LEADING EDGE MATERIALS CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED OCTOBER 31, 2025

This discussion and analysis of financial position and results of operation is prepared as at January 23, 2026 and should be read in conjunction with the audited consolidated financial statements for the year ended October 31, 2025 of Leading Edge Materials Corp. ("Leading Edge Materials" or the "Company"). The following disclosure and associated financial statements are presented in accordance with IFRS Accounting 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.sedarplus.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 Kärr property; the risks associated with the various environmental regulations the Company is subject to; rehabilitation and restitution costs; the Woxna project has never defined a mineral reserve or a feasibility study and the associated increased risk of technical and economic failure in case of restarting production.

Forward-looking statements relate, among other things, to statements regarding the future plans and objectives of Leading Edge Materials Corp., the feasibility study results, in-situ value, resource exploration and expansion results, future prospects of the Bihor Sud exploration permit or surrounding property, estimate of future metal prices, anticipated future revenue streams, and financing activities. It involves various risks assumptions, estimates and uncertainties that are based on current expectations and actual results may differ materially from those contained in such information. These risks, assumptions, estimates and uncertainties could adversely affect the outcome and financial effects of the plans and events described herein.

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.

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", on Nasdaq First North Stockholm under the symbol "LEMSE" and on Frankfurt under the symbol "7FL". The Company's principal office is located at 14th Floor, 1040 West Georgia Street. Vancouver, British Columbia V6E 4H1. 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), the 100% owned Norra Kärr Heavy Rare Earth Elements ("HREE") project (Sweden), and the 51% owned Bihor Sud Nickel Cobalt exploration project (Romania).

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

Kurt Budge	- CEO
Eric Krafft	- Director
Manuela Balaj-Coroiu	- Corporate Secretary
Sanjay Swarup	- CFO
Lars-Eric Johansson	- Director and Non-Executive Chairman
Daniel Major	- Director

Svensk Kapitalmarknadsgranskning ("SKMG") is the Company's Certified Adviser for the Nasdaq First North Growth Market (Stockholm).

Highlights During and After the Fiscal 2025

During the fiscal year ended October 31, 2025:

- On December 8, 2024, the Company applied to the Mining Inspectorate of Sweden (Sw. Bergsstaten) for an Exploitation Concession (Sw. Bearbetningskoncession) 25-year mining lease for Norra Kärr.

- On February 9, 2025, the Company provided an update on a Rapid Development Plan ("RDP") for Norra Kärr, to be in production in the shortest possible timeframe, supplying HREE-rich eudialyte mineral concentrate and industrial mineral nepheline syenite.

- The Company provided an update on the value creation options being considered for Woxna Graphite, on February 16, 2025, including a possible restart of operations, the production of high-quality high grade flake graphite concentrate.

- On March 23, 2025, the Company provided a progress update on Norra Kärr, in the context of the European Commission's ("EC") Joint White Paper for European Defence Readiness 2030, highlighting the increasing geopolitical competition over critical raw materials ("CRMs") and the need for the EU and its member states to build strategic reserves of raw materials.

- On March 25, 2025, the EU announced its first list of Strategic Projects under the Critical Raw Materials Act ("CRMA"); Norra Kärr was not included.

- On June 9, 2025, the Company announced the signing of an agreement with Svensk Kapitalmarkadsgranskning ("SKMG") for an assignment as Certified Adviser for the Nasdaq First North Growth Market (Stockholm).

- On August 15, 2025, the Company closed the non-brokered private placement financing (the "Private Placement") previously announced on June 10, 2025. Pursuant to the Private Placement, the Company issued 17,738,500 units at a price of C$0.16 per Unit for aggregate gross proceeds of C$2,838,160.

After the fiscal year ended October 31, 2025:

- On December 3, 2025, the Company announced that the County Administrative Boards ("CABs") of Jönköping and Östergötland had endorsed (Sw. Tillstyrker) the Company's application for an Exploitation Concession 25-year mining lease for Norra Kärr. This step forwards precedes a final decision on the application by the Mining Inspectorate.

- On December 14, 2025, the company announced it had been accepted by EIT Raw Materials as a Project Partner. EIT Raw Materials represents a powerful knowledge and innovation community in Europe.

Outlook

Geopolitical turbulence has become the new normal, and the future remains deeply uncertain. China's volatile approach to export controls—imposing restrictions, suspending them, then reimposing them elsewhere—has catalyzed unprecedented urgency across Europe to secure critical raw materials supply and safeguard European industry.

The stakes have never been clearer. Throughout autumn 2025, from Kokkola Material Week to Raw Materials Week in Brussels and SveMin's Autumn Summit in Stockholm, a single message dominated: geopolitics isn't merely influencing the critical raw materials agenda—it's defining it entirely. For rare earth elements specifically, military tensions, economic coercion, and supply weaponization are the main drivers behind Europe's push for supply chain independence.

The supply situation for heavy rare earth elements—essential for permanent magnet manufacturing in defense systems, EVs, and wind turbines—has reached critical levels. Both the EU and Sweden are now actively dismantling the historical barriers that have impeded progress: permitting paralysis and capital constraints.

On December 3, 2025, the European Commission launched ReSourceEU, a €3 billion program designed to de-risk and diversify supply chains for critical rare earth metals and elements. The initiative includes financial mechanisms to enable companies to source from non-Chinese suppliers despite higher costs, alongside a 'raw materials platform' to pool company orders and build joint strategic stockpiles. This represents Europe's most concrete response yet to China's systematic weaponization of critical materials.

Europe is not acting alone. The United States, Canada, and Australia are providing substantial financial backing to rare earth projects through structured mechanisms including price floors and long-term offtake agreements. The U.S. Government's USD 400 million equity investment in MP Materials in July 2025—making it the company's largest shareholder - and a USD 150 million loan from the Department of War to support the expansion of MP's rare earth separation capabilities demonstrate the extent to which governments now view domestic rare earth capacity as national security infrastructure. These coordinated international efforts are establishing credible alternatives to China's decades-long state-sponsored strategy to dominate the market.

The geopolitical fragmentation of critical raw materials supply chains is no longer emerging—it has arrived. While temporary détentes provide tactical breathing room, the underlying strategic competition continues to intensify. The International Energy Agency has stated that China's 2025 export control escalations transformed high supply concentration from a theoretical risk into an active, demonstrated vulnerability affecting production across Western automotive and defense sectors.

Within this landscape, Leading Edge Materials' Norra Kärr and Woxna Graphite projects are strategically positioned at the intersection of urgent European demand, unprecedented policy support, and a structural shift in how Western nations value supply chain resilience. The timing has fundamentally changed: what was once a commercial question has become a matter of economic security.

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; metallurgical testwork is being conducted 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.

In August 2025, Benchmark Minerals reported "Graphite buyers are increasingly seeking to diversify their raw material supply away from China. This has pushed the supply chain to call for new graphite price grades which reflect the trends in this market outside of China. In the graphite market, trade flows have been disrupted by policy announcements restricting imports from specific countries, for example through the introduction of export licence requirements and tariffs. In 2025, China will produce about 70% of global supplies of natural flake graphite and almost all the spherical graphite used in anodes for lithium-ion batteries."

Against this backdrop, in the final weeks of 2025, The Mining Inspectorate of Sweden awarded four Exploitation Concessions for graphite projects. Stable jurisdictions, such as the Nordics, can contribute to delivering the essential raw materials needed to support the European lithium-ion battery value chain and industrial markets. The EU currently imports approximately 100,000 tonnes per year of natural graphite. The broader context for Woxna is very different now, market interest remains strong - reinforcing confidence in Woxna's commercial potential - the adoption of the CRMA, volatile geopolitics and trade flows, increasing the strategic importance of natural graphite to Sweden and the European Union, the necessity to secure the supply chain, and with a new business plan in hand possibilities to raise finance for a restart of production.

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

With Norra Kärr, the Company is waiting for a decision on its application for an Exploitation Concession 25-year mining lease to the Mining Inspectorate of Sweden. A decision is expected on the Bearbetningskoncession in the near future. The Company is also working on a new Pre-feasibility ("PFS") due to be completed during 2026.

The drastic shortage of heavy rare earth elements - particularly Dysprosium and Terbium – was highlighted in a Reuters article titled 'West scrambles to fill heavy rare earth gap as China rivalry deepens', published November 19, 2025 (https://www.reuters.com/sustainability/climate-energy/west-scrambles-fill-heavy-rare-earth-gap-china-rivalry-deepens-2025-11-19/).

The article underscored the critical supply chain vulnerability that Europe has failed to address for more than a decade, and this message was strengthened by comments from the CEO of Vaccumschmelze, Europe's principal manufacturer of permanent magnets, when he spoke at Raw Materials Week 2025 in Brussels.

The urgency is not new. In 2014, the European Rare Earths Competency Network (ERECON) warned that "the development of new sources of heavy rare earths outside of China and greater recycling must remain an urgent priority for Europe."

Their report on strengthening the European rare earths supply chain specifically identified Norra Kärr as one of two "best known" advanced-stage REE projects in Europe that could secure European supply for decades. Back in 2014, they projected that, with permitting and adequate funding, mining could begin before 2020. These factors still challenge European projects more than a decade later.

When it comes to Norra Kärr, the deposit's strategic importance to Europe has never been clearer. The Swedish Geological Survey ("SGU") discovered Norra Kärr in the 1900s and, in 2011, designated it as being of National Interest due to the significance of its rare earth elements ("REEs") for Sweden and Europe.

More recently, with the respect to the Company's application for a mining lease, SGU in its capacity as an expert authority for issues relating to geology and minerals in Sweden has stated that the deposit at Norra Kärr is very important for Sweden's and the EU's supply of rare earth metals, and that Norra Kärr is one of Europe's richest deposits for these minerals – especially with regard to heavy rare earth elements.

Norra Kärr is estimated to produce 248 tonnes of Dysprosium and 36 tonnes of Terbium oxides annually over an initial 26-year mine life - covering only 30% of the currently defined resource, which remains open for expansion. As a comparison, on 25 October, Australian company Lynas Rare Earths ("Lynas") announced plans for an expanded heavy rare earths separation facility in Malaysia, with nameplate capacity of 250 tonnes of Dysprosium and 50 tonnes of Terbium oxides (Source: Sw. https://wcsecure.weblink.com.au/pdf/LYC/03015215.pdf).

Lynas, along with MP Materials ("MP") are the most significant players in the rare earths market outside of China. Lynas is expected to be a beneficiary of the USD 8.5 billion U.S.-Australia Rare Earth Deal signed on 20 October 2025 and has already benefited from Australian Government grant funding in recent years. The U.S. Government has invested in MP, becoming the company's largest shareholder through the purchase of USD 400 million in preferred stock in July this year and the Department of War has extended a USD 150 million loan to support the expansion of MP's rare earth separation capabilities. These public market-making instruments from governments directly supporting their critical mineral strategies have unlocked private capital, including USD 1 billion in commercial debt from JPMorgan Chase and Goldman Sachs.

The Company"s recent focus has been on permitting primary raw material production from the Norra Kärr site, but the downstream processing of eudialyte mineral concentrate is also being considered, with one option being to create a rare earths' processing hub that could import concentrates as well as process Norra Kärr material.

When 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. While the numbers will be updated in PFS, we have a robust project, and the Company is already mapping the funding options that could be available as we progress. As one of the largest HREE deposits globally - and the most advanced within the EU - Norra Kärr has the potential to become a cornerstone supplier for Western magnet producers.

Bihor Sud Nickel-Cobalt Exploration Project
Following the substantial addition of ownership and operational permits for the former Avram Iancu mine within the exploration area, in summer 2025, the Company has been reassessing its highest-value prospects. The Avram Iancu site benefits from extensive historical mining and exploration activities that have established hundreds of kilometers of underground galleries and workings. Historical data indicates the presence of massive sulphide zones within carbonate-replacement deposits, featuring primary copper-bearing minerals such as chalcocite and bornite.

A Competent Person Report is being completed, while management concurrently explores alternative financing options to advance project development. This technical report will consolidate the substantial work completed to date and establish a clear roadmap for the project.

Bihor Sud remains a very exciting brownfield exploration project. It's a historic mining area with tens of kilometers of underground galleries, or tunnels, developed in the licence area. Between the 1960-90s the responsible division of the Romanian State only targeted what was then called 'strategic metals', principally uranium, and explored for nothing else.

The Company's objective at Bihor Sud, is to define a large-scale, mineable mineral resource. Initially, we are following-up on the work done in gallery G7 last year, and the extensive Cobalt-Nickel-Gold mineralized zone that was identified, and in the new year starting to drill in gallery G2 which has shown its potential for extensive Zinc-Lead-Copper-Silver mineralization. We are encouraged by the findings to date, which highlight the strong potential for discovering a significant polymetallic deposit.

Projects Overview

Woxna Graphite Mine and Anode Project

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

The 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; metallurgical testwork is being conducted 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.

On June 9, 2021, the Company announced the results of a Preliminary Economic Assessment ("PEA") for a vertically integrated mine to anode material production, the full details subsequently included in the technical report entitled "NI 43-101 Technical Report – Woxna Graphite" prepared for Woxna Graphite AB with effective date June 9, 2021 and issue date July 23, 2021, available on Leading Edge's website www.leadingedgematerials.com and under its SEDAR profile www.sedar.com. The main results, where all figures are US dollars unless otherwise specified, follow;

Main PEA Highlights

- Financially robust Project with average annual EBITDA of $49m and a pre-tax Internal Rate of Return (IRR) of 42.9%;

- Opportunity to produce Swedish battery grade graphite anode material utilizing an existing graphite mine and concentrator with the addition of an offsite value-add processing facility;
- Thermal purification combined with access to low-cost hydropower means a low carbon footprint for the Project, validated in a subsequent life cycle assessment (LCA) report; and
- PEA is based on Kringel permitted graphite deposit.

Project Financial Highlights

- Pre- and post-tax Net Present Value (NPV) of $317m and $248m using an 8% discount rate Pre- and Post-tax IRR of 42.9% and 37.4% 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; and
- 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; and
- LOM average strip ratio of 3.7:1.

Mineral Resource Estimate – Measured and Indicated

Property	Classification of Mineral Resource	Tonnes (Mt)	Grade C (%)
Kringel	Measured	0.96	9.21
	Indicated	1.65	9.09
	Sub-total Measured + Indicated	2.61	9.13

Mineral Resource Estimate – Inferred

Property	Classification of Mineral Resource	Tonnes (Mt)	Grade C (%)
Kringel	Inferred	0.39	8.72

Source: ReedLeyton 2021

Notes:
- Inconsistencies in totals are due to rounding;
- 4% Cg mill cut-off grade applied for reporting purposes constrained within the MPlan 2021 pitshell;
- Reported according to CIM Definition Standards 2011;
- Reported according to CIM Mineral Exploration Best Practice Guidelines (November 2018);
- No geological losses applied;
- Default Density 2.7 t/m^3 used;
- The previous Mineral Resource Estimates for the Project were developed without the constraint of an applied mine plan and open-pit shell. In the light of more rigorous compliance requirements, the Mineral Resources were reported by ReedLeyton within the constraints of the PEA mine plan as a means of demonstrating "reasonable prospects for economic extraction" as required by numerous international reporting codes. No new exploration data was included in the reporting process;
- Effective date of Mineral Resource Estimate is June 9, 2021; and
- Mineral resources are not mineral reserves and do not have demonstrated economic viability.

The 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 PEA will be realized.

On June 21, 2021, preliminary LCA results were announced, subsequently confirmed in the final report, showing that the production of 1 tonne of natural graphite anode material CSPG from natural graphite extracted at Woxna is forecast to have an impact of 1.8 tonnes CO_2 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 is the access to low-cost hydropower as the main energy source.

Norra Kärr Heavy Rare Earth Elements Project

Located in southern Sweden, Norra Kärr is a globally significant deposit of heavy rare earth elements ("HREE") with enrichment of the high value elements, dysprosium and terbium.

The Norra Kärr peralkaline intrusion was identified by the Geological Survey of Sweden ("SGU") in the early years of the 20th century and first described by Törnebohm in 1906. Limited exploration of Norra Kärr for zirconium and nepheline was conducted by the Swedish mining company Boliden AB in the 1940s and again in the 1970s.

SGU discovered Norra Kärr in the 1900s and, in 2011, designated it as being of National Interest due to the significance of its rare earth elements ("REEs") for Sweden and Europe. More recently, with the respect to the Company's application for a mining lease, SGU in its capacity as an expert authority for issues relating to geology and minerals in Sweden has stated that the deposit at Norra Kärr is very important for Sweden's and the EU's supply of rare earth metals, and that Norra Kärr is one of Europe's richest deposits for these minerals – especially with regard to heavy rare earth elements.

Norra Kärr has been subject to extensive multi-disciplinary studies undertaken by known industry leading consultants. In 2013, the Project was granted an Exploitation Concession, 25-year mining lease, for a much larger operation, for which a Prefeasibility Study was completed in 2015 ("PFS 2015"). Subsequently, the Concession was appealed and the Company left to reapply.

With new investment from a Swedish strategic shareholder, in 2021, the Project was redesigned, increasing resource utilization and efficiency, improving environmental, social and governance factors, minimizing the local footprint by limiting activities taking place at the mine site. This formed the basis of a Preliminary Economic Assessment in 2021 ("PEA 2021").

More than 20,000 m of drilling has been completed, with consistent resource drilling to 200 m vertical depth. The deposit remains open below 300 m. The deposit has a Mineral Resource Statement prepared by SRK with an effective date of August 18, 2021.

There is a railway within 30 kilometers of the Norra Kärr site. The location provides uninterrupted road, rail and Baltic port access to European markets where both REE refining capacity and REE enabled technology consumers are located.

On July 22, 2021, the Company announced the result of the PEA for Norra Kärr, the full details included in the technical report titled "PRELIMINARY ECONOMIC ASSESSMENT OF NORRA KÄRR RARE EARTH DEPOSIT AND POTENTIAL BY-PRODUCTS, SWEDEN" prepared for Leading Edge Materials Corp. with effective date August 18, 2021 and issue date August 19, 2021, available on Leading Edge Material's website www.leadingedgematerials.com and under its SEDAR profile www.sedar.com. The main results of the PEA, where all figures are US dollars unless otherwise specified, follow:

Main PEA Highlights (In comparison to the PFS 2015)

- Significant increase in resource utilization by proposing recovery of nepheline syenite (NS) industrial mineral, zirconium oxide (Zr) and niobium oxide (Nb) products in addition to the rare earth oxide

("REO") products. Greater than 50% of total mined material is planned to be sold as products compared with previously less than 1% in the PFS 2015.
- Opportunities to valorize the residual excavated materials which could potentially result in the conversion of all mineralized material into commercial products.
- Revised Project flowsheet to minimize the environmental footprint at Norra Kärr. Processing at site will only include mining, crushing, milling and magnetic separation, eliminating all chemical processing and associated waste versus the PFS 2015. This results in an approximate 65% reduction in land area use at the Norra Kärr site compared with the PFS 2015. In addition, water requirements and discharge volumes become significantly reduced compared to the PFS 2015.
- The HREE concentrate will be shipped to a process facility conceptually proposed in the industrial centre of Luleå where production of REEs, Nb and Zr products through leaching will occur.
- Control of water on site and management to prevent impacts to the catchment of Lake Vättern includes minimising the need to abstract water from the lake and aiming to have a zero-discharge circuit with utilization of all site contact water.
- Total on-site mine waste has been reduced from 42Mt to 16.9Mt over the Life of Mine (9.4Mt waste rock and 7.5Mt magnetic separation waste) of which 21% of mine waste rock will be backfilled into the pit. The reduced amount of waste enables a switch to dry tailings leaving a significantly smaller and more benign waste footprint during mine life and on closure at the Norra Kärr site relative to the PFS 2015.

Project Financial Highlights

- Pre- and Post-tax Net Present Value (NPV) of $1,026M and $762M using a 10% discount rate;
- Pre- and Post-tax Internal Rate of Return (IRR) of 30.8% and 26.3%;
- Accumulated LoM project revenues of $9,962M;
- Average annual EBITDA of $206M;
- Initial Capital Expenditures (CAPEX) of $487M;
- Pre-tax Payback Period from first production of 5.1 years;
- Life of mine ("LOM") average gross basket price per kg of separated mixed REO product at $53;
- Operating cost per kg of separated mixed REO product at $33 including toll separation charges;
- By-product revenue per kg of separated mixed REO product $19; and
- Operating cost per kg of separated mixed REO product including toll separation charges and after by-product credit at $14.57.

Operational Highlights

- LOM is 26 years
- LOM average annual
    - Mining rate of 1,150,000 tonnes
    - Strip ratio of 0.32
    - TREO 5,341 tonnes
    - Main magnet rare earth oxides ("MagREO") (Nd, Pr, Dy, Tb) 1,005 tonnes
        - Dy_2O_3: 248 tonnes
        - Tb_2O_3: 36 tonnes
        - Nd_2O_3: 578 tonnes
        - Pr_2O_3: 143 tonnes
    - Nepheline Syenite 732,885 tonnes
    - Zirconium dioxide 10,200 tonnes
    - Niobium oxide 525 tonnes

The Norra Kärr deposit average concentration of uranium and thorium based on 9,987 samples are extremely low (U 11.4 ppm and Th 10.9 ppm), especially compared with other REE deposits. The various material streams from the new design of the Project have not been tested for radionuclide content. However previous testwork, on both material and waste streams conclude that amounts of uranium and thorium, activity concentrations and indexes would likely fall below thresholds of radioactivity as per the definition of a radioactive substance by the International Atomic Energy Agency (IAEA) and EU guidelines (ANSTO, 2014).

SRK conducted a hazardous waste assessment through HazWasteOnlineTM as part of the PEA to determine whether the waste materials contain any hazardous properties. The assessment uses the multi-element

assays for the composites and average assays per material type for the 65 waste rock samples plus calculated weighted averages. Based on the project geochemistry the waste rock is classified as non-hazardous, non-inert by the Swedish Waste Ordinance (SFS 2020:614).

Norra Kärr Mineral Resource Statement (SRK, 18 August 2021)*

Mineral Resource Classification	Tonnes (Mt)	TREO (%)	ZrO_2 (%)	Nb_2O_5 (%)	Nepheline Syenite (%)
Inferred	110	0.5	1.7	0.05	65

*Notes:

1. Effective date 18 August 2021.
2. Qualified Person Mr Martin Pittuck MSc C.Eng.
3. Mineral Resources are not Mineral Reserves until they have Indicated, or Measured confidence and they have modifying factors applied and they have demonstrated economic viability based on a Feasibility Study or Prefeasibility Study.
4. There is no guarantee that Inferred Mineral Resources will convert to a higher confidence category after future work is conducted.
5. The Mineral Resources reported have been constrained using an open pit shell assuming the deposit will be mined using open pit bulk mining methods and above a cut-off grade of USD150/t, including a 30% premium on projected commodity prices and unconstrained by commodity production rates and the 260m highway buffer zone.
6. The Mineral Resources reported represent estimated contained metal in the ground and has not been adjusted for metallurgical recovery.
7. Total Rare Earth Oxides (TREO) include both Light and Heavy REO as shown in the table below.
8. HREO is 52% of TREO.

Norra Kärr Rare Earth Element Distribution

Light REO proportion of Total REO					Heavy REO proportion of Total REO									
La_2O_3	Ce_2O_3	Pr_2O_3	Nd_2O_3	Sm_2O_3	Eu_2O_3	Gd_2O_3	Tb_2O_3	Dy_2O_3	Ho_2O_3	$Er2O_3$	Tm_2O_3	Yb_2O_3	Lu_2O_3	Y_2O_3
0.100	0.210	0.030	0.110	0.030	0.004	0.030	0.007	0.050	0.010	0.034	0.005	0.033	0.005	0.340
0.48					0.52									

The 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 PEA will be realized.

The rationale for re-evaluation of the Project at the PEA level is justified for the following reasons; recognition of potentially economic constituents in the mineralization not evaluated in the PFS 2015, namely nepheline syenite, niobium and zircon; recognition of the redesigned Project with reduced environmental footprint, having eliminated the need for a large wet tailing's storage facility at Norra Kärr; and recognition of the decoupling of upstream operations and downstream processing.

The Company does not expect the mineral resource estimates contained in the PEA to be materially affected by metallurgical, environmental, permitting, legal, taxation, socio-economic, political, and marketing or other relevant issues.

An Exploitation Concession, 25-year mining lease, was granted to the Company's Swedish subsidiary Tasman Metals AB, renamed GREENNA Mineral AB, covering Norra Kärr in 2013 by The Mining Inspectorate of Sweden (Bergsstaten) with approval of the local County Administrative Board. In 2014, the Government of Sweden upheld the granting of the Exploitation Concession after an appeal. In 2016, following an appeal to the Supreme Administrative Court (SAC) in Sweden regarding the decision-making process of the Mining Inspectorate under the Minerals Act, the Norra Kärr Exploitation Concession reverted from granted to application status. On May 5, 2021, the Mining Inspectorate rejected the Company's revised application with the motivation that since the Company had not acquired a Natura 2000 permit for the Project, the Mining Inspectorate was not able to rule on the application.

Since that decision, on 29 May 2024, the Government of Sweden introduced amendments to the Minerals Act permit procedures for mines in Sweden, to improve efficiency in the permitting process. The Parliament (Riksdag) voted in favour of the Government's proposal for amendments to the Minerals Act, according to which Natura 2000 permits will no longer be a precondition for being able to grant an application for an Exploitation Concession. The Parliament considers that the proposal meets the EU's legal requirements for complete, precise and definitive conclusions on the impact on habitats and species in a Natura 2000 area. The new rules came into force on 1 July 2024.

The previously awarded Exploitation Concession was for a much larger and more complex project. With new investment from a Swedish strategic shareholder, in 2021, the Project was redesigned, increasing resource utilization and efficiency, improving environmental, social and governance factors, minimizing the local footprint by limiting activities taking place at the mine site. This formed the basis of the PEA 2021 and the Company's application for a new Exploitation Concession submitted in December 2024.

With regards to the Exploration License covering Norra Kärr, in June 2020, the license was extended 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 and so the licence was extended to August 31, 2025. The extension of the license was appealed, and the administrative court of Luleå rejected the appeal in March 2021. A further appeal was made, but this was denied leave to appeal in March 2022. On June 10, 2022, additional legislation in response to COVID-19 extended the license to August 31, 2026.

Bihor Sud Nickel-Cobalt and Polymetallic Project

In 2018, the Company initiated an Exploration Alliance (the "Exploration Alliance") in Romania focused on the discovery and development of lithium-ion battery raw materials. Following technical and commercial due diligence, the Company 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. Based on positive results, in October 2019 LEM Romania elected to submit an Exploration License application to the permitting authority Agenţia Națională Pentru Resurse Minerale ("NAMR") for the Bihor Sud area in a competitive tender process. In May 2022, LEM Romania signed the exclusive exploration license with NAMR.

The exploration license perimeter covers a 25 square kilometer area in the Northern Apuseni Mountains of Transylvania. The Apuseni Mountains are in the northern extension of the Western Tethyan Metallogenic Belt, one of the world's more prominent orogenic belts that hosts numerous significant past producing mines and newly discovered mineral deposits. LEM Romania applied for the License with the goal to expand on indications of high-grade cobalt, nickel and polymetallic mineralization collected in the framework of its earlier prospecting license covering the same area.

Located approximately 90 km south-east from Oradea which is the administrative capital of Bihor County, Bihor Sud lies within the Upper Cretaceous and Neogene Carpathian magmatic arcs which extend from Turkey to Hungary and are host to several well-known mines and mineral deposits such as the Timok-Bor-Majdanpek copper-gold zone, Skouries and Chelopec. The Northern Apuseni Mountains have documented high grade skarn and carbonate replacement mineral deposits and historic production of Cu, Mo, Ag, Au, Zn, U and Pb associated with Tethyan Arc intrusions. Within the License area, there is a significant amount of historical mine works including a substantial former underground uranium mine which stopped production in the 1990s. Approximately 15 km northwest from the License, The Company's local joint-venture partner operates a high-quality dolomite mine, the Baita Skarn Mine, which has historic mining of Cu, Mo, Bi, Au, Ag, Zn, Pb and W.

Under the earlier prospecting work, staff and consultants to LEM Romania compiled historic data, sampled historic mine waste dumps and completed preliminary ground geophysics and soil sampling. Historic mining in the area tapped Co-Ni mineralization deposited at the top of a regional carbonate level and overlying dark schist in the form of replacement bodies and dissemination. Within a 5 x 2 km zone, grab samples were taken from 7 waste dumps near gallery mouths, showing mostly disseminated mineralization in dark schist and

carbonate. Both, cobalt and nickel grades in these rocks, are often in the percent-range, increasing strongly as stringers occur, which locally lead to massive Co-Ni-ore pockets.

On December 14, 2023, the company announced further positive assay results for Co-Ni-Au from gallery G7 at the Bihor Sud project in Romania. The findings extend the zone of identified Co-Ni-Au occurrences by about 250 m to a total length of roughly 400 m NNW-SSE and constitute the central-southern part of G7. Highlights included 6.7% Co, 13.0% Ni, 7.5 g/t Au.

Qualified Person

The scientific, technical and economic information related to the Norra Kärr project has been reviewed and approved by Dr. Rob Bowell of SRK Consulting (UK) Ltd, a chartered chemist of the Royal Society of Chemistry, a chartered geologist of the Geological Society of London, and a Fellow of the Institute of Mining, Metallurgy and Materials, who is an independent Qualified Person under the terms of NI 43-101 for REE deposits.

The scientific, technical and economic information related to the Woxna Graphite project has been reviewed and verified by Christopher Stinton of Zenito Limited, BSc (Hons), CEng MIMMM, an independent Qualified Person as defined by NI 43-101.

Martin S. Oczlon, PhD Geo, CEng MIMMM, a consultant to Leading Edge Materials and Qualified Person as defined in NI 43-101, has reviewed and verified the technical content related to the Bihor Sud project.

Financial Information

The report for three months ending January 31, 2026, is expected to be published on or about March 20, 2026.

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 2025				Fiscal 2024			
Three Months Ended	October 31, 2025 $	July 31, 2025 $	April 30, 2025 $	January 31, 2025 $	October 31, 2024 $	July 31, 2024 $	April 30, 2024 $	January 31, 2024 $
Operations								
Expenses	(731,190)	(697,621)	(1,070,402)	(696,037)	(97,209)	(797,070)	(863,745)	(660,617)
Other items	(25,684)	86,314	(108,766)	26,821	(222,820)	(25,168)	4,216	(25,311)
Comprehensive profit/(loss)	(756,874)	(611,307)	(1,179,168)	(669,216)	(320,029)	(822,238)	(859,529)	(685,928)
Basic Profit/(loss) per share	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)
Diluted profit/(loss) per share	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)
Financial Position								
Working capital	1,880,436	679,695	1,191,514	2,198,641	3,337,686	3,973,458	1,610,635	2,316,098
Total assets	30,468,689	29,503,036	28,361,774	28,480,311	29,343,716	28,454,783	24,991,481	26,003,943
Total non-current liabilities	(6,056,852)	(6,806,650)	(6,009,933)	(5,596,369)	(5,641,854)	(5,683,545)	(5,101,289)	(5,489,843)

Results of Operations

Three Months Ended October 31, 2025, Compared to Three Months Ended July 31, 2025

During the three months ended October 31, 2025 ("Q4 2025") the Company reported a net loss of $756,874 compared to a reported net loss of $611,307 for the three months ended July 31, 2025 ("Q3 2025"), an increase in loss of $145,567 is due to foreign exchange loss of $64,195 in Q4 2025 compared to gain of $80,335 Q3 2025.

Year Ended October 31, 2025, Compared to Year Ended October 31, 2024

During the year ended October 31, 2025 ("fiscal year 2025") the Company reported a net loss of $3,216,565 compared to a net loss of $2,687,724 for the year ended October 31, 2024 ("fiscal year 2024"), an increase in loss of $528,841. The increase in loss was due to Directors and officer's compensation of $303,927 in fiscal year 2025 compared to $232,702 in fiscal year 2024, share based payment during fiscal year 2025 of $1,131,468 compared to $775,940 in fiscal year 2024, travel expenses during fiscal year 2025 of $148,686 compared to $57,918 in fiscal year 2024.

Specific expenses of note during the year ended October 31,2025 are as follows:

(i) incurred $303,927 (2024 - $232,702) for directors and officer's compensation.
(ii) incurred $204,318 (2024 - $198,621) for listing and regulatory fees with respect to ongoing fees for the Company's listing of its common shares on the TSXV, Nasdaq First North and OTC exchanges.
(iii) incurred a total of $198,885 (2024 - $183,944) for accounting and audit out of which the Company incurred $60,264 (2024 - $58,533) for accounting services of SKS Business Services along with $32,030 (2024 - $42,058) for bookkeeping and accounting services for subsidiary companies provided by other independent accountants.
(iv) incurred research, development and general exploration of $167,938 (2024 - $126,503).
(v) incurred $276,346 (2024 - $258,067) in costs for operations.

Interest income is primarily generated from cash held on deposit with the Bank of Montreal. During the year ended October 31, 2025 the Company reported interest income of $55,336 compared to $97,375 during the year ended October 31, 2024.

During the year ended October 31, 2025, the Company recorded a foreign exchange loss of $99,233 due to changes in exchange rates, compared to loss of $73,283 during the year ended October 31, 2024.

Financings

During the year ended October 31, 2025, 750,000 warrants were exercised for gross proceeds of 152,500.

On 15th August 2025, the Company has closed the non-brokered private placement, issuing 17,738,500 units (the "Units") at a price of C$0.16 per Unit for aggregate gross proceeds of C$2,838,160. Each unit consisted of one common share and one common share purchase warrant. Each warrant is exercisable by the holder to acquire one common share at an exercise price of $0.32 per share, expiring August 14, 2029.

During the year ended October 31, 2024, 3,689,286 warrants were exercised for gross proceeds of $368,929.

On 23rd July 2024, the Company has completed the first tranche of the private placement, issuing 34,400,000 common shares at a price of $0.10/share for gross proceeds of $3,440,000. The Company also paid finders' fees of $3,000.

On 26th September 2024, the Company closed the second and final tranche of the private placement announced previously on July 15, 2024, issuing 6,710,000 common shares at a price of $0.10/share for gross proceeds of CAD$671,000.

Property, Plant and Equipment

Cost:	**Vehicles $**	**Equipment and Tools $**	**Building $**	**Manufacturing and Processing Facility $**	**Mineral Property Acquisition and Development Costs $**	**Right Of Use Asset $**	**Total $**
Balance at October 31, 2023	**16,094**	**290,428**	**344,139**	**7,567,878**	**5,661,423**	**-**	**13,879,962**
Addition	-	152,688	-	-	-	-	152,688
Adjustment to site restoration	-	-	-	-	822,759	-	822,759
Balance at October 31, 2024	**16,094**	**443,116**	**344,139**	**7,567,878**	**6,484,182**	**-**	**14,855,409**
Addition	-	40,561	-	-	-	42,613	83,174
Adjustment to site restoration	-	-	-	-	194,449	-	194,449
Balance at October 31, 2025	**16,094**	**483,677**	**344,139**	**7,567,878**	**6,678,631**	**42,613**	**15,133,032**
Accumulated Depreciation and Impairment:							
Balance at October 31, 2023	**(5,174)**	**(266,537)**	**(188,928)**	**(3,910,218)**	**(5,000,000)**	**-**	**(9,370,857)**
Depreciation	(1,000)	(1,877)	(28,586)	-	-	-	(31,463)
Balance at October 31, 2024	**(6,174)**	**(268,414)**	**(217,514)**	**(3,910,218)**	**(5,000,000)**	**-**	**(9,402,320)**
Depreciation	(2,266)	(35,254)	(33,790)	-	-	(13,077)	(84,387)
Balance at October 31, 2025	**(8,440)**	**(303,668)**	**(251,304)**	**(3,910,218)**	**(5,000,000)**	**(13,077)**	**(9,486,707)**
Carrying Value:							
Balance at October 31, 2024	**9,920**	**174,702**	**126,625**	**3,657,660**	**1,484,182**	**-**	**5,453,089**
Balance at October 31, 2025	**7,654**	**180,009**	**92,835**	**3,657,660**	**1,678,631**	**29,536**	**5,646,325**

Exploration and Evaluation Assets

	Graphite concessions $	Norra Karr $	Romania $	Total $
Balance at October 31, 2023	**14,787**	**16,554,050**	**1,361,001**	**17,929,838**
Costs				
Additions during the year	-	780,654	1,181,760	1,962,414
Balance at October 31, 2024	**14,787**	**17,334,704**	**2,542,761**	**19,892,252**
Costs				
Additions during the year	-	911,780	1,578,065	2,489,845
Balance at October 31, 2025	**14,787**	**18,246,484**	**4,120,826**	**22,382,097**

Financial Condition / Capital Resources

During the year ended October 31, 2025, the Company recorded a net loss of $3,216,565 and, as of October 31, 2025, the Company had an accumulated deficit of $52,569,223 and working capital of $1,880,436. The Company is maintaining its Woxna Graphite Mine on a "production-ready" basis to minimize costs. The Company continues to review options for Woxna, which include the possibility of contracting with a long-term partner willing to pay for secure natural graphite produced to the highest ESG and sustainability standards. 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, establish a production facility for the Anode Project, to fund future development of the Norra Kärr Property or to complete exploration activities in Romania. There is no assurance such additional capital will be available to the Company on acceptable terms or at all. In the longer term the recoverability of the carrying value of the Company's long-lived assets is dependent upon the Company's ability to preserve its interest in the underlying mineral property interests, the discovery of economically recoverable reserves, the achievement of profitable operations and the ability of the Company to obtain financing to support its ongoing exploration programs and mining operations.

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, 2025 audited annual consolidated financial statements.

Changes in Accounting Policies

There is no change in accounting policy during the year ended October 31, 2025.

A detailed summary of all the Company's material accounting policies and accounting standards and interpretations issued but not yet effective, is included in Note 3 to the October 31, 2025 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 consist of members of the Company's current and former Board of Directors and its executive officers.

(a) During the year ended October 31, 2025 and 2024 the following compensation was incurred:

	2025 $	2024 $
Mr. Kurt Budge, CEO [(1)]	359,520	156,622
Mr. Lars-Eric Johansson, Chairman and director [(1)]	32,400	32,400
Mr. Eric Krafft, interim CEO and director [(1)]	32,400	32,400
Mr. Daniel Major, director [(1)]	32,400	32,403
Mr. Sanjay Swarup, CFO [(2)]	39,612	38,113
Ms. Manuela Balaj-Coroiu, Corporate Secretary [(3)]	50,400	50,400
	546,732	342,338

(1) On May 19, 2024, Kurt Budge was appointed as Chief Executive Officer ("CEO") taking over from Eric Krafft.

Out of the total Directors' and Officers' compensation of $546,732, CEO's compensation of $242,805 has been capitalized to Exploration and Evaluation assets.

(c) In addition, the company incurred share-based compensation for key management personnel as follows:

	2025 $	2024 $
Mr. Eric Krafft	283,055	251,775
Mr. Kurt Budge	316,087	140,505
Mr. Lars-Eric Johansson	229,627	130,876
Mr. Daniel Major	229,627	130,876
Ms. Manuela Balaj-Coroiu	18,876	17,464
Mr. Sanjay Swarup	15,736	9,748
Mr. Filip Kozlowski	-	17,959
	1,093,008	**699,203**

Outstanding Share Data

The Company's authorized share capital is unlimited common shares without par value. As of January 24, 2025, there were 250,550,449 issued and outstanding common shares, 79,837,630 warrants outstanding with exercise prices ranging from $0.20 to $0.32 per share and 21,900,000 share options outstanding with exercise prices ranging from $0.10 to $0.24 per share.