Avalon Advanced Materials reported essays from their Separation Rapids lithium project

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<u>Avalon Advanced Materials Inc.</u> ({TSX: AVL}

Reported assay results from its successful 2018 winter drilling program at its Separation Rapids Lithium Project, near Kenora, Ontario. The results were highlighted by a 37.75 metre intersection of lepidolite-rich mineralisation in hole SR18-80 that averaged $1.58\%~\text{Li}_20$.

AVALON ADVANCED MATERIALS INC.

Avalon Reports Assay Results from 2018 Winter Drilling Program at Separation Rapids Lithium Project, Kenora, ON.

Toronto, ON — <u>Avalon Advanced Materials Inc.</u> ({TSX: AVL} is pleased to report assay results from its successful 2018 winter drilling program at its Separation Rapids Lithium Project near Kenora, Ontario. The results were highlighted by a 37.75 metre intersection of lepidolite-rich mineralisation in hole SR18-80 that averaged 1.58% Li₂O.

Six holes totalling 1,548 metres were completed. All holes intersected significant lithium mineralisation, both petalite and lepidolite-petalite bearing, as detailed in the tables below. An updated resource estimate is being prepared which is expected to be completed by the end of April. Metallurgical process optimization and environmental work is also continuing and the results of this work, along with the revised resource estimate, will be used to complete an updated technical report this spring.

The drilling program consisted of four holes (SR18-77 to 80) on the main deposit. Two additional holes (SR18-75 and 76) were drilled on the Western Pegmatite, about 700 metres to the west of the main deposit. Both intersected significant petalite mineralisation over true widths of up to three metres, confirming lateral continuity of the deposit to the west over relatively narrow widths. All four holes in the main deposit yielded significant intersections of both Petalite Zone ("PZ") and Lepidolite-Petalite Zone ("LPZ") mineralisation outside of the existing mineral resource that will result in additions to the total resource tonnage.

Holes 77 and 78 tested depth extensions on the west side of the main deposit to approximately 250 metres below surface and intersected mainly PZ mineralisation outside the existing deposit resource volume. The intercepts of $1.1\%~\rm Li_20$ over $50.9~\rm metres$ cumulative thickness in hole 77 and $1.33\%~\rm Li_20$ over a $18.7~\rm metre$ thickness in hole 78 will add to the total lithium resources.

Holes 79 and 80 tested the east side of the main deposit to similar depths and intersected a wider zone of lepidolite-rich LPZ lithium mineralisation than expected. Hole 79 intersected 62.27 metres of LPZ mineralisation within an interval of 77.05 metres averaging 1.27% $\rm Li_20$, which also includes other zones of PZ mineralisation. This represents an estimated true thickness of 33.46 metres of LPZ mineralisation. Hole 80 intersected 1.51% $\rm Li_20$ over a cumulative thickness of 62.85 metres of which 37.75 metres was LPZ mineralisation and the remainder was PZ petalite mineralisation. The LPZ mineralisation in these two holes is largely outside the existing resource model, thus increasing the overall resource and confidence levels in this part of the deposit.

Metallurgical and Environmental Update

Metallurgical process optimisation work is focused on further improving process efficiencies to reduce costs and maximising the number of valuable products recoverable from the resource.

Flotation testwork has just been completed with regards to the recovery of both lepidolite and petalite concentrates from the LPZ mineralisation. Initial results are demonstrating high (>85%) overall lithium recoveries and concentrate compositions in line with market requirements. Investigations on incorporating lithium selective membrane(s) into the lithium hydroxide production process are also nearing completion and

results to date suggest the anticipated reductions in CAPEX, OPEX and environmental footprint are likely. Lastly, optimization of the petalite concentrate decrepitation and acid leaching processes is also proving to be very successful, with results either matching or exceeding expectations for this critical and complex part of the lithium hydroxide hydrometallurgical process. Final results from all three of these programs are expected during April.

These process advances will also have positive environmental benefits, including significant reductions in waste materials, reagent and energy use and associated greenhouse gas emissions. This will result in decreases in associated environmental management costs. Drill holes were also utilised to collect water samples that indicated very clean water from the area of the lithium resource. Most of the field work to complete the validation of the extensive historical environmental baseline database has been completed and will be finalised in the second quarter. This work will be utilized to continue the positive engagement activities with the local Indigenous communities and will also be utilised in ongoing permitting activities.

The technical information included in this news release has been reviewed and approved by the Company's Vice President, Exploration, Dr. William Mercer, P. Geo (Ont), and Dave Marsh, FAusIMM (CP), Senior Vice President, Metallurgy and Technology Development, both Qualified Persons under NI 43-101.

About Avalon Advanced Materials Inc.

Avalon Advanced Materials Inc. is a Canadian mineral development company specializing in niche market metals and

minerals with growing demand in new technology. The Company has three advanced stage projects, all 100%-owned, providing investors with exposure to lithium, tin and indium, as well as rare earth elements, tantalum, niobium, and zirconium. Avalon is currently focusing on its Separation Rapids Lithium Project, Kenora, ON and its East Kemptville Tin-Indium Project, Yarmouth, NS.

Social responsibility and environmental stewardship are corporate cornerstones.

For questions and feedback, please e-mail the Company at ir@AvalonAM.com

Don Bubar, President & CEO