

Form 62-103F1

Required Disclosure under the Early Warning Requirements

Item 1 – Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

Securities: Units (“Units”), each Unit comprised of one common share in the capital of the Issuer (a “Share”) and one Share purchase warrant (a “Warrant”).

Issuer: Leading Edge Materials Corp. (“LEM”)
14th Floor 1040 West Georgia Street
Vancouver, BC V6E 4H1

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

Not applicable. See 2.2 below

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

Mr. Eric Krafft, with an address at 24 Avenue Princesse Grace, 98000 Monaco.

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

On August 23, 2023 LEM closed a private placement financing (the “**Private Placement**”) pursuant to which Eric Krafft acquired ownership and control over 10,353,173 Units (each a “**Unit**”) of LEM at a price of \$0.115 per Unit for a total proceeds of CAD\$1,190,5000. Each Unit is comprised 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\$0.225 per Warrant Share until the date which is four (4) years from the closing date of the Private Placement (the “Closing Date”).

2.3 State the names of any joint actors.

Not applicable

Item 3 – Interest in Securities of the Reporting Issuer

3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror’s security holding percentage in the class of securities.

Pursuant to the acquisition of Units under the Private Placement 10,352,173 Units were acquired by Mr. Krafft representing approximately 5.52% of the now 187,262,663 issued and outstanding Common Shares of LEM, on a non-diluted basis, and 4.22% of the 245,208,793 Common Shares issued and outstanding on a fully diluted basis. Following the Acquisition, the percentage of Common Shares owned by Mr. Krafft increased by 1.17% from 37.58% to 38.75% on a non-diluted basis. See item 3.4.

3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.

Mr. Eric Krafft acquired ownership and control over the Common Shares that triggered the requirement to file this report. See item 2.2.

3.3 If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

3.4 State the designation and number or principal amount of securities and the acquiror’s security holding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.

Prior to the acquisition of Units under the Private Placement, Mr. Krafft held 62,204,404 Common Shares of LEM, representing approximately 37.58% of the then 165,523,533 issued and outstanding Common Shares of LEM, on a non-diluted basis, 24,150,000 share purchase warrants of LEM (the “**Warrants**”) exercisable to acquire 24,150,000 additional Common Shares and 2,500,000 stock options of LEM (the “**Options**”) to acquire 2,500,000 additional Common Shares.

Following the acquisition of Units under the Private Placement, Mr. Eric Krafft owns and controls 72,556,577 Common Shares of LEM, representing approximately 38.75% of the current 187,262,663 issued and outstanding

Common Shares of LEM, 34,502,173 Warrants and 2,500,000 Options. Assuming exercise of the Warrants and Options held by Mr. Krafft only, Mr. Krafft would have control or direction over 109,558,750 Common Shares or 46.22% of the then 237,051,793 issued and outstanding Common Shares of LEM.

3.5 State the designation and number or principal amount of securities and the acquiror's security holding percentage in the class of securities referred to in Item 3.4 over which

- (a) **the acquiror, either alone or together with any joint actors, has ownership and control,**

See item 3.4 above.

- (b) **the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and**

Not applicable.

- (c) **the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's security holdings.

Not applicable.

3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.

Not applicable.

3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.

Not applicable.

Item 4 – Consideration Paid

4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.

CAD\$0.115 per Unit for total proceeds of CAD\$1,190,500. Each Unit is comprised 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\$0.225 per Warrant Share until the date which is four (4) years from the closing date of the Private Placement (the “Closing Date”).

4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.

Please see paragraph 4.1 above.

4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.

Not applicable.

Item 5 – Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

(a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;

Mr. Eric Krafft acquired the 10,352,173 Units for investment purposes in order to provide proceeds to the Company to support the ongoing development and exploration programs at its Swedish and Romanian project. Mr. Krafft acquired the Common Shares for investment purposes only. In the future, Mr. Krafft may take such actions in respect of his holdings in LEM as he may deem appropriate, depending on market conditions and circumstances at that time.

(b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;

Not applicable.

- (c) **a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**

Not applicable.

- (d) **a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**

Not applicable.

- (e) **a material change in the present capitalization or dividend policy of the reporting issuer;**

Not applicable.

- (f) **a material change in the reporting issuer's business or corporate structure;**

Not applicable.

- (g) **a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;**

Not applicable.

- (h) **a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;**

Not applicable.

- (i) **the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;**

Not applicable.

- (j) **a solicitation of proxies from securityholders;**

Not applicable.

- (k) **an action similar to any of those enumerated above.**

Not applicable.

Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder’s fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Not applicable.

Item 7 – Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer’s securities.

Not applicable.

Item 8 – Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 – Certification

I, as the acquiror, certify, or I, as the agent filing this report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Date: August 24, 2023

“*Eric Krafft*”

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Mr. Eric Krafft