

Don Bubar on Avalon's rare earths partnership with Cheetah Resources

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"We are delighted to have a liked minded partner, like Cheetah Resources, partner with us on the Nechalacho Project. They were actually interested when they saw our news release back in October where we talked a little bit about having some ideas about how we can take advantage of some of the near surface bastnaesite rich rare earth resources at Nechalacho in the T-Zone and another zone called the Tardiff Zone and look at how they might be developed at a relatively small scale to produce a bastnaesite concentrate to recover neodymium-praseodymium from." States Don Bubar, President, CEO and Director of [Avalon Advanced Materials Inc.](#) (TSX: AVL | OTCQB: AVLNF), in an interview with InvestorIntel Corp. CEO Tracy Weslosky.

Tracy Weslosky: The news you just announced with your partner Cheetah Resources for the [development of the Nechalacho rare earths project](#), has the industry all abuzz. Can you tell us all about it please?

Don Bubar: Sure. We are delighted to have a liked minded partner, like Cheetah Resources, partner with us on the Nechalacho Project. They were actually interested when they saw our news release back in October where we talked a little bit about having some ideas about how we can take advantage of some of the near surface bastnaesite rich rare earth resources at Nechalacho in the T-Zone and another zone called the Tardiff Zone and look at how they might be developed at a relatively small scale to produce a bastnaesite concentrate to recover neodymium-praseodymium from. We also were starting to look at

how we could use simple new ore sorting technology to make that concentrate. They saw that news release and contacted me afterwards and said, that is a really good idea, we have been thinking about doing the same thing on another project we have. Why don't we talk about getting together on it? I said sure and the conversation started there and resulted in the arrangement we announced last week.

Tracy Weslosky: I am delighted to hear this news. I sent you a quick congratulations and would like to clarify to the InvestorIntel audience that the target here are the magnet metals. Is that correct?

Don Bubar: That is where the best opportunity is right now Tracy. As you and your listeners may well know, the demand for high-strength permanent magnets using neodymium, praseodymium, dysprosium has not diminished since the days of the rare earth bubble. In fact it is increasing now with the demand being created by electric vehicles and those electric motors requiring high-strength permanent magnets made with neodymium. That supply chain never really did get created outside of China to any meaningful extent so we are starting to see the same circumstances arise again that arose in 2009-2010 with the world realizing that the supply sources for these critical elements are indeed limited. The opportunity is there I think to start to look at how that supply can be brought to market. I think we have got to start looking at new creative models on how to do that in more efficient ways using new technology.

Tracy Weslosky: Don I could not agree with you more on your assessment on what is happening in the market right now with rare earths. Can you tell us a little bit more about how this partnership with Cheetah may actually work?

Don Bubar: We looked at different variants on the model there.

They were really just most interested in the T-Zone and the opportunity that that provided on the Tardiff Zone. We decided to keep it simple and carve off a piece of the entire asset we have there for them to take ownership of and move forward on that model with, with us still helping them with the overall project management. Then see if we can get something going there with them. We will still retain a royalty interest in the whole property...to access the complete interview, [click here](#)

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