Avalon Reports on Separation Rapids Lithium Project Progress as Lithium Prices Continue to Rise

written by Raj Shah | May 11, 2021

May 10, 2021 (Source) – **Avalon Advanced Materials Inc.** (TSX: AVL) (OTCQB: AVLNF) ("Avalon" or the "Company") is pleased to provide an update on recent developments on its 100% owned Separation Rapids Lithium Project located near Kenora, ON and on lithium markets generally. As recently reported by Benchmark Minerals Intelligence, Lithium prices are continuing to rise in China, with both technical and battery-grade carbonate prices having doubled year-to-date. The price of technical grade lithium carbonate was up 114.3% and battery-grade material was up 103.4% since the start of 2021 with technical grade selling at US$12,700/tonne and battery-grade at $13,625/tonne. With the overall lithium market expected to be in deficit, industry sources were predicting prices to rise above $15,300/tonne in 2021, according to Benchmark.

To accelerate its lithium battery materials market development work, Avalon recently retained the services of Mr. Joseph Plut as its new Director, Sales and Marketing. Mr. Plut has over 40 years of experience in sales and marketing and most recently served as Sales Director for Nemaska Lithium, where he was responsible for generating sales of their lithium hydroxide battery material product and is now very knowledgeable in these markets. With the Company now progressing its plans to establish a lithium battery materials refinery in Thunder Bay, ON, in collaboration with Rock Tech Lithium Inc., there is considerable

market interest in a new North American supply source, particularly in Europe and Asia.

The bulk sampling program on Avalon's Separation Rapids lithium deposit announced on February 1, 2021 was completed in mid-April and the 5,000 tonne sample is now in temporary storage in Kenora before commencing crushing and shipping for processing. The bulk sample will be used to finalize the process flow sheets for the lithium hydroxide product and for making petalite product samples for glass-ceramic industry customers that have expressed interest. Potential markets for the by-products of feldspar, high purity silica and aluminium silicate will also be explored.

Recent process testwork using dense media separation ("DMS") technology has proven successful at producing a high quality petalite lithium mineral concentrate (4.0% – 4.2% Li_2O) that can efficiently meet the needs of specialty glass-ceramic end-users. The absence of froth flotation in the production process results in a clean petalite product that is free of chemical residues. The next step is to produce larger samples of this product for confirmation of its utility by glass-ceramic customers that have recently expressed interest. With relatively few service providers having the scale of DMS equipment to efficiently process larger bulk samples, the Company is now looking at acquiring its own DMS equipment so it can more quickly meet the needs of the many end-users that have expressed interest over the years in petalite product samples.

The Company is also now planning to resume exploration work this summer on the western part of the Separation Rapids property where there are several other known lithium pegmatite occurrences that have never been drilled and potential for further discoveries. The plan is to define a number of drill targets to prepare for a drilling program in the fall. This will include drilling the new Snowbank petalite pegmatite discovered

in 2018, that is highly enriched in coarse grained petalite assaying up to 2.51% Li_2O in a 1.1m channel sample. This pegmatite has excellent potential to become a second source of petalite to serve end-users in the glass-ceramic market.

The technical information included in this news release has been reviewed and approved by the Company's President, Donald S. Bubar, P.Geo., and Dave Marsh, FAusIMM (CP), Consulting Metallurgist, both Qualified Persons under NI 43-101.

For questions and feedback, please e-mail the Company 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 looking at several new project opportunities, including re-activating its 100%-owned Lilypad Cesium-Tantalum-Lithium Project in northwestern Ontario. 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 project development plans, that industry sources were predicting lithium prices to rise, that the bulk sample will be used to finalize the process flow sheets for the lithium hydroxide product and for making petalite product samples for glass-ceramic industry customers, that the

next step is to produce larger samples of this product for confirmation of its utility by glass-ceramic customers, that the Company is now looking at acquiring its own DMS equipment, that the Company is also now planning to resume exploration work this summer on the western part of the Separation Rapids property, that this will include drilling the new Snowbank petalite pegmatite and that this pegmatite has excellent potential to become a second source of petalite to serve end-users in the glass-ceramic market . 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.