

Leading Edge Materials Corp.

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Leading Edge Materials plans spinout of Woxna Graphite AB

Leading Edge Materials Corp (CVE:LEM) (OTCMKTS:LEMIF) announced to shareholders on Monday that it is spinning out its subsidiary company Woxna Graphite AB to advance the Woxna graphite project in Sweden.

The decision comes as part of a strategic review that the Vancouver-based resource firm commissioned in January 2019 to assess how to accelerate project execution and enhance the company's portfolio value.

LEM holds the flagship Woxna graphite mine in Sweden on a "production-ready" basis. It also owns 100% of the Norra Kärr REE (rare earth elements) project and has the Bergby lithium site.

READ: Leading Edge Materials achieves milestone at Woxna as demonstration plant is set to be installed

A freestanding Woxna Graphite AB will allow the new company to better execute its plan of producing high value graphite materials by allowing it to raise money independent of Leading Edge's project portfolio, according to Leading Edge. The fully built mine will be in prime position to secure offtake agreements once the proposed battery anode demonstration plant is installed and in operation, it said.

In a note to investors, Leading Edge said that the spinout will be the least dilutive to existing shareholders while enabling the Woxna project to access necessary funding.

"Despite the widespread evidence of rapid growth in the lithium ion battery and electric vehicle markets, North American mining markets remain subdued with limited funding opportunities," said Mark Saxon, Leading Edge's interim CEO.

Saxon also said that the strategic review has identified potential funding pathways in Europe that are open for direct project investment.

Once the spinout is complete, the board assured shareholders that Leading Edge will continue to hold significant exposure to Woxna's graphite production as a future graphite materials supplier and execute on other assets within the company's portfolio in the Nordic region and Romania.

The search for an executive team to lead Woxna Graphite AB is underway, the company said, and based on market interest in the future, an initial public offering may be considered.

Europe takes the lead

The move comes amidst increased interest in the rare earths sector as rhetoric surrounding potential trade war between the US and China heats up.

Following a recent EU Battery Alliance meeting, The European Commission's vice president for the Energy Union,

Price: 0.06

Market Cap: \$6.82 m

1 Year Share Price Graph



Share Information

Code: LEM

Listing: TSX-V

52 week High Low
0.395 0.005

Sector: Battery Metals

Website: leadingedgematerials.com

Company Synopsis:

Leading Edge Materials was formed with our sights firmly focussed on the material demands of a once-in-a-generation revolution, as the world shifts to the efficient production, storage and preservation of low carbon energy. From the lithium batteries in our electric vehicles to our ability to generate energy from the sun, wind and waves. From the smart phones in our pockets to the MRI machines that see within us.

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Maroš Šef?ovi?, said that the organization's goal is to see Europe take the lead in the global battery metals industry.

"Batteries are a key strategic sector for the future of mobility and decarbonization of our economy," Šef?ovi? said in a statement. "We must also show that we mean business when filling the remaining gaps in the value chain, notably mining and refining. EU companies need to be better supported to invest in sustainable mining and refining of raw materials - both in EU and third countries."

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up	to	Twenty	Five	Thousand	dollars	(\$25,000).
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