

Avalon Completes Non-Brokered Private Placement for Gross Proceeds of \$1,384,000

December 21, 2021

Toronto, Ontario--(Newsfile Corp. - December 21, 2021) - [Avalon Advanced Materials Inc.](#) (TSX: AVL) (OTCQB: AVLNF) ("Avalon" or the "Company") is pleased to announce that it has completed a non-brokered private placement today consisting of 9,099,994 flow-through units at a price of \$0.12 per unit and 2,920,000 non-flow-through units at a price of \$0.10 per unit for gross proceeds of \$1,384,000.

Each flow-through unit was comprised of one flow-through common share and one half of one common share purchase warrant, with each whole warrant entitling the holder to acquire one common share of the Company at a price of \$0.18 for a period of 24 months from today. Each non-flow-through unit was comprised of one common share and one half of one common share purchase warrant, with each whole warrant entitling the holder to acquire one common share of the Company at a price of \$0.15 for a period of 24 months from today.

Donald Bubar, President and CEO of the Company, subscribed for 250,000 flow-through units and Alan Ferry, Chair of the Board of Directors of the Company, subscribed for 300,000 flow-through units. The proceeds from this private placement will be used to fund a winter drilling program on the Company's Separation Rapids Lithium Project and for general working capital purposes.

In conjunction with this private placement, Avalon paid finder's fees of \$90,580 and issued 788,900 non-transferrable finder's warrants, with each finder's warrant being exercisable to acquire one common share of the Company at a price of \$0.18 for a period of 24 months from today. Pursuant to Canadian securities laws, the securities issuable under this private placement are subject to a hold period which expires on April 22, 2022.

For questions and feedback, please send an e-mail message to Avalon's President and CEO, Donald Bubar, at ir@AvalonAM.com.

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 Project. Social responsibility and environmental stewardship are corporate cornerstones.

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 related to how the Company plans to use the net proceeds from the Private Placement and that proceeds from this offering will be to fund work programs on the Company's Separation Rapids Lithium Project and for general working capital purposes. 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.

This press release is not an offer of securities for sale in the United States. The securities have not been and will not be registered under the US Securities Act of 1933, as amended (the "US Securities Act"), and may not be offered or sold in the United States or to US persons (as defined in Regulation S under the US Securities Act) absent registration or an applicable exemption from registration.