

## **AVARONE METALS INC.**

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

# **SURFACE LAYER OF MOAB PROJECT TESTS POSITIVE FOR LITHIUM**

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CSE: AVM

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**Vancouver, B.C., June 9, 2016** – Avarone Metals Inc. (CSE: AVM) (Frankfurt: W2U1; WKN: A14SVX) (the “**Company**” or “**Avarone**”) is pleased to announce it has received chemical assay results from its Phase One surface sampling program on its 100% owned Moab Lithium Project in the South Big Smoky Valley, Nevada. The sampling was carried out in April 2016 to investigate lithium concentrations in the uppermost 1.5m of the playa and a total of 20 bulk samples were analyzed.

The results of this sampling program not only confirmed the presence of lithium in alluvial gravels and clays but also indicated anomalous values of both boron and potassium.

### **Highlights from the sampling program are:**

- Lithium values as high as 70 ppm in sediments, boron 160 ppm, and potassium 6300 ppm
- Lithium concentration in all sediment samples averaged 31.5 ppm, boron 50.5 ppm, potassium 2620 ppm

Management believes these results are very significant in that they were taken by pick, shovel and hand auger and contain large amounts of waste material. The lithium values encountered exceed the 20 ppm cut-off grade used by Pure Energy Minerals Ltd. to calculate their mineral resource in the neighboring Clayton Valley.\* Furthermore, 14 of the 20 samples exceeded the 20 ppm cut-off grade. The results also correlate well with results reported by Ultra Lithium Inc. from their Big Smoky Valley project, which is adjacent to the Moab Lithium Project, in the South Big Smoky hydrogeological system. (\* Technical Report dated July 2015 by Raymond P. Spanjers, MS, PG.)

The samples were shipped to Western Environmental Testing Laboratory (“WETLAB”), an EPA accredited independent laboratory in Sparks, Nevada. Samples were analyzed for lithium, potassium, boron, and magnesium using Standard Methods for the Examination of Water and Wastewater, Online Edition, Methods for Determination of Organic Compounds in Drinking Water, EPA-600/4-79-020, and Test Methods for Evaluation of Solid Waste, Physical/Chemical Methods (SW846), 3<sup>rd</sup> Edition. WETLAB used its own quality control and quality assurance protocols for sample analysis.

Avarone will be executing Phase Two of exploration on its Moab Lithium Project this month utilizing a Vibracore drill and a Shaw diamond drill with large diameter NQ2 and AQ rods respectively for superior sample recovery. The Phase Two short hole drilling program, which is fully permitted for up to 20 holes, is designed to investigate up to a maximum depth of 50m. The purpose of the drilling will be to test subsurface layers for lithium and other commercial elements.

The Moab Lithium Brine Project (“Moab”) is a typical playa-type brine deposit model and its geological setting is similar to Clayton Valley, home to the only lithium producing brine operation 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. Evaluation of regional gravity data has led to the hypothesis that the Big Smoky Valley has been in-filled with an estimated 2000-2500m of alluvial fill and may have the potential to host a significant mineral deposit.

"The interpreted depth of sediments at Moab is in the order of several thousand meters and, as such, we have touched only the surface; still this is a key first step and we are very excited by these positive results. Our next phase of short hole drilling will provide a more accurate assessment of the project at depths up to 50m. 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

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