

**Form 51-102F3**  
**Material Change Report**

**Item 1.        Reporting Issuer**

AVARONE METALS INC.  
507 – 700 West Pender Street  
Vancouver, BC V6C 1G8  
Telephone: (604) 669-9788

**Item 2.        Date of Material Change**

April 16, 2014

**Item 3.        Press Release**

Issued on April 16, 2014 at Vancouver, British Columbia, Canada and disseminated through Stockwatch and Baystreet.

**Item 4.        Summary of Material Change**

April 16, 2014—Avarone Metals Inc. (TSX-V: AVM) (Frankfurt: W2U; WKN: A0HM01) (the “Company” or “Avarone”) is pleased to announce the refinement and expansion of the target area of the Manson Bay Gold Zone (MBGZ). The interpretation of VTEM data with other historic datasets has led to the identification of a series of parallel conductive anomalies with an extent of over 18 km, having varying degrees of thickness and a dip SE of between 20-45 degrees. The known mineralized zone at the MBGZ lies within a silicified shear and is coincident with the easternmost conductor; it is continuous with other similar zones to the north and south which may well represent additional zones of mineralization. It is hypothesized that the conductivity is due to the presence of graphitic gneiss which bounds the mineralized zone or alternatively, may be a result of other associated rock types such as, pyrite, pyrrhotite and graphite of chalcopyrite.

**Item 5.        Full Description of Material Change**

See attached press release.

**Item 6.        Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

N/A

**Item 7.        Omitted Information**

None

**Item 8.        Senior Officers**

The following senior officers of the Issuer are knowledgeable about the material change and may be contacted by the Commission at the address and telephone number:

Marc Levy  
CEO  
(604) 669-5778 ext. 105

**Item 9.        Date of Report    April 16, 2014**

# **AVARONE METALS INC.**

Suite 507 - 700 West Pender Street  
Vancouver, British Columbia  
V6C 1G8

## **AVARONE SIGNIFICANTLY EXPANDS TARGET THROUGH INTERPRETATION**

April 16, 2014

TSX-V: AVM

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Vancouver, B.C., April 16, 2014 – Avarone Metals Inc. (TSX-V: AVM) (Frankfurt: W2U; WKN: A0HM01) (the “Company” or “Avarone”) is pleased to announce the refinement and expansion of the target area of the Manson Bay Gold Zone (MBGZ). The interpretation of VTEM data with other historic datasets has led to the identification of a series of parallel conductive anomalies with an extent of over 18 km, having varying degrees of thickness and a dip SE of between 20-45 degrees. The known mineralized zone at the MBGZ lies within a silicified shear and is coincident with the easternmost conductor; it is continuous with other similar zones to the north and south which may well represent additional zones of mineralization. It is hypothesized that the conductivity is due to the presence of graphitic gneiss which bounds the mineralized zone or alternatively, may be a result of other associated rock types such as, pyrite, pyrrhotite and graphite of chalcopyrite.

The Company is currently finalizing a drill program to confirm and expand known mineralization at the Wildnest property which covers much of the Manson Bay Gold Zone (MBGZ). Evaluation of preliminary drilling by Hudson Bay and Mingold Resources in the mid 1980’s defined a reserve of 660,000 tons grading 0.10 oz/ton Au to a depth of 400 feet (down dip), this being equivalent to roughly 66,000oz Au, with the best drill-hole grading 0.619oz Au/ton over 21ft (285-30ft), including an interval grading 1.36oz Au/ton over 10ft.\*

Regarding the expansion of the target zone, Marc Levy, President & CEO, commented, “It is extremely fortunate that the Manson Bay Gold Zone is associated with conductive elements, in general, VMS gold deposits are resistive and therefore, unresponsive to EM investigation. New zones to the north and south of the known gold zone upgrade the potential size of this project. We are excited about the expanded drill targets and these new zones will be investigated with vigor.”

\*Peter Born P.Geol., the Company’s Qualified Person, has neither reviewed the original Wildnest drilling data or reserve calculations. The reserves reported herein are not NI43-101 compliant and although were prepared by what is assumed to be reputable professionals and are believed to be they cannot be relied upon. These estimates are only relevant in assessing the potential type and dimension of a deposit that could exist and which must be confirmed through drilling and subsequent estimates by the Company. Geological and exploration information contained in this release is derived from sources believed to be credible.

On behalf of the Board of Directors,  
AVARONE METALS INC.

*“Marc E. Levy”*

Marc E. Levy  
President & CEO

For more information contact the Company at:

Telephone: (604) 669-9788

Facsimile: (604) 669-9768

*The information contained herein may contain "forward-looking statements" within the meaning of applicable securities legislation. Forward-looking statements relate to information that is based on assumptions of management, forecasts of future results, and estimates of amounts not yet determinable. Any statements that express predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be "forward-looking statements."*

*Forward-looking statements may involve risks and uncertainties such as the risk that the closing may not occur for any reason. The results or events predicted in these statements may differ materially from actual results or events. Factors that might cause a difference include, but are not limited to, the inability of the parties to consummate the definitive agreement, fluctuation of mineral prices, the state of the financial markets, financing requirements and the refusal of the Exchange to accept the proposed transaction for any reason whatsoever and other factors. There can be no assurance that any statements of forward-looking information contained in this release will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. These and all subsequent written and oral statements containing forward-looking information are based on the estimates and opinions of management on the dates they are made and expressly qualified in their entirety by this notice. Unless otherwise required by applicable securities laws, Avarone disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on any statements of forward-looking information that speak only as of the date of this release. More detailed information about potential factors that could affect Avarone's financial and business results is included in public documents the Company files from time to time with Canadian securities regulatory authorities and which are available at [www.sedar.com](http://www.sedar.com).*

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. We seek Safe Harbor.*