

NEWS RELEASE

August 9th, 2018

Leading Edge Materials Closes Exploration Alliance in Romania

Vancouver, August 9, 2018 – Leading Edge Materials Corp. (“**Leading Edge Materials**” or “**the Company**”) (TSXV:LEM) (OTCQB: LEMIF) (Nasdaq First North: LEMSE) is pleased to report closing of the previously announced exploration alliance focused on lithium ion battery materials in Romania (the “**Alliance Transaction**”) (refer to the Company’s press release dated [April 26, 2018](#)).

In connection with the Alliance Transaction, the Company entered into a share purchase agreement dated April 26, 2018 (the “**Share Purchase Agreement**”) with an arm’s length party (the “**Co-owner**”) pursuant to which Leading Edge Materials has acquired an initial 51% interest (the “**Initial Interest**”), with the right to acquire an additional 39% interest (the “**Additional Interest**”) (for an aggregate 90% interest), in a Romanian incorporated company (the “**Joint Venture Company**”) that holds a prospecting permit. In connection with the acquisition of the Initial Interest, Leading Edge Materials issued 367,006 common shares (“**Common Shares**”) of the Company (the “**Initial Shares**”) to the Co-owner.

The Company, the Co-owner and the Joint Venture Company have entered into a shareholder joint venture agreement to govern the affairs of the Joint Venture Company (the “**Joint Venture Agreement**”). Under the terms of the Joint Venture Agreement:

- In order to earn the Additional Interest, the Company is required to issue to the Co-owner an additional 2,202,036 Common Shares (the “**Additional Shares**”);
- Leading Edge Materials will incur all exploration expenditures and shall free carry the Co-owner to production although no firm exploration expenditure commitments are required under the Joint Venture Agreement; and
- Leading Edge Materials may be required to issue additional Common Shares to the Co-owner to an aggregate maximum of 8,074,136 Common Shares as bonus payments should historic resources or a subsequent National Instrument 43-101 mineral resource estimate on either cobalt, nickel or silver based metal areas exceed certain thresholds.

In connection with the Alliance Transaction, the Company will pay a finder’s fee equal to 5% of the aggregate consideration paid by the Company to the Co-owner under the Share Purchase agreement and the Joint Venture Agreement payable by the issuance of cash and/or Common Shares. The finder’s fee is payable in stages concurrently and conditionally with the issuance of the Initial Shares and Additional Shares. On the closing date of the Alliance Transaction, the finder was issued 18,350 Common Shares.

All Common Shares issued or to be issuable pursuant to the Share Purchase Agreement, Joint Venture Agreement or to the finder in connection with the Alliance Transaction will be subject to a four month hold period expiring four months from the date of issuance.

Blair Way, President and CEO, stated: “We are very pleased to have closed on this transaction and now that the documentation is in place we look forward to initiating work programs and advancing the property. We look forward to providing details on exploration program results when they become available”.

On behalf of the Board,

"Blair Way"
Blair Way, President & CEO

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Qualified Person

The qualified person for the Company's project, Mr. Blair Way B.S. (Geology) M.B.A., a Fellow of the Australasian Institute of Mining and Metallurgy, the Company's President and CEO, has reviewed and verified the contents of this document.

About Leading Edge Materials

Leading Edge Materials is a Canadian public company focused on production of high value critical raw materials for the European market, with an operating base in the Nordic region, a region well recognised for its promotion and investment in innovation. LEM's flagship asset is the Woxna Graphite production facility located in central Sweden targeting the supply of specialty materials for lithium ion battery production. LEM's assets and research focus are towards the raw materials for Li-ion batteries (graphite, lithium, cobalt); materials for high thermal efficiency building products (graphite, silica, nepheline); and materials that improve the efficiency of energy generation (dysprosium, neodymium, hafnium). Investments are linked to the global shift to low-carbon energy generation and energy storage. Leading Edge Materials currently operate in four divisions, Graphite, Lithium, Rare Earth and Cobalt. Mangold Fondkommission AB is the company's Certified Adviser ("CA") as part of the listing requirements for Nasdaq First North.

Additional Information

Leading Edge Materials is listed on the TSXV under the symbol "LEM" and Nasdaq First North Stockholm under the symbol "LEMSE". Mangold Fondkommission AB is the Company's Certified Adviser on Nasdaq First North.

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