

AVARONE METALS INC.

Suite 610 - 700 West Pender Street
Vancouver, British Columbia
V6C 1G8

AVARONE COMPLETES INITIAL 20 HOLE WORK PROGRAM ON ITS MOAB LITHIUM BRINE PROJECT

MAY 25, 2016

CSE: AVM

Vancouver, B.C., MAY 25, 2016 – Avarone Metals Inc. (CSE: AVM) (Frankfurt: W2U1; WKN: A14SVX) (the “Company” or “Avarone”) is pleased to announce that it has successfully completed an initial subsurface short auger hole program to test brine sediments on its 100% owned Moab lithium project in the Big Smoky Valley, Nevada.

The geological team conducted a sediment-sampling program, which was completed by hand to test for the presence of lithium in the shallow soil system. Sampling was completed utilizing a grid with north-south and east-west lines. A total of 20 samples were collected to a maximum depth of one meter below surface. Sediment horizons encountered were classified as volcanogenic clay and salt-bearing zones, both of which are favorable for the accumulation of lithium.

All samples are shipped to Western Environmental Testing Laboratory in Sparks, Nev., which is a U.S. EPA-accredited independent laboratory. The samples will be analyzed for lithium, potassium and boron using test methods for evaluation of solid waste, physical/chemical methods (SW846). Assay results are expected shortly.

These results, along with historical gravity survey data will be used to develop a detailed exploration plan for the property, which is to include phase 2 Vibracore drilling (up to 50 meters) and, as warranted, leading to our phase 3 deep hole RC drilling.

"We are pleased to have completed our inaugural initial work program at our Moab lithium brine project, located in Nevada near the Tesla Gigafactory. The salt-bearing zones, as well as, the volcanogenic clays encountered at Moab confirm previous observations made by historical USGS surveys as well as those made by Ultra Lithium project which is contiguous with Moab, which is currently drilling within the same enclosed basin," said CEO Marc Levy.

About Lithium in Nevada

Lithium is a scarce and technologically important element produced primarily from brines and pegmatites. Although it is a non-renewable resource, it is used in conjunction with renewable energy technologies and hybrid automobiles, primarily in the form of Li-ion batteries, currently the most widely applied battery technology in many electronic devices. The consumption of lithium carbonate is on the rise and so far global production has kept pace with demand.

Located in the Range Province in southern Nevada, the Big Smoky Valley, which is approximately 3km wide and 14km long, is an internally drained, fault bounded and closed basin. Geological modeling

suggests that lithium-rich brines have been transported and deposited in the both the Clayton and Big Smoky valleys since the Pleistocene era. The primary exploration model is to identify and map basins with ground gravity surveys and evaluate the chemistry of salts and sediments therein with RC or rotary-mud drilling. In the later stages of exploration, downhole geophysics and seismic reflection surveys are also utilized to define lithium-bearing aquifers.

The technical content of this news release has been prepared under the supervision of Peter Born, P. Geo., a Qualified Person as defined in National Instrument 43-101, *Standards of Disclosure for Mineral Projects*.

On behalf of the Board of Directors,

AVARONE METALS INC.

Marc Levy

CEO

For more information contact the Company at:

Telephone: (604) 669-9788

Facsimile: (604) 669-9768

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