

Avalon Provides Update on Separation Rapids Lithium Project

August 17, 2022

Toronto, ON – [Avalon Advanced Materials Inc.](#) (TSX: AVL and OTCQB: AVLNF) (“Avalon” or the “Company”) is pleased to provide an update on its preparations for the installation and commissioning of its demonstration Dense Media Separation (“DMS”) plant for the Separation Rapids Lithium Project north of Kenora, Ontario.

Roadwork and site preparation work for the installation and commissioning of the DMS plant have commenced at the Avalon Quarry site along the Avalon Road to the Separation Rapids project site. The Avalon Quarry site is a permitted Aggregate Quarry located approximately 2 km north of the Sand Lake Road and approximately 7 km south of the project site. Aggregate for the road work will be produced at this Quarry as part of an initiative to prepare the road for heavy equipment transport and to prepare the site for the DMS plant installation.

The aggregate production, road repairs, site preparation and bulk sample crushing and hauling is being done by SOW Construction Limited Partnership, a joint venture between Moncrief Construction Limited, a large Kenora-based construction contractor and Wabaseemoong Independent Nations, in whose traditional territory the Project is located. This work is now underway and is expected to be completed later this summer.

The 5,000 tonne bulk sample collected from the project site in 2021 will now be crushed and returned to the Quarry site as initial feed for the DMS Plant to begin producing petalite concentrate product samples for the many international glass-ceramic manufacturers that have expressed interest. The plant will also be used to produce potential by-products including rubidium bearing K-feldspars which are also used in certain ceramic applications. Installation of the demonstration DMS plant is expected to begin this fall with the plant expected to be operational by Spring 2023.

Meanwhile, the Company continues to progress towards acquisition of an industrial site in Thunder Bay that would be the location for establishing the Company’s planned regional lithium battery materials refinery. An appropriate site has been identified and an offer made with the acquisition expected to be completed in September, once debt financing has been arranged.

About The SOW Construction Limited Partnership The SOW Construction Limited Partnership (“SOWCLP”) is a Registered Aboriginal Business Partnership, established in August 2016 between Wabaseemoong Independent Nations (“WIN”) and Moncrief Construction Limited (“MCL”). The name is derived from the three First Nations that comprise Wabaseemoong Independent Nations – Swan Lake, One Man Lake, and Whitedog. The mandate of the Partnership is to work with WIN to offer construction services and employment opportunities within their Traditional Land Use Area. SOWCLP provides services in aggregate production, highway and roadbuilding, bridges and culvers, dams, concrete work, rock and earth excavating and grading, clearing and brushing and heavy equipment and truck rentals.

About Avalon Advanced Materials Inc. Avalon Advanced Materials Inc. is a Canadian mineral development company specializing in sustainably-produced materials for clean technology. The Company now has four advanced stage projects, providing investors with exposure to lithium, tin and indium, as well as rare earth elements, tantalum, cesium and zirconium. Avalon is currently

focusing on developing its Separation Rapids Lithium Project near Kenora, Ontario while continuing to advance other projects, including its 100%-owned Lilypad Cesium-Tantalum-Lithium Project located near Fort Hope, Ontario. Social responsibility and environmental stewardship are corporate cornerstones.

For questions and feedback, please e-mail Avalon President and CEO, Donald Bubar, at ir@AvalonAM.com.

This news release contains “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements about preparations for the installation and commissioning of Avalon’s demonstration Dense Media Separation (“DMS”) plant, that aggregate for the road work will be produced at the Quarry, that aggregate production, road repairs, site preparation and bulk sample crushing and hauling is expected to be completed later this summer, that the bulk sample collected from the project site in 2021 will be crushed and returned to the Quarry site as initial feed for the DMS Plant to begin producing petalite concentrate product samples, that the plant will also be used to produce potential by-products, that installation of the demonstration DMS plant is expected to begin this fall with the plant expected to be operational by Spring 2023, and that acquisition of an industrial site in Thunder Bay for the Company’s planned regional lithium battery materials refinery is expected to be completed in September, once debt financing has been arranged . Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “potential”, “scheduled”, “anticipates”, “continues”, “expects” or “does not expect”, “is expected”, “scheduled”, “targeted”, “planned”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be” or “will not be” taken, reached or result, “will occur” or “be achieved”. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Avalon to be materially different from those expressed or implied by such forward-looking statements. Forward-looking statements are based on assumptions management believes to be reasonable at the time such statements are made. Although Avalon has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Factors that may cause actual results to differ materially from expected results described in forward-looking statements include, but are not limited to market conditions, and the possibility of cost overruns or unanticipated costs and expenses as well as those risk factors set out in the Company’s current Annual Information Form, Management’s Discussion and Analysis and other disclosure documents available under the Company’s profile at www.SEDAR.com. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Such forward-looking statements have been provided for the purpose of assisting investors in understanding the Company’s plans and objectives and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on forward-looking statements. Avalon does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.