observed underground in Valea Leucii, Dibarz and Avram Iancu, and potential across the wider exploration licence.

A Competent Person Report ("CPR") has been completed, and management continue to explore alternative financing options to advance project development. The CPR consolidates the substantial work completed to date.

CLOSING OF THE SECOND TRANCHE FINANCING

The Company announces that the Company has closed the second tranche of the private placement announced previously on July 12, 2026, issuing 1,100,000 common shares at a price of $0.25/share for gross proceeds of CAD$275,000. The closing of the first tranche of the private placement was announced on August 18, 2026.

The common shares were issued as part of a unit ("Unit") private placement. Each Unit will consist of one (1) common share (each, a "Common Share") in the capital of the Company and one (1) Common Share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one Common Share (a "Warrant Share") at a price of C$0.40 per Warrant Share until the date which is two (2) years from the closing date of the Private Placement (the "Closing Date").

Net proceeds from the recent equity raise are intended to fund Pre-Feasibility Study ("PFS") workstreams and environmental permitting at Norra Kärr, studies related to a possible restart of the Woxna Graphite mine and processing plant, and general working capital for next twelve months. The Company continues to seek alternative capital for its Romanian exploration activities, with on-the-groundwork focused on further definition of the most promising polymetallic targets.

A finder's fee of 6% was paid to arm's length third party on a portion of the Private Placement. The Private Placement is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory approvals, including the approval of the TSX Venture Exchange.

The securities issued pursuant to the Private Placement are subject to applicable statutory resale restrictions, including a hold period expiring on January 18, 2027, pursuant to applicable Canadian securities laws.

The securities have not been, and will not be, registered under the U.S. Securities Act, or any United States state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act and applicable United States state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

This news release is not a prospectus under Regulation (EU) 2017/1129 (the "EU Prospectus Regulation"). The Company has not authorized any offer of securities to the public (as defined in the EU Prospectus Regulation) in any EEA member state and no such prospectus has been or will be prepared in connection with the Private Placement.

The Company expects certain insiders of the Company to participate in the Private Placement. Any participation by insiders in the Private Placement constitutes a "related party transaction" as defined under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"). However, the Company expects to rely on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 based on the fact that neither the fair market value of the Units subscribed for by the insiders, nor the consideration for the Units paid by such insiders, would exceed 25% of the Company's market capitalization.

Financial Information

The report for nine months ending October 31, 2026, is expected to be published on or about January 22, 2027.

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

Kurt Budge, CEO

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About Leading Edge Materials

Leading Edge Materials is a Canadian public company focused on developing a portfolio of critical raw material projects located in the European Union. Critical raw materials are determined as such by the European Union based on their economic importance and supply risk. They are directly linked to high growth technologies such as lithium-ion batteries and permanent magnets for electric motors, wind turbines and defence applications. The Company's portfolio of projects includes the 100% owned Woxna Graphite mine (Sweden), 100% owned Norra Kärr Heavy Rare Earth Elements project (Sweden), and the 90% owned Bihor Sud Nickel Cobalt exploration alliance (Romania).

Additional Information

The information was submitted for publication through the agency of the contact person set out above, on September 18, 2026 at 11:30 AM (Vancouver, Canada).

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". Svensk Kapitalmarknadsgranskning ("SKMG") is the

Company's Certified Adviser for the Nasdaq First North Growth Market (Stockholm) and may be contacted via email ca@skmg.se or by phone +46 (0)8 913 008.

Reader Advisory

This news release may contain statements which constitute "forward-looking information", including statements regarding the plans, intentions, beliefs and current expectations of the Company, its directors, or its officers with respect to the future business activities of the Company. The words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company, or its management, are intended to identify such forward-looking statements. Investors are cautioned that any such forward-looking statements are not guarantees of future business activities and involve risks and uncertainties, and that the Company's future business activities may differ materially from those in the forward-looking statements as a result of various factors, including, but not limited to, fluctuations in market prices, changes in the Company's intended use of proceeds from the Private Placement, successes of the operations of the Company, continued availability of capital and financing and general economic, market or business conditions. There can be no assurances that such information will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. The Company does not assume any obligation to update any forward-looking information except as required under the applicable securities laws.

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