AVALON
ADVANCED MATERIALS

Restoring North American Critical Minerals Control

Rare Earths | Lithium | Processing

OTC Markets Clean Energy Metals Virtual Investor Conference Presentation

August 2026

CAUTIONARY STATEMENT

FORWARD-LOOKING STATEMENT

This presentation contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information with that are not based on historical fact contained in this presentation, including through documents incorporated by reference herein, are forward-looking statements that involve risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in the forward-looking statements . Such forward-looking statements reflect the Company's current views with respect to future events and include, among other things, statements regarding targets, estimates and/or assumptions in respect of reserves and/or resources , and are based on estimates and/or assumptions related to future economic, market and other conditions that, while considered reasonable by the Corporation, are inherently subject to risks and uncertainties, including significant business, economic, competitive, political and social uncertainties and contingencies. These estimates and/or assumptions include, but are not limited to: grade of ore; rare metal and by-product commodity prices; metallurgical recoveries; operating costs; achievement of current timetables for development; strength of the global economy; availability of additional capital; and availability of supplies, equipment and labour. 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 project development 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, the ability to source feedstock for the Company's proposed lithium processing facility at reasonable prices or at all, the price of lithium hydroxide, no operating history, no operating revenue and negative cash flow, land title risk, the market price of the Company's securities, the Company's commercial viability, inflation and uncertain global economic conditions, uncertain geo-political shifts and risks, successful collaboration with indigenous communities, future pandemics and other health crises, dependence on management and other highly skilled personnel, , 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 26, 2025 (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 project 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 operational and price assumptions on which these are based and the continuance of the regulatory framework regarding environmental manners. 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.

Financial Projections

The Company's financial projections are inherently speculative and may prove to be inaccurate. Any financial projections provided in this presentation have been prepared in good faith based upon the estimates and assumptions considered reasonable by management. However, projections are no more than estimates of possible events and should not be relied upon to predict the results that the Company may attain. Future oriented financial information in this presentation includes statements with respect to (i) capital expenditures; (ii) post-tax net present values; (iii) after-tax rate of returns; (iv) proposed revenues over the course of the project life; (v) operating and production costs; and (vi) projected EBITDA. The projections are based upon a number of estimates and assumptions and have not been examined, reviewed or compiled by independent accountants or other third-party experts, including assumptions with respect to the Company's anticipated future revenues; foreign exchange rates and price fluctuations; corporate income tax rates; working capital requirements; capital expenditures including construction costs and timing, and annual operating costs; type of facility feedstock including minimum requirements; sale price of lithium hydroxide; and purchase price of spodumene. These assumptions may vary from the actual results. Accordingly, there is no assurance that future events will correspond to management's assumptions or that actual results during the periods covered will approximate the financial projections. Any variations of actual results from projections may be material and adverse. Future-oriented financial information and financial outlooks, as with forward-looking information generally, are, without limitation, based on the reasonable assumptions of the Company and management as at the date hereof. The Company's actual financial position and results of operations may differ materially from management's current expectations and, as a result, revenue, profitability, and EBITDA may differ materially from any revenue, and profitability profiles provided in this presentation. Such information is presented for illustrative purposes only and may not be an indication of our actual financial position or results of operations.

Industry Data

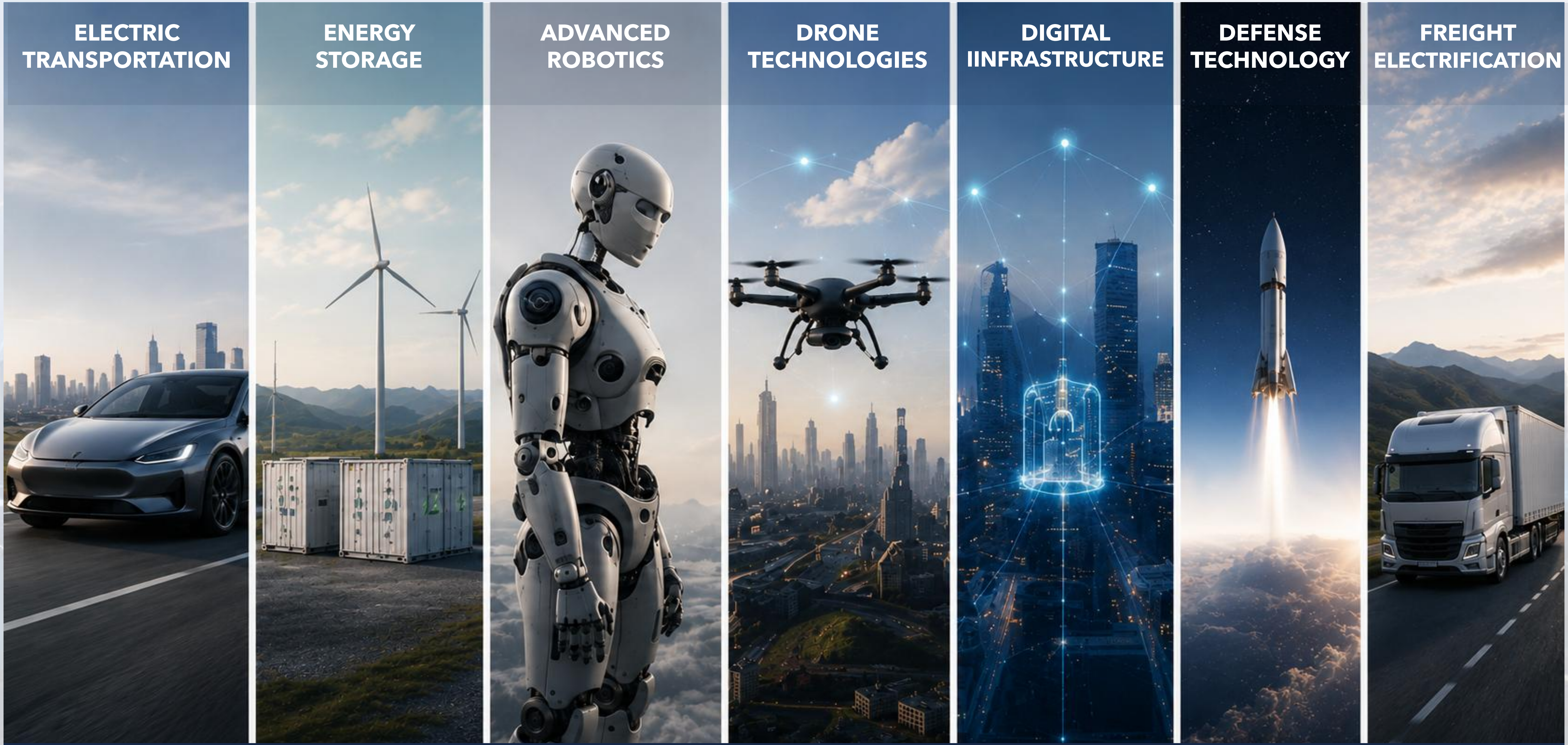
This presentation also contains or references certain market, industry and peer group data which is based upon information from independent industry publications, market research, analyst reports and surveys and other publicly available sources. Although the Company believe these sources to be generally reliable, such information is subject to interpretation and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other inherent limitations and uncertainties. The Company has not independently verified any of the data from third party sources referred to in this presentation and accordingly, the accuracy and completeness of such data is not guaranteed.

QUALIFIED PERSON

Volker Moeller, P.Geo., and Ron Groenewegen, MAusIMM (CP), each a Qualified Person ("QP") as such term is defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects, have reviewed and approved the technical information included in this presentation within their respective areas of responsibility. Mr. Moeller reviewed and approved information related to the Nechalacho Rare Earths and Zirconium Project, and Mr. Groenewegen reviewed and approved information related to the Lake Superior Lithium / Thunder Bay lithium refinery project.

Avalon: A Strategic Critical Minerals Platform for the Next Industrial Cycle

RARE EARTHS & LITHIUM POWERING ELECTRIFICATION, DEFENSE, DIGITAL INFRASTRUCTURE & AUTOMATION



POWERING THE FUTURE OF CRITICAL TECHNOLOGIES

ASSET OVERVIEW

A diversified portfolio of critical minerals assets and opportunities strategically located in Canada.

MAGMIC RARE EARTHS INC
NECHALACHO PROJECT
Basal

Location:
- Thor Lake, Northwest Territories

Stage:
- DFS completed in 2013
- After-Tax NPV (8%) C$1.3B
- After-Tax IRR ~20%
- CAPEX C$1.6B
- Updated MRE (August 2026), establishing current resource foundation for project advancement
- PEA underway (~Fall 2026 publication), evaluating a cleaner, more capital-efficient development pathway

Mineralization:
- Light REEs (e.g., Nd, Pr)
- Heavy REEs (e.g., Tb, Dy)
- 15 of 17 REEs
- Zirconium, Tantalum, Niobium

LAKE SUPERIOR LITHIUM INC (LSLI)
LITHIUM PROCESSING FACILITY

Location:
- Thunder Bay, Ontario

Stage:
- PEA completed in 2024
- After-Tax NPV (8%) C$4.1B
- After-Tax IRR 48%
- CAPEX C$1.3B
- FS underway, advancing toward construction readiness and partnership engagement

Commodity:
- Production of Lithium Hydroxide

Key Points:
- 100% owned land for proposed lithium processing facility
- Existing strategic infrastructure
- MOU with Metso Corp. and Qualcomm Technologies Inc.

Strategic Partnership & Divestment Opportunities

Lilypad Cesium Project – Fort Hope, Ontario

Mineralization:
- Cesium

Stage:
- Early Exploration

East Kemptville Tin - Yarmouth, Nova Scotia

Mineralization:
- Tin, Mineral Resource Estimate

Stage:
- PEA 2018

Warren Township Anorthosite Project - Timmins, Ontario

Mineralization:
- Calcium Feldspar

Stage:
- Early Exploration

A CRITICAL RISK.
A BROKEN SYSTEM.

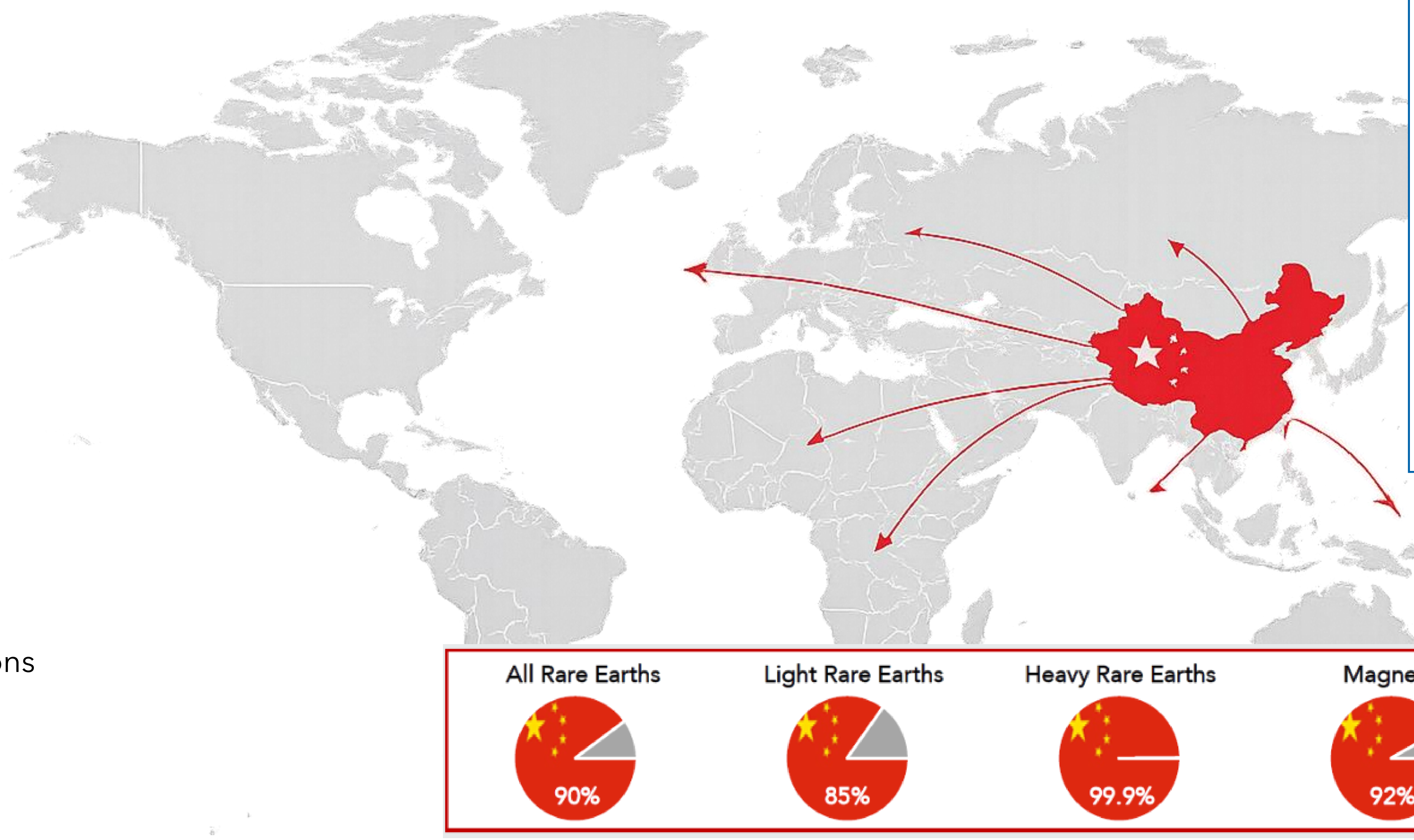
CHINA DOMINATES THE SUPPLY CHAINS THAT POWER OUR FUTURE

Supply Concentration
A significant portion of global critical mineral processing is concentrated in a single region.

Geopolitical Risk
Policy shifts, export controls, and global tensions create supply chain vulnerability.

Demand Outpacing Supply
Rapid growth in demand for critical minerals is outpacing supply, increasing pressure on global systems.

STRATEGIC DEPENDENCY IS A GROWING RISK
A secure domestic supply chain is critical to long-term economic and energy security.



>90%
OF RARE EARTH PROCESSING OCCURS IN CHINA

CREATING DEPENDENCY AND HIGH RISK

CHINA'S CONTROL ACROSS THE CRITICAL MINERALS SUPPLY CHAIN

Mining
Raw materials extracted globally

→

Export
Materials shipped internationally

→

Processing & Refining
Highly concentrated processing capacity

→

Manufacturing
Finished products distributed globally

LESSONS FROM CHINA'S RARE EARTH PLAYBOOK: 2005-2015

Avalon's Market Capitalization

2005	Avalon acquires 100% interest in the Thor Lake/Nechalacho property
2005-2010	China's dominance in REEs grows; export quotas constrain global supply and concentrate processing in China
Sept 2010	REE shipments to Japan are halted amid a maritime dispute. Prices surge into 2011, and global juniors see outsized investor attention.
July 2010	China slashes its second-half REE export quota by ~72%, stoking tightness
2013	Definitive Feasibility Study for Nechalacho completed and announced with strong economics
2014	WTO rules China's quotas illegal
2015	China scraps export quotas, replacing w/ licenses. Supply normalizes; prices retrace; funding for non-Chinese projects tightens–many Canadian juniors de-rate. REE prices fall 30-50%

TODAY: WHAT HASN'T CHANGED

China still dominates global REE processing

Critical mineral supply remains concentrated

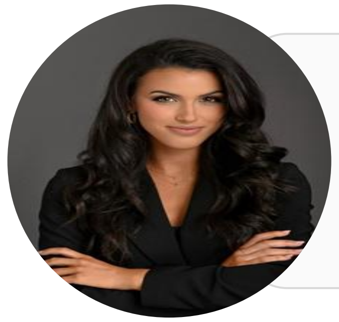
Western supply remains structurally constrained

Management Team

Scott Monteith, President & CEO
Scott Monteith, CEO of Avalon since May 2023, is an experienced entrepreneur and founder of Monteco Ltd.

Christopher Senyk, VP, Corporate Development
Mr. Senyk brings extensive experience across lithium, battery materials, and specialty chemicals, supporting Avalon's corporate strategy, partnerships, and commercial growth initiatives.

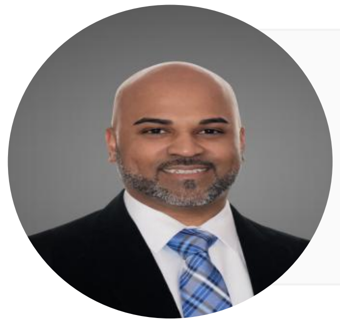
Lorin Crenshaw, CFO
Mr. Crenshaw brings nearly 30 years of financial leadership, including as CFO of Compass Minerals, Orion S.A., and Albemarle's global lithium business, with earlier Wall Street experience as an equity investor at Citigroup and debt investor at PGIM.



Vienna Psihos, Director, Public Affairs & Government Relations
Ms. Psihos is an experienced government relations professional with a strong track record in Ontario's policy and funding landscape, including her recent leadership role at the Treasury Board Secretariat.

Crystal Yi Gordon, Director, Accounting & Financial Reporting
Ms. Gordon brings over 20 years of international finance leadership experience across public companies and global operations, overseeing financial reporting, disclosure, and strategic financial planning.

Bliss Baker, Strategic Advisor
Mr. Baker brings over 30 years of public affairs experience, advising senior government leaders, including two Prime Ministers and Cabinet Ministers, with senior executive roles across renewables, and energy.



Burl Joseph, Project Director, Nechalacho
Mr. Joseph brings over 15 years of experience delivering large-scale mining and infrastructure projects in northern environments, leading Nechalacho through engineering, permitting, and execution planning.

Glen Smith, Project Director, LSLi
Mr. Smith brings over 35 years of experience in metallurgical and process engineering, supporting the advancement of complex projects from feasibility through to operations.

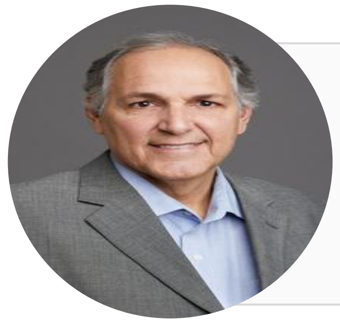
Board of Directors

Alan Ferry, Chair

Mr. Ferry, with 28 years in mining finance, is Avalon's director since 2000, and chairs the Audit Committee.

Scott Monteith, CEO, Director

Scott Monteith, CEO of Avalon since May 2023, is an experienced entrepreneur and founder of Monteco Ltd.



Flavio Hees, Director

VP of Geology and Mining at Sibelco, oversees over 130 mines, focuses on optimizing assets and compliance. He holds a master's in Geotechnical Engineering.

Naomi Johnson, Director

Ms. Johnson, Titan Mining VP since 2018, joined Avalon's Board in 2019 and chairs the Compensation Committee.

Timothy Haig, Director

A successful entrepreneur in renewable fuels and cleantech, known for transforming lab ideas into public companies, leading motivated teams, and upholding integrity and ethics.

Alec Kodatsky, Director

Alec Kodatsky, with over 20 years in finance, is Co-President of Forthlane Partners and a former top mining sector analyst. He holds a B.Sc. in Mining Engineering and an MBA.

Harvey Yesno, Director

Harvey Yesno, former Chief of Eabametoong First Nation and Grand Chief of Nishnawbe Aski Nation, led NADF and worked with Ontario's Ring of Fire Secretariat.

PJ Juvekar, Director

PJ Juvekar, former top-ranked Wall Street analyst with 30+ years of experience in capital markets, industrials, and the energy transition. Currently Senior Advisor to Boston Consulting Group and Nouryon.

Avalon: A Strategic Critical Minerals Platform for the Next Industrial Cycle

INVESTMENT THESIS

Structural Demand Tailwinds

- **REE:** Permanent magnet demand scaling across electrification, wind energy, and advanced industrial technologies, reinforced by defense-driven and global realignment of supply chains away from China.

- **Lithium:** EVs and energy storage driving battery demand, alongside urgent buildout of regional refining capacity in NA.

Multiple Value Creation Levers

- Management reset
- Board refresh: ~60% new directors
- Strengthening capital structure
- Further resource validation
- Securing strategic funding
- Additional strategic partnerships
- Non-core asset monetization
- U.S. listing preparations in progress

Unique Diverse Portfolio

- Nechalacho REE DFS (2013) - After-Tax NPV @ 8%: C$1.3B and 19.6% IRR
- Thunder Bay Facility PEA (2024) After-Tax C$4.1B NPV & 48% IRR

UNLOCKING VALUE THROUGH STRATEGIC EXECUTION

Valuation Disconnect

- Market cap materially below intrinsic asset values (REE C$1.2B NPV; Lithium C$4.1B NPV)
- Management committed to closing this gap through disciplined execution against multiple value creation levers

Strong Partnerships

Strategic collaborations with leading industry players, enhancing capabilities and enabling execution and market reach

- Nordmin Engineering Ltd.
- Primero Americas Inc
- Wood Engineering
- Metso Corp.
- Qualcomm

Government Alignment

- Advancing rare earth and lithium assets central to national defense, technological advancement, energy and industrial policy (strengthening critical mineral supply chains).

POSITIONING AVALON FOR A POTENTIAL U.S. EXCHANGE LISTING

A strategic step to broaden investor access, enhance market visibility and strengthen long-term capital markets flexibility.

BROADER INVESTOR ACCESS

A U.S. exchange listing could increase visibility with U.S. retail investors, institutions, analysts, brokers and market participants.

IMPROVED MARKETABILITY

A post-consolidation share price more consistent with U.S. exchange norms may help address price-level constraints that can limit investor engagement.

STRATEGIC ALIGNMENT

Avalon's critical minerals portfolio is North American in scope; the Company's public market profile should evolve with the next stage of development.

CAPITAL MARKETS FLEXIBILITY

The proposed consolidation is intended to preserve flexibility as Avalon evaluates potential U.S. exchange listing requirements.

SHARE CONSOLIDATION COMPLETED
Avalon will continue evaluating a potential U.S. exchange listing as part of its broader long-term capital markets strategy.

SHARE PRICE HAS RECOVERED FROM POST-SPLIT WEAKNESS AS FUNDAMENTAL DE-RISKING CONTINUES

Post-split trading activity: ~4.0x higher volume | ~2.6x higher average daily value traded [(1)]

POST-SPLIT MARKET DYNAMICS

Share price↓ then ↑

recovered to ~C$9+ following initial post-consolidation weakness

Share Consolidation Completed @ ~C$9 *(7/8/26)*
1-for-180 consolidation materially reduced the outstanding share count, but neither creates nor destroys value

Liquidity / Volatility
While lower absolute share count may amplify short-term volatility, post-split trading volume is ~4.0x higher, and the average daily dollar value traded is ~2.6x higher than pre-consolidation levels.[(1)]

Investor Heuristics
Higher nominal post-consolidation share price may be prompting repositioning among legacy retail holders accustomed to owning AVL at penny-stock price levels

Fundamentals Reasserted
No adverse fundamental development known to management explained magnitude of post-split decline. Subsequent recovery toward pre-split levels is consistent with normalization in trading.

FUNDAMENTAL DE-RISKING

De-risking →

technical, financing and capital-markets progress continues

Nechalacho
(8/6/26) Announced first refreshed MRE since 2013 – revalidating scale and development potential; PEA expected Fall 2026. Process-validation work advancing to generate samples for strategic offtake and asset-level investment.

Thunder Bay
Feasibility / process-validation work advancing alongside feedstock and offtake strategy

Financing
(7/15/26) Finnvera 100M EUR letter of interest establishes a credible anchor for broader ECA, government and project-finance participation

Capital markets
U.S. listing process and preparation underway, institutional outreach and strategic-investor discussions advancing

INVESTMENT IMPLICATION	Recent trading reinforces the importance of evaluating Avalon on underlying asset value and forward de-risking catalysts rather than short-term price movements following the share consolidation. "In the short run, the market is a voting machine but in the long run, it is a weighing machine." — Benjamin Graham

(1) Source: Company trading data. Pre-consolidation reflects average daily trading activity from January 1, 2026 through July 7, 2026; post-consolidation reflects average daily trading activity from July 8, 2026 through August 24, 2026.

NECHALACHO PROJECT

BASAL

MAGMIC
RARE EARTHS

One of the most advanced rare earth deposits in North America, located in the Northwest Territories Canada, with the potential to supply a range of magnet rare earth elements and other strategic materials

Global Supply Risk
Today, China controls > 90% of global rare earth processing. That's a high risk to our supply, economy, and national security.

Rare Earths Power Modern Technology
Rare earths are the backbone of modern technology and impact everyday life

Restoring Domestic Supply Advantage
Nechalacho combines scale, high-value rare earth enrichment, and a cleaner development path – supporting secure, sustainable supply within North America.

920 lbs
of rare earth elements in a single US F-35 fighter jet

1 kg
of rare earth elements in electric vehicles (EVs)

2 tons
of rare earth magnets in a single 3MW wind turbine

9200 lbs
of rare earth materials in each SSN-774 Virginia-class submarine

REDUCING DEPENDENCE. STRENGTHENING SECURITY

DRIVING THE CLEAN ENERGY REVOLUTION

ENABLING ADVANCED DEFENSE

BUILDING ECONOMIC OPPORTUNITY

Enabling Critical Technologies

Electric Vehicles | **Wind Turbines** | **Smart Phones** | **Missiles** | **Radar** | **Defense**

NECHALACHO PROJECT
BASAL

HIGH-VALUE RARE EARTH EXPOSURE

MAGMIC RARE EARTHS

1 Deposit 18 Elements of Economic Interest

High value
High demand
Strategic advantage

MAGNET RARE EARTH ELEMENTS – THE CORE VALUE ENGINE

65 Tb Terbium
Improves high temperature performance in permanent magnets used in EVs, wind turbines, and defense technologies.

66 Dy Dysprosium
Provides heat resistance and magnetic strength in high performance motors and advanced defense applications.

59 Pr Praseodymium
Key component in NdPr permanent magnets used in EV motors, wind turbines, and industrial automation.

60 Nd Neodymium
Critical input for powerful permanent magnets used in electric vehicles, wind turbines, robotics, and electronics.

LIGHT RARE EARTHS

57 La Lanthanum	58 Ce Cerium	62 Sm Samarium

HEAVY RARE EARTH ELEMENTS

63 Eu Europium	64 Gd Gadolinium	67 Ho Holmium	68 Er Erbium	69 Tm Thulium	70 Yb Ytterbium	71 Lu Lutetium	39 Y Yttrium

TRANSITION METALS

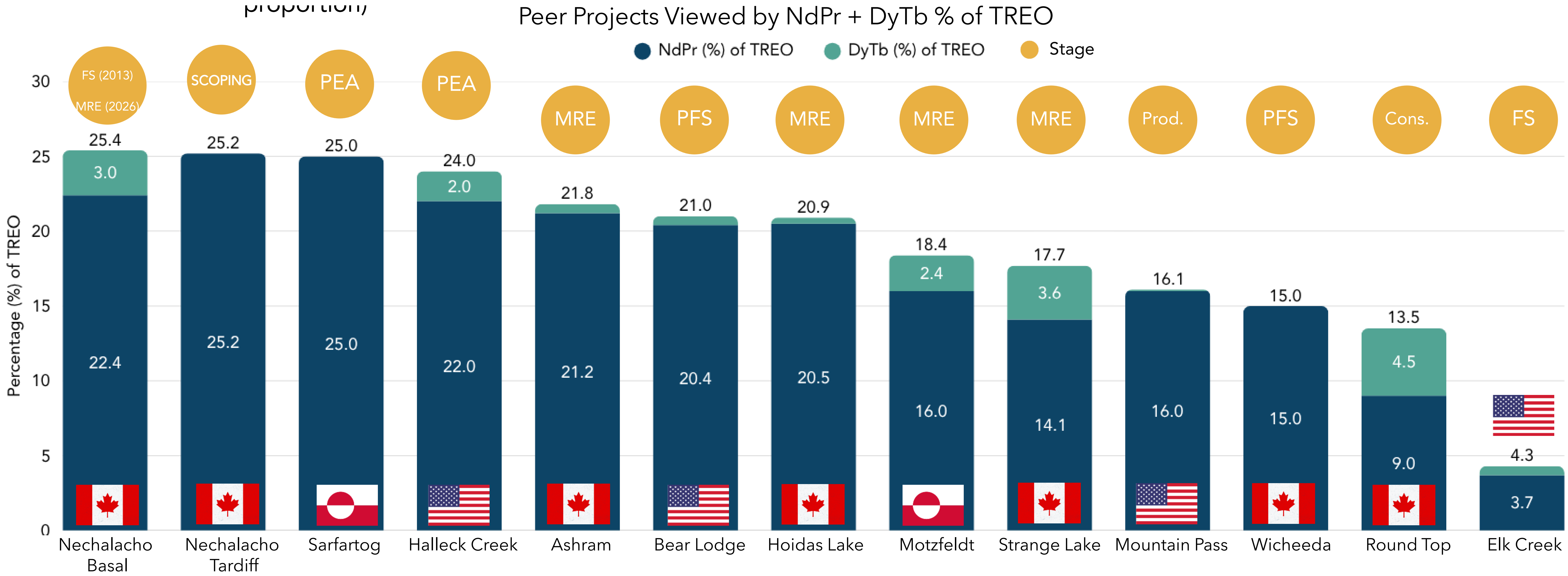
40 Zr Zirconium	41 Nb Niobium	73 Ta Tantalum

NECHALACHO PROJECT
BASAL

HIGHEST MAGNET REE RATIO & AMONG MOST ADVANCED DEVELOPMENT PATHS IN PEER GROUP

One of few projects to have achieved DFS-level – with unmatched quality (NdPr / DyTb proportion)

proportion)



Source: Company public filings, equity research. Nechalacho designation reflects the historical 2013 DFS and current 2026 MRE. The 2013 DFS is historical. The 2026 MRE is S-K 1300 compliant; a supporting NI 43-101 technical report is expected to be filed within the prescribed 45-day period.

As of August 2026

NECHALACHO PROJECT

BASAL

A CLEAN APPROACH TO RARE EARTH PROCESSING

MAGMIC RARE EARTHS

Avalon and Engina Corporation have successfully recovered 15 rare earth elements from Nechalacho concentrate with >90% total recovery in preliminary bench-scale testing using a novel CO2-based extraction process.

TWO DIFFERENT WAYS TO GET RARE EARTHS OUT OF ORE

CONVENTIONAL PROCESSING (INDUSTRY STANDARD)

Strong acids & high heat → Complex process → Large volumes of waste → Environmental challenges

- Uses harsh chemicals and high heat
- Higher chemical and water use
- Significant waste and emissions
- More difficult to permit

AVALON / ENGINA HYBRID SUPERCRITICAL REFINING PROCESS (NOVEL APPROACH)

CO2-based extraction → Closed-loop system → Lower waste → Designed to reduce impact, capex and opex

- Uses CO_2-based extraction in a closed-loop system
- Designed to reduce chemical use, waste, and environmental impact
- Lower water and chemical use potential
- Supports Western supply chain objectives

WHAT WE HAVE ACHIEVED

> 90%

Demonstrated recovery of **15 rare earth elements** from Nechalacho with 90% recovery yields

Preliminary bench scale results

High recovery across the full suite of rare earths

Novel process designed to reduce environmental impact

WHY THIS MATTERS?

Reduced Environmental Footprint Potential
Designed to use fewer chemicals and generate less waste

Potential Economic Benefits
Higher recovery and lower cost potential, (subject to validation)

Permitting Advantage
Cleaner process may support a more favorable permitting pathway

Aligned with Strategic Supply Chain Priorities
Supports development of secure, diversified supply chains

WHATS NEXT?

Wood Canada Ltd. advancing engineering evaluation and process optimization work.

NECHALACHO'S UPDATED MRE HIGHLIGHTS SIGNIFICANT MAGNET-CRITICAL REE SCALE NOT REFLECTED IN AVALON'S VALUATION(1)(2)

Avalon trades at only ~1% to 2% of its Study NPV, well below the peer average, despite strong technical advancement and Nechalacho's significant exposure to magnet-critical NdPr and DyTb.

KEY TAKEAWAYS

- ✓ Deep valuation discount to REE developer peers
- ✓ High magnet-critical REE intensity: NdPr + DyTb
- ✓ Among peer leaders in contained NdPr/DyTb scale
- ✓ Nechalacho PEA underway to modernize process related to 2013 DFS & refresh economics – Fall 2026 completion targeted
- ✓ U.S. listing may broaden institutional access, enhance liquidity and support valuation re-rating

PROJECT ADVANCEMENT (3)
The August 2026 MRE represents a significant advancement of the Nechalacho Project, building on the technical foundation established by the 2013 DFS.

		Mkt Data	Asset Metrics (Main Asset)(3)(4)(5)					M&I+I Grade				M&I+I Contained		Valuation
Company Name	Ticker	Market Cap	Main Asset(s)	Asset Location	Dev. Stage	Study NPV 8%	Downstream Assets	TREO Grade	HREO / TREO(6)	NdPr / TREO	DyTb / TREO	NdPr Cont.	DyTb / Cont.	P/ Study NPV8%
		(US$mm)				(US$mm)	(Y / N)	(%)				(Kt)		(x)
Rare Earth Developers														
Brazilian Rare Earths	BRE-AU	$984	Multiple	Brazil	Scope.	$630	N	--	--	--	--	--	--	1.56x
Arafura Rare Earths	ARU-AU	$778	Nolans	Australia	DFS	$1,859	Y	2.60%	--	26.4%	--	384	--	0.42x
IMC Rare Earths	IMC-US	$851	Itarantum	Brazil	MRE	--	N	0.12%	15.2%	17.0%	2.1%	230	28	--
Rare Element Resources	REA-US	$278	Bear Lodge	Wyoming, USA	MRE	--	Y	3.96%	--	20.4%	--	64	--	--
Rare Earths Americas	REEMF-US	$262	Multiple	Brazil	MRE	--	Y	1.93%	--	21.0%	1.6%	1,896	145	--
Mkango Resources	MKA-CA	$208	Songwe Hill	Malawi	FS	$461	N	1.09%	--	21.1%	1.0%	216	10	0.45x
American Rare Earths	ARR-AU	$157	Halleck Creek	Wyoming, USA	PEA	$733	N	0.33%	11.0%	--	--	--	--	0.21x
Leading Edge Materials	DEFN-CA	$54	Norra Karr	Sweden	PEA	$1,029	N	0.50%	52.0%	14.0%	5.7%	77	31	0.05x
Defense Metals	LEM-CA	$42	Wicheeda	BC, Canada	PFS	$992	N	2.14%	--	15.2%	0.2%	112	2	0.04x
Namibia Critical Metals	NMI-CA	$32	Lofdal	Namibia	PFS	$182	N	0.16%	55.7%	11.0%	5.5%	12	6	0.18x
Vital Metals	VML-AU	$19	Tardiff	NWT, Canada	Scope.	$445	N	1.31%	--	25.2%	--	636	--	0.04x
Mean		$333				$791		1.41%	33.5%	19.0%	2.7%	403	37	0.37x
Median		$208				$681		1.20%	33.6%	20.4%	1.9%	216	19	0.20x
Avalon	AVL-CA	$30	Nechalacho	NWT, Canada	**MRE/ DFS (REE) / PEA (Li)**	$4,228	Y	1.36%	18.2%	23.7%	3.0%	613	77	0.01x
Avalon (Excl. Lithium)	AVL-CA	$30	Nechalacho	NWT, Canada	**DFS (REE)**	$1,199	Y	1.36%	18.2%	23.7%	3.0%	613	77	0.02x

Sources: Company public filings, FactSet
(1) Pricing data as of August 10, 2026 (2) Avalon NPV based on Nechalacho and Lake Superior Lithium technical reports; all study NPVs converted to USD at study FX rate (3) Updated SK-1300-compliant MRE published August 2026; NI 43-101-compliant DFS published April 2013 (4) Study NPV8% sourced from technical report sensitivity tables where not otherwise disclosed (5) Rare Earth Americas grade and contained resource shown as the sum of the Constellation and Alpha projects (6) No current study economics provided for Rare Earths Americas assets or the Bear Lodge Project

NECHALACHO: HEAVY AND LIGHT REE DEPOSIT – CURRENTLY UNDERRECOGNIZED BY THE MARKET

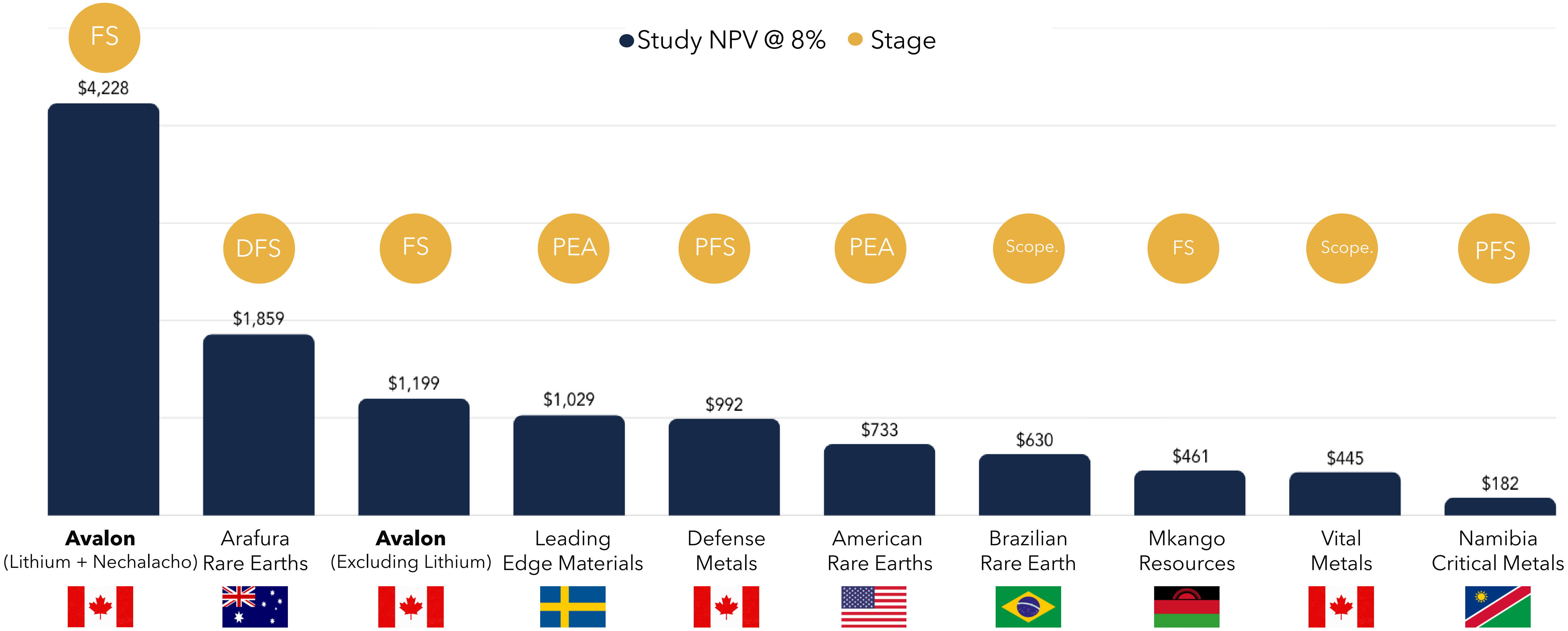
NECHALACHO 2013 DFS + Lithium 2024 PEA STUDY NPV

$4.2 BILLION

PEA underway, in collaboration with Wood Canada Ltd, to modernize process related to 2013 DFS and refresh project economics – Fall 2026 completion targeted

AVALON OFFERS TECHNICALLY WELL-ADVANCED HEAVY AND LIGHT REE EXPOSURE TRADING AT A MATERIAL DISCOUNT TO COMPARABLE REE DEVELOPERS

(US$ millions)



Note: Market data as of August, 2026. Study NPV figures reflect latest publicly disclosed technical/economic studies and are converted to USD at study exchange rate. Multiples calculated as market capitalization divided by after-tax Study NPV @ 8%, unless otherwise noted. Sources: company filings, technical reports, investor presentations, and public market data.

VALUATION DISCONNECT

RELATIVELY STRONG STUDY NPV VERSUS PEERS

$4.2B versus $0.8B peer average

ADVANCED TECHNICAL STATUS

Benefits from prior DFS-level work, technical studies, and clear path toward updated economic analysis.

HIGH MAGNET-CRITICAL REE RATIO

Differentiated by high concentration of magnet-critical REEs (NdPr and DyTb) as % of TREO, supporting strategic relevance to magnet supply chains.

NECHALACHO:

Heavy and Light REE Deposit – Currently Underrecognized by the Market

PEA underway, in collaboration with Wood Canada Ltd, to modernize process related to 2013 DFS and refresh economics – Fall 2026 targeted completion

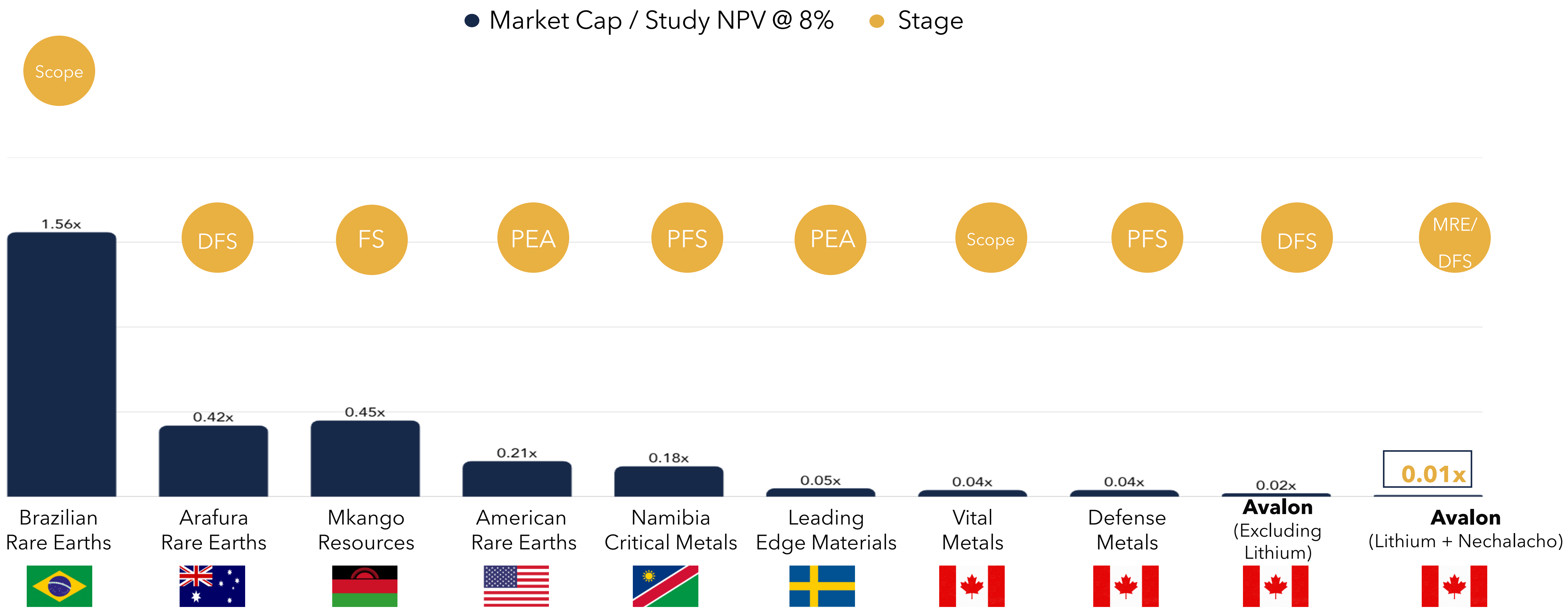
0.01x
P/ Study NPV AVALON

0.37x
PEER AVERAGE

MATERIAL DISCOUNT
TO PEER AVERAGE

AVALON TRADES AT A FRACTION OF PEER VALUATION DESPITE NECHALACHO'S SCALE, TECHNICAL ADVANCEMENT & HEAVY REE EXPOSURE

(US$ millions)



Note: Market data as of August 10, 2026. Study NPV figures reflect latest publicly disclosed technical/economic studies and are converted to USD at study exchange rate. Multiples calculated as market capitalization divided by after-tax Study NPV @ 8%, unless otherwise noted. Sources: company filings, technical reports, investor presentations, and public market data.

VALUATION DISCONNECT

SIGNIFICANT DISCOUNT TO PEERS

AVL trades at ~0.01x Study NPV versus peer average of 0.37x.

RE-RATING POTENTIAL

Achieving milestones has potential to narrow valuation gap

HIGH MAGNET-CRITICAL REE RATIO

Differentiated by high concentration of magnet-critical REEs (NdPr and DyTb) as % of TREO, supporting strategic relevance to magnet supply chains.

LAKE SUPERIOR LITHIUM PROJECT

LSLi LAKE SUPERIOR LITHIUM INC.

A proposed lithium chemical processing facility designed to convert spodumene concentrate into battery-grade lithium chemicals for electric vehicles and energy storage systems.

Demand is accelerating rapidly
Lithium demand grew ~30% in 2025 and continues to expand as electrification scales globally

Batteries are becoming the dominant end-use
Battery applications are expected to represent ~96% of total lithium demand by 2040

Supply is tightening as demand scales
Market deficits are expected to emerge this decade, reinforcing the need for new supply

Lithium is critical to energy security, decarbonization, and industrial growth.

~30% Lithium Demand in 2025

~14-30% Expected demand growth in 2026

~80%+ Demand driven by EVs & batteries

~96% Battery share of lithium demand by 2040

ELECTRIC VEHICLES | **ENERGY STORAGE** | **RENEWABLE ENERGY** | **INDUSTRIAL ELECTRIFICATION**

Enabling Critical Technologies

- Electric Vehicles
- Grid Storage
- Consumer Electronics
- Wind Turbines
- Data Infrastructure
- Defense Applications

LAKE SUPERIOR LITHIUM PROJECT

STRATEGIC INVESTMENT OVERVIEW

- **Strategic Location:**
  Proximity to key markets and resources, supporting efficient supply chains
- **Infrastructure Advantage:**
  Robust infrastructure, including existing buildings, extensive rail connectivity, and a deep-water port
- **Supporting Government Incentives:**
  Leverage Canadian, and U.S. government incentives for green energy and technology projects
- **Meeting High Demand:**
  The facility will help meet the escalating demand for lithium in EVs and renewable energy storage
- **Scalable Growth Potential:**
  Capable of processing Spodumene concentrate, with a facility designed with scalability in mind, capable of expanding to meet future market demands
- **Sustainability Commitment:**
  Implement environmentally friendly processes to minimize ecological impact and support sustainability goals
- **Integrated Lithium Platform:**
  Host processing, recycling, chemical, and cell manufacturing capabilities at the Thunder Bay site
- **Community Partnerships:**
  We prioritize partnerships with First Nations communities, ensuring that benefits are extended to all regional communities

2024 PEA Financials (CAD $)

$35,360
Base Case LiOH $/t LiOH
(USD $26,000/t LiOH)

$4.1B
After-Tax NPV @ 8% Discount

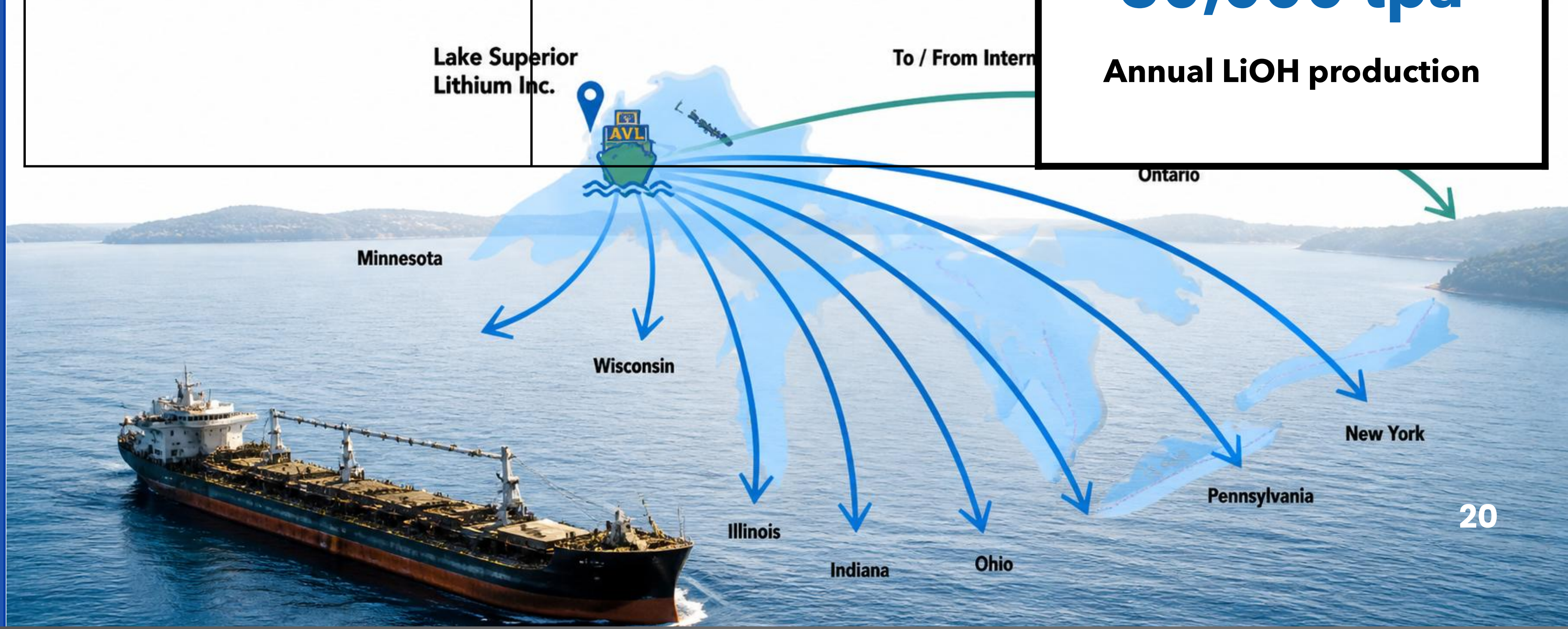
30 Year
Operating Life

$1,360
Spodumene conc. $/t
(USD $1,000/t Spodumene @ 6%)

2.5 Year
Payback Period

48%
After-Tax IRR

30,000 tpa
Annual LiOH production



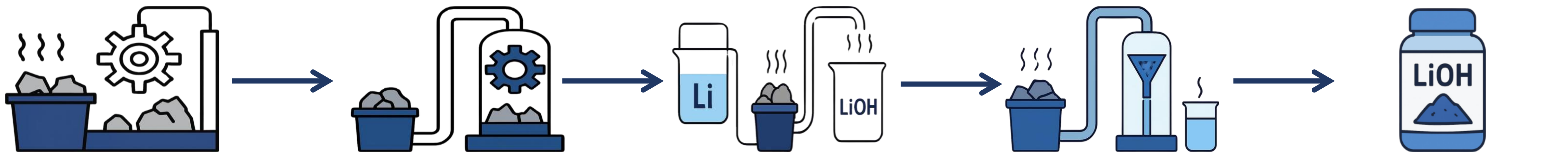
A MORE EFFICIENT AND SUSTAINABLE PATH TO BATTERY-GRADE LITHIUM

LSLi LAKE SUPERIOR LITHIUM INC. | Metso

Avalon, in partnership with Metso, is advancing a proprietary alkaline process that converts spodumene to battery-grade lithium hydroxide using **cleaner chemistry, lower inputs, and a more sustainable footprint**

THE METSO ALKALINE PROCESS

1. Calcination & Milling → **2. Alkaline Pressure leach** → **3. Lithium Conversion** → **4.Purification** → **5.Crystallization & Drying**



1. Spodumene concentrate is calcined and milled to liberate lithium
2. Milled spodumene is leached with soda ash in a high-pressure reactor
3. Lithium in solution is converted to lithium hydroxide using lime
4. Solution is filtered to remove impurities and maximize purity
5. Purified solution is evaporated, crystalized and dried to produce battery-grade lithium hydroxide monohydrate

Cleaner Process
No sulfuric acid, fewer hazardous byproducts and a neutral, inert residue

Lower Operating Intensity
Significantly less water and chemical consumption

Permitting Advantage
Simpler environmental profile supports permitting and community acceptance

Proven Technology
Pilot- tested for the Lake Superior Lithium Project and commercially operating in Texas

A cleaner process with the potential to reduce operating risk, improve permitting outcomes, and support long term cost efficiency

Our Goal
Deliver battery-grade lithium with a lower environmental footprint and stronger economics

LEVERS TO CLOSE VALUATION DISCONNECT

ACHIEVED

Leadership Team Rebuilt
CEO appointed in 2023; all other senior leaders joined within the past 12 months

Governance Reset
5 of 8 directors joined since 2023, bringing operational and capital markets expertise.

Secured Tactical Funding
- Recent C$18.7M capital raise
- Finnvera LOI supports potential €100M export credit financing for Metso equipment
- Refresh 2013 Nechalacho DFS
- Advance September 2024 Lithium PEA to FS
- Strengthen balance sheet and reduce selling pressure by prepaying convertible note

Advancing Technical Studies
- Initiated Nechalacho PEA; to be followed by Feasibility Study.
- Commenced Feasibility Study at Lake Superior Lithium Project

NEXT STEPS TO UNLOCK VALUE

Secure Strategic Funding
- Finnvera LOI supports potential €100M export credit financing
- Private: Pursue strategic equity at the asset level (Nechalacho and Thunder Bay)
- Public: Pursue Canadian & U.S. government support programs
- SCP Resource Finance appointed as Strategic Capital Advisor

Commercial Enablement
Lithium
- Secure feedstock source
- Secure offtake agreement
- Advance asset-level investment

Rare Earths
- Complete and publish PEA (Fall 2026)
- Generate customer samples
- Advance strategic offtake and asset-level investment

Broaden Institutional Ownership Through Share Consolidation, Targeted Investor Outreach and a U.S. Listing

Non-Core Asset Sales
- Completed Sibelco JV reorganization–debt eliminated, dilution overhang removed, and Lilypad cesium asset repositioned for potential monetization
- Monetize tin, cesium, and other valuable but non-core assets, providing non-dilutive funding