

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: **AVARONE METALS INC.** (the "Issuer").

Trading Symbol: **AVM**

Number of Outstanding Listed Securities: **88,596,661**

Date: **June 3, 2019**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

**During the month of May 2019, management continued to search for business opportunities to enhance shareholder value.**

2. Provide a general overview and discussion of the activities of management.

**During the month of May 2019, management continued with general and corporate operations.**

**On May 23, 2019, the Issuer announced by way of news release the appointment of John Bean to the board of directors. See Item #16 for further details.**

**The Issuer's news release can be viewed under the Issuer's profile on SEDAR ([www.sedar.com](http://www.sedar.com)) and on the Issuer Disclosure Page on the Canadian Securities Exchange's website.**

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

**None to report during the month of May 2019.**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**None to report during the month of May 2019.**

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**None to report during the month of May 2019.**

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**None to report during the month of May 2019.**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

**None to report during the month of May 2019.**

8. Describe the acquisition of new customers or loss of customers.  
**None to report during the month of May 2019.**
9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.  
**None to report during the month of May 2019.**
10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.  
**None to report during the month of May 2019.**
11. Report on any labour disputes and resolutions of those disputes if applicable.  
**None to report during the month of May 2019.**
12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.  
**None to report during the month of May 2019.**
13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.  
**None to report during the month of May 2019.**
14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds
Incentive Stock Options	570,000	Incentive Stock Options granted on May 16, 2019 at an exercise price of \$0.06 expiring on May 16, 2024.	N/A
Common Shares	250,000	Common shares issued pursuant to an exercise of incentive stock options	\$12,500; for working capital, general corporate and administrative purposes.

**In addition, during the month of May the Issuer cancelled the following options in accordance with the stock option plan as the optionees are no longer associated with the company:**

<b>50,000</b>	<b>at \$0.05</b>	<b>expiring January 27, 2024</b>
<b>50,000</b>	<b>at \$0.05</b>	<b>expiring April 23, 2025</b>
<b>150,000</b>	<b>at \$0.05</b>	<b>expiring December 7, 2026</b>
<b>200,000</b>	<b>at \$0.05</b>	<b>expiring December 7, 2026</b>

15. Provide details of any loans to or by Related Persons.

**None to report during the month of May 2019.**

16. Provide details of any changes in directors, officers or committee members.

**During the month of May 2019, the Issuer announced the appointment of John Bean as independent director and audit committee member of the Issuer.**

**The board of directors is comprised of:**

**Marc Levy  
John Bean  
Peter Lee  
Peter Born**

**The audit committee members of the Issuer are:**

**John Bean (Chair)  
Peter Lee  
Peter Born**

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

**Trends and risks which may impact the Issuer are detailed on pages 42 to 49 in section 17 "Risk Factors" of the Issuer's Form 2A Listing Statement dated December 10, 2015.**

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## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated **June 3, 2019**.

**Marc Levy**

Name of Director or Senior Officer

**Signed: "Marc Levy"**

Signature

**President and CEO**

Official Capacity

<b><i>Issuer Details</i></b> Name of Issuer	For Month End	Date of Report YY/MM/D
<b>AVARONE METALS INC.</b>	<b>May 2019</b>	<b>19/06/03</b>
Issuer Address		
<b>Suite 610, 700 West Pender Street</b>		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
<b>Vancouver, BC, V6C 1G8</b>	<b>(604) 669-9768</b>	<b>(604) 669-9788</b>
Contact Name	Contact Position	Contact Telephone No.
<b>Marc Levy</b>	<b>President and CEO</b>	<b>(604) 669-9788</b>
Contact Email Address	Web Site Address	
<b>mlevy@mosamventures.com</b>	<b>www.avarone.com</b>	