AVARONE METALS INC.
Suite 610 - 700 West Pender Street
Vancouver, British Columbia
V6C 1G8

AVARONE RECEIVES DRILL PERMIT FOR ITS MOAB LITHIUM BRINE PROJECT

MAY 31, 2016 CSE: AVM

Vancouver, B.C., MAY 31, 2016 – Avarone Metals Inc. (CSE: AVM) (Frankfurt: W2U1; WKN: A14SVX) (the "**Company**" or "**Avarone**") is pleased to announce it has received exploration permits from the Bureau of Land Management, Nevada, to complete up to 20 drill holes on its 100% owned Moab Lithium Project in the South Big Smoky Valley, Nevada.

Drilling is to be conducted utilizing Vibracore electric drills, which will utilize large diameter NQ2 and AQ rods for superior sample recovery and is expected to reach depths of up to 50 meters. The purpose of the drilling will be to test subsurface layers for lithium and other commercial elements. The Company is in the process of mobilizing its field crew and work is expected to commence shortly.

The Moab Lithium Project fits well into the playa-type brine deposit model as it shares geological similarities with Clayton Valley, the only lithium producing brine operation area in North America. A playa is an internally drained brine deposit, the surface of which is primarily composed of silts and clays in which lithium can accumulate from the surrounding source rocks during successive evaporation and concentration events.

"We are excited to receive our initial drill permit for our Moab lithium brine project, located in Nevada near the Tesla Gigafactory. The salt-bearing zones, in addition to the volcanogenic clays encountered at Moab, confirm previous observations made by historical USGS surveys on both the Moab property as well as Ultra Lithium's contiguous property, which is currently being drilled 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.

The Big Smoky Valley, located in the Range Province in southern Nevada, is an internally drained, fault bounded and closed basin approximately 3 kilometers wide and 14 kilometers long. 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