

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

Avarone Metals Inc. (the “**Company**”)
Suite 610, 700 West Pender Street
Vancouver, BC Canada V6C 1G8

Item 2 Date of Material Change

October 15, 2018

Item 3 News Release

The news release attached hereto as Schedule “A” announcing the material change described herein was disseminated through the news dissemination services of Stockwatch and Baystreet on October 15, 2018.

Item 4 Summary of Material Change

The Company announced the appointment of Peter Lee as Director and granting of incentive stock options.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Please see the press release attached as Schedule “A” for a full description of the material change.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Marc Levy, Chief Executive Officer and Director
Telephone: (604) 669-9788

Item 9 Date of Report

October 15, 2018



AVARONE METALS INC.
Suite 610, 700 West Pender Street
Vancouver, BC Canada V6C 1G8

AVARONE METALS INC. ANNOUNCES PRIVATE PLACEMENT AND APPOINTMENT OF NEW DIRECTOR

October 15, 2018

CSE:AVM / OTC:AVRTF / FWB:W2U1 - WKN:A14SVX

Vancouver, B.C., October 15, 2018 – Avarone Metals Inc. (CSE:AVM; OTC:AVRTF; FWB:W2U1 - WKN:A14SVX) (the "Company" or "Avarone") announces it intends to raise gross proceeds of up to **\$100,000** through a non-brokered private placement financing of up to **2,000,000** units (the "Units") of the Company at a price of **\$0.05** per Unit (the "Offering"). Each Unit will consist of **one (1)** common share (the "Common Share") and **one (1)** transferable common share purchase warrant (a "Warrant"). Each Warrant will entitle the holder thereof to purchase **one (1)** additional Common Share of the Company at a price of **\$0.05** for a period of **five (5)** years from the closing date of the Offering.

The Offering is subject to all necessary regulatory approvals and the securities to be issued in connection with the Offering will be subject to a four-month plus one day hold period in accordance with applicable Canadian securities laws. The Company anticipates there may be insider participation in the Offering.

The Company may pay a finder's fee on some of the gross proceeds to certain introducing parties in respect of the Offering, subject to compliance with applicable securities laws and CSE policies.

The Company intends to use the net proceeds of the Offering for general working and corporate purposes.

The Company also wishes to announce that Mr. Peter Lee has been appointed as a director of the Company.

Mr. Lee is a chartered professional accountant with more than 17 years of experience in both public practice and industry experience with specific expertise in financial management and reporting, and corporate finance. He has been involved with diverse business start-ups and has experience in senior management roles.

Mr. Lee attended the University of British Columbia and earned his Bachelor of Science (double major in biochemistry and chemistry). After graduating UBC, he obtained his chartered accountant (CPA, CA) designation while at PricewaterhouseCoopers LLP Vancouver in 2006. Mr. Lee formed Kowest Capital Ltd., a private financial consulting company, where he has been employed since 2011. Since May 2011, Mr. Lee has been a director and CFO of several public companies listed on the CSE and TSXV.

In connection with Mr. Lee being appointed to the board of directors, the Company has granted Mr. Lee 250,000 stock options at an exercise price of \$0.05 for a period of five (5) years.

On behalf of the Board of Directors,

AVARONE METALS INC.

Marc Levy
Chief Executive Officer

For more information contact the Company at:

Telephone: (604) 669-9788

Facsimile: (604) 669-9768

*Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.
No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. We seek Safe Harbor.*