Avalon Completes Processing of Bulk Sample from Separation Rapids Lithium Project

Avalon Advanced Materials {TSX: AVL} announced an update after a pilot plant processing of lithium from their Separation Rapids project.

The company were pleased with the quality of the resulting petalite, which met all target specifications.

Avalon Completes Pilot Plant Processing of Bulk Sample from Separation Rapids Lithium Project

Avalon Advanced Materials {TSX: AVL} have announced a progress report on the process development work for its Separation Rapids Lithium Project, located in Kenora Ontario.

Pilot processing of a bulk sample of the ore has successfully produced one tonne of high purity lithium mineral concentrate (petalite) that meets target specifications. Approximately 300kg will be used for further process development work toward defining a flowsheet for production of a high purity lithium chemical for battery applications. Preliminary work is already underway and scheduled for completion in June, 2016 with further piloting of the process planned for later in 2016. The remainder of the concentrate will be shipped to potential customers in the glass industry who have requested product samples for evaluation in glass-ceramic applications.

The bulk sample pilot plant was conducted at metallurgical facilities in Germany under the direction of Dorfner Anzaplan GmbH, Germany (“Anzaplan”), a specialist in industrial minerals process development. The flow sheet employs magnetic separation and froth flotation processes that are a significant improvement on the process originally developed and patented by Avalon in 1998-99 to produce a petalite concentrate for glass-ceramics. The concentrate produced meets customer expectations on lithium content and purity, assaying 4.0% Li2O and less than 0.01% Fe2O3. The work was supervised by Avalon’s Senior Vice President, Metallurgy and Technology Development, Mr. David Marsh.

Future Plans

The PEA is currently being compiled based on the resource as defined during the original drilling programs conducted by Avalon in 1997-2001. At currently anticipated production rates this would provide sufficient resources for a minimum 10 year operating life. The resource remains open to depth and along strike for expansion and a summer exploration drilling program is currently being planned to delineate additional lithium resources.

Following the completion of the PEA this summer, Avalon intends to proceed into a full feasibility study along with environmental assessment work with a target date for completion in Q2 2017.

In the meantime, the Company is studying alternatives for delivery of clean, low-cost power to the project site and alternative locations for the hydrometallurgical plant to produce the proposed lithium hydroxide product for the battery

industry.