

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

November 28, 2018 and November 29, 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 December 4, 2018.

Item 4 Summary of Material Change

The Company announced it closed a non-brokered private placement on November 28, 2018 and a change of directors on November 29, 2018.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company announce it has closed a non-brokered private placement issuing a total of 1,000,000 units (a "**Unit**") at \$0.05 per Unit for gross proceeds of \$50,000 (the "**Private Placement**"). Each Unit consisted of one common share and one common share purchase warrant (a "**Warrant**"), whereby each Warrant entitles the holder to purchase one additional common share of the Company on or before November 28, 2023 at an exercise price of \$0.05 per share.

Proceeds from the Private Placement will be used for general working capital and corporate purposes.

The securities distributed pursuant to the Private Placement are subject to a statutory hold period of four months that expires on March 29, 2019. No fees were paid in connection to this Private Placement.

As a subscriber to the Offering, Marc Levy, a Director and Officer of the Company, acquired indirectly, 500,000 Units. The participation by an insider in the Private Placement is considered to be a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). The transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101, as neither the fair market value of the securities being issued nor the consideration being paid exceeds 25% of Avarone's market capitalization.

The Company also announces the results of its Annual General Meeting of Shareholders held Thursday, November 29, 2018. The shareholders of the Company elected Marc Levy, Peter Born and Peter Lee as directors of the Company for the upcoming year.

The Company has accepted the resignation of Janet Francis as a Director effective November 29, 2018. The board wishes to express its gratitude to Ms. Janet Francis for her contributions to the Company and wish her well with her future endeavors.

The Board of Directors have appointed the following officers of the Company: Marc Levy, President and Chief Executive Officer, Kulwant Sandher, Chief Financial Officer, and Max Pinsky, Corporate Secretary.

A full copy of the news release is attached hereto as Schedule "A".

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

December 4, 2018



NEWS RELEASE

AVARONE METALS INC. PROVIDES CORPORATE UPDATE

Vancouver, B.C., December 4, 2018 – Avarone Metals Inc. (CSE:AVM; OTC:AVRTF; FWB:W2U1 - WKN:A14SVX) (the “**Company**” or “**Avarone**”) is pleased to announce it has closed a non-brokered private placement issuing a total of 1,000,000 units (a “**Unit**”) at \$0.05 per Unit for gross proceeds of \$50,000 (the “**Private Placement**”). Each Unit consisted of one common share and one common share purchase warrant (a “**Warrant**”), whereby each Warrant entitles the holder to purchase one additional common share of the Company on or before November 28, 2023 at an exercise price of \$0.05 per share.

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The Board of Directors have appointed the following officers of the Company: Marc Levy, President and Chief Executive Officer, Kulwant Sandher, Chief Financial Officer, and Max Pinsky, Corporate Secretary.

The Board of Directors and Management of the Company would like to thank all the shareholders for their support and confidence.

On behalf of the Board of Directors,

AVARONE METALS INC.

Marc Levy
Chief Executive Officer and Director



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

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.