

Avalon Closes \$1,300,000 Lind Financing and Advances Analcime Test Work Project

Toronto, Ontario--(Newsfile Corp. - July 25, 2025) - [Avalon Advanced Materials Inc.](#) (TSX: AVL) (OTCQB: AVLNF) ("Avalon" or the "Company") is pleased to announce that it has closed the \$1,300,000 second drawdown of its up to \$15,000,000 convertible security funding agreement (the "Funding Agreement") with Lind Global Fund II, LP, an entity managed by The Lind Partners, a New York based institutional fund manager (together "Lind"). The details of the Funding Agreement are contained in the Company's [news release dated July 21, 2025](#).

With the second drawdown now complete, Avalon will allocate the funds toward advancing its strategic projects - including byproduct innovation through its subsidiary Lake Superior Lithium Inc., as well as supporting general corporate initiatives.

Analcime Research Project Update

Avalon is pleased to provide an update on its ongoing Analcime Utilization Project, part of a broader initiative to enhance the value of byproducts generated from lithium processing. This initiative is being advanced by Avalon's wholly owned subsidiary, Lake Superior Lithium Inc. ("LSLi"), and is supported by Ontario's Critical Minerals Innovation Fund ("CMIF"), which recently released the second tranche of a \$500,000 funding commitment.

The project is focused on developing innovative solutions for analcime - the byproduct from lithium hydroxide production at the future LSLi Facility. Initial research suggests that analcime's pozzolanic properties - its ability to react with calcium hydroxide in cement - may help improve the durability and carbon profile of concrete. These findings align with the Ontario Ministry of Transportation's broader efforts to adopt low-carbon construction materials and sustainable construction techniques.

Hydrometallurgical test work is currently underway by Metso Finland Oy to produce analcime samples from spodumene concentrate. Additional funding will support ongoing research and development into its use as a sustainable supplementary cementitious material for low-carbon infrastructure applications.

"This innovative project promises sustainability benefits through reduced carbon emissions, opens new revenue opportunities, and represents an opportunity for Avalon to contribute to the repair and expansion of provincial highways," said Scott Monteith, President and CEO of Avalon.

The analcime project helps Avalon unlock additional value through the establishment of its LSLi Facility by repurposing a key byproduct of lithium processing. Avalon is proud to play a strategic role in securing Ontario's economic future and positioning both the province and the company as leaders in the global critical mineral's economy and among the most competitive in the G7.

This news 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. All currency reported in this release is in Canadian dollars.

About Avalon Advanced Materials Inc.

Avalon Advanced Materials Inc. is a Canadian critical minerals company advancing the supply of materials essential for Canada's future. The Company is focused on developing strategic assets that support secure, domestic supply chains and long-term economic growth. Avalon is focused on vertically integrating the Ontario lithium supply chain through the development of Lake Superior Lithium Inc., Ontario's first midstream lithium hydroxide processing facility, located in Thunder Bay. This facility will serve as a vital link between northern Ontario's lithium resources and the growing EV battery

manufacturing base in southern Ontario and North America. Through a joint venture with SCR-Sibelco NV, Avalon is advancing the Separation Rapids Lithium Project near Kenora, Ontario, as well as continuing exploration at its Snowbank lithium and Lilypad lithium-caesium deposits. The Company is also advancing the Nechalacho Rare Earths and Zirconium Project in the Northwest Territories. This deposit contains all light and heavy rare earth elements, as well as yttrium, zirconium, tantalum, and niobium - critical minerals used in advanced technologies across the communications, defense, clean tech, and energy sectors.

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Cautionary Statement Regarding Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements related to how the Company plans to use the net proceeds from the funding, statements regarding the anticipated performance of analcime; its potential applications in concrete, roads, and highways; management's expectations and beliefs about its use and effectiveness; as well as statements related to economic impact, strategic positioning, and global competitiveness. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "add" or "additional", "advancing", "anticipates" or "does not anticipate", "appears", "believes", "can be", "conceptual", "confidence", "continue", "convert" or "conversion", "deliver", "demonstrating", "estimates", "encouraging", "expand" or "expanding" or "expansion", "expect" or "expectations", "forecasts", "forward", "goal", "improves", "increase", "intends", "justification", "plans", "potential" or "potentially", "promise", "prospective", "prioritize", "reflects", "robust", "scheduled", "suggesting", "support", "top-tier", "updating", "upside", "will be" or "will consider", "work towards", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved".

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including risks associated with mineral exploration and development operations such as: environmental hazards and economic factors as they affect the cost and success of the Company's capital expenditures, the ability of the Company to obtain required permits and approvals, the ability of the Company to obtain financing, uncertainty in the estimation of mineral resources, uncertainty with respect to the ability to successfully construct and develop the Company's lithium processing facility, the price of lithium, no operating history, no operating revenue and negative cash flow, land title risk, the market price of the Company's securities, the economic feasibility of the Company's mineral resources and the Company's commercial viability, inflation and uncertain global economic conditions, uncertain geo-political shifts and risks, successful collaboration with indigenous communities, changes in technology and advancements in innovation may impact the development of the Company's technology innovation centre and its lithium hydroxide processing facility, future pandemics and other health crises, dependence on management and other highly skilled personnel, title to the Company's mineral properties, the ongoing war in Ukraine and Israel, extensive government and environmental regulation, reliance on artificial intelligence technology to influence mining operations, volatility in the financial markets, uninsured risks, climate change, threat of legal proceedings, as well as those risk factors discussed or referred to in the annual information form of the Company dated November 28, 2024 (the "AIF") under the heading "Description of the Business -

Risk Factors". Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Although the Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information because the Company can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions identified in the AIF, assumptions have been made regarding, among other things: management of certain of the Company's assets by other companies or joint venture partners, the Company's ability to carry on its exploration and development activities without undue delays or unbudgeted costs, the ability of the Company to obtain sufficient qualified personnel, equipment and services in a timely and cost effective manner, the ability of the Company to operate in a safe, efficient and effective manner, the ability of the Company to obtain all necessary financing on acceptable terms and when needed, the accuracy of the Company's resource estimates and geological, operational and price assumptions on which these are based and the continuance of the regulatory framework regarding environmental matters. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions that may have been used. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.



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