



Avalon Advanced Materials Inc.
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October 24, 2023

RE: Statement Regarding Recent Media Reports

Dear Fellow Stakeholders,

We recently had the pleasure of hosting two federal ministers at our Strathcona property to showcase the exciting plans we have in store. As you are probably aware, the event generated media interest and much of the coverage was focused on the merits of our planned lithium hydroxide conversion facility. Some coverage, however, examined the role Avalon President Zeeshan Syed played in a 2019 inquiry that was conducted into the Alberta Energy Regulator (AER), at which Mr. Syed was once employed.

Any allegations of improper conduct are taken extremely seriously by the Company's leadership and Board of Directors. All senior officers and directors are subjected to a rigorous vetting process while being considered for their positions, including background checks. Mr. Syed was therefore examined by the Board when joining Avalon as a full-time officer as Vice President, External Relations in January 2022 and later when being promoted to President. The AER matter was reviewed at each stage as a matter of due diligence. The Board and the Company's legal counsel have also reviewed findings from the Public Interest Commissioner, which determined that its investigation did not support any findings of wrongdoing in respect of Mr. Syed.

Avalon considered then, and continues to consider, this matter to be resolved.

We underscore here that this matter has no bearing whatsoever on the Company or its mission and vision to build Ontario's first vertically integrated lithium supply chain. Our new and improved leadership team—of which Mr. Syed is but one member—consists of highly experienced resource and finance professionals that remain firmly committed to the mission at hand.

The global energy transition has accelerated the shift toward electric cars, and Canada has a historic opportunity to stand on the frontier of innovation with respect to EV battery development. Such moments call for daring and bold ambition—hence our intention to build a full-service lithium processing facility and an accompanying Technology and Innovation Centre, which will help spur critical research and development to benefit the region, province and country for generations to come.

Yours truly,



Scott Monteith, CEO
Avalon Advanced Materials, Inc.

Critical Minerals for A Sustainable Future

