FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **First Energy Metals Limited** (the “Issuer”).

Trading Symbol: FE

Number of Outstanding Listed Securities: 29,631,003

Date: June 1, 2020

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**

1. 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.
2. The term “Issuer” includes the Issuer and any of its subsidiaries.
3. 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.

*The Issuer announced it had optioned 2 gold properties in the news release dated March 17, 2020 along with a financing of $ 500.000 CAD. The private placement was broken down into $ 400,000 of a hard- dollar financing and $ 100,000 flow-through financing.*

*The option terms are described below:*

  First Energy holds an option to acquire a 100-per-cent interest in the Kokanee Creek and Independence gold properties located in southeastern British Columbia by paying cash payments, common shares issuances and exploration expenditures as follows:

 *Year one:*

* + *Cash payment of $10,000 within 10 days of Canadian Securities Exchange and any other regulatory approval necessary; additional $40,000 prior to the one-year anniversary of the agreement;*
	+ *Share issuance of 2.5 million shares within 10 days of CSE and any other regulatory approval necessary;*
	+ *Complete $100,000 in exploration expenditures;*

 *Year two:*

* + *Cash payment of $75,000 prior to the one-year anniversary of the agreement;*
	+ *Share issuance of 2.5 million shares on the one-year anniversary of the agreement;*
	+ *Complete $250,0000 in exploration expenditures*

 *Properties*

 *The Kokanee Creek gold property consists of three mineral claims covering approximately 1,590.29 hectares in the nelson mining division in British Columbia. It is located 18 kilometres to the east of Nelson on NTS map 082F055. The property is part of a very active mining area with several historical and current gold, silver and base metal deposits located in the region. Nelson is a historical mining town dating back to the discovery of the Toad Mountain silver deposit in 1886. The Blue Bell mine, located near the town of Riondel approximately 20 kilometres northeast of the Kokanee Creek claims, is a manteau-type base metal deposit hosted by the Badshot limestones of the Lardeau Group. Closer to the Kokanee claims are historical past producers the Molly Gibson and the Alpine.*

 *The Independence gold property consists of two mineral claims (Independence 1 and 2) totalling 1,099.43 hectares in southeastern British Columbia. It is road accessible, located 20 to 29 kilometres to the southeast of Nakusp, B.C., on the eastern slope of Silver Mountain on NTS map 082K. The most common type of deposit in the Nakusp area is the lead-zinc-silver-gold-bearing quartz veins in graphitic shear zones.*

 *Cautionary statement: Investors are cautioned that the above information has been t aken from the B.C. government's database. The company has not verified the information and the information is not necessarily indicative of the mineralization on these properties. The company is in the process of compiling geological and historical exploration work on each property and will provide an update as soon as the information is available.*

 *Technical data pertaining to this new release was reviewed and approved by Afzaal Pirzada, PGeo, who is the property vendor and is acting as First Energy's qualified person under National Instrument 43-101.*

*In subsequent news releases dated March 31st, 2020 and April 1, 2020 FIrst Energy was successful in closing the full amount of the financing for gross proceeds of $ 500,000. First Energy will move forward with its initial exploration program on the 2 gold properties as described below;*

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

 *First Energy Metals Ltd. has developed an exploration work plan 2020 for the recently acquired Kokanee Creek and Independence gold properties in British Columbia, Canada. The company has gathered historical geological and exploration information to develop this work plan. The exploration work will be completed in two phases where phase 1 will include ground prospecting, geological mapping and sampling, and the phase 2 will include diamond core drilling at Kokanee Creek. The purpose of this work is to confirm historical results and find new targets for further exploration. The company has filed a drill permit application using the B.C. on-line mine permitting system, and timing of drilling work will depend upon permit approval.*

 *Historical work highlights for both properties are provided herein.*

 *Kokanee Creek gold property:*

* *The Kokanee Creek claims were staked by Eagle Plains Resources Ltd. and Miner River Resources in 1996 after base metal mineralization was found on the Lower Kokanee Creek Road. Eagle Plains Resources completed silt and soil geochemical surveying, diamond drilling, chip sampling, and 3.5 kilometres of horizontal loop electromagnetic geophysical surveying.*
* *A five-hole drill program consisting of 1,500 feet (457 metres) of drilling in February and March, 1997, resulted in the discovery of near-surface gold mineralization.*
* *Hole KC97-02 returned 26.11 grams per tonne gold over 0.7 metre from 7.0 to 7.7 m, and 13.52 g/t gold over 1.4 m from 21.8 to 23.2 m.*
* *All five holes returned encouraging gold, silver, lead or zinc mineralization at shallow depths. Fieldwork conducted during 1997 indicated the extension of the mineralized zone to the north, south and west.*
* *In addition, rock samples within the zone returned values of 3.54 per cent zinc, 4.22 g/t gold and 48.0 g/t silver.*
* *A continuous chip rock sample taken along a road cut returned 0.3 per cent zinc over 55 m, and 2.26 g/t gold over five m.*
* *An airborne electromagnetic geophysical survey was flown over the property by Eagle Plains Resources in 2004. The results indicated two magnetic-high features in the southwestern part of the property in the area of the Big M/Kokanee Creek Minfile showing and another feature northeast of the Home Minfile occurrence.*

 *Independence gold property:*

* *Excellent infrastructure support, road accessible, located 20 to 29 kilometres to the southeast of Nakusp, B.C., on the eastern slope of Silver Mountain;*
* *Located in the vicinity of an active mining area with historical placer and lode gold mining in Columbia River, Miner city and Caribou Creek during the late 1800s and early 1900s; several gold discoveries were made during that period, including Millie Mac mine, which produced 300 tons grading one ounce per ton gold and 70 oz per ton silver until 1930s;*
* *There are three mineral showings (Minfile occurrences) on the property: (i) Independence, (ii) Big Spring and (iii) Slewiskin;*
* *Independence showing, also mentioned as possible Chieftain workings, was sampled in the 1984 to 1985 period by Falconbridge;*
* *The Slewiskin gold occurrence (as described on B.C. MTO website) has quartz veins ranging in width from two to 30 centimetres exposed (assessment report 13341) along logging roads on the historical Dore, Sub 1 and Sub 2 claims;*
* *The highest being 10.1 grams per tonne gold in sample 89108 (assessment report 13341);*
* *Independence 2 claim, AR 13341: there are several quartz veins from two centimetres to 30 cm wide, intruding into metavolcanics and metasedimentary rocks; grab samples from these quartz veins indicated gold values in the range of 0.032 to 0.295 oz per ton (0.9 g/t to 8.22 g/t), copper 12 parts per million to 48,092 ppm (4.8 per cent Cu), nickel three ppm to 1,681 ppm and zinc 11 ppm to 12,381 ppm (1.2 per cent Zn).*

 *Cautionary statement: Investors are cautioned that the above information has been taken from the B.C. government's database (assessment reports No. 25105 dated June 30, 1997; No. 27749 dated May 13, 2005; and Eagle Plains Resources' news release dated May 15, 2013). A qualified person from the company has not verified the data and information reported in this news release. The company is developing an exploration work plan to verify historical work and to find new targets. The historical resource and production reported on the adjacent properties may not be indicative of the mineralization on the company's properties.*

 *Technical data pertaining to this new release were reviewed and approved by Afzaal Pirzada, PGeo, who is acting as First Energy's qualified person under National Instrument 43-101.*

 *The exploration program timeline will be subject to potential delays related to the COVID 19 pandamic.*

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.

*As described above First Energy is preparing for its initial exploration program on both the Kokanne and Independence gold properties in the coming months. First Energy will have to take into consideration of current market conditions with COVID -19 and the potential impact on its planned work program.*

1. 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.
2. 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.

*The above noted option agreement for the Kokanee and Independence gold properties, the vendor is not a related party.*

1. 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.

 *N/A*

1. 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.

N/A

1. Describe the acquisition of new customers or loss of customers.

N/A

1. 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.

N/A

1. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

N/A

1. Report on any labour disputes and resolutions of those disputes if applicable.

N/A

1. 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.

N/A

1. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

N/A

1. Provide details of any securities issued and options or warrants granted.

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| **Security** | **Number Issued** | **Details of Issuance** | **Use of Proceeds(1)** |
| Common Shares | 750,000 | *Warrant Exercise with strike price of 0.12 cents and expiration date of October 22, 2020* | Advancement of recently optioned properties and general working capital. |
| Common Shares | 1,250,000 | *Shares issued to Optionor of Kokanee Creek and Independence Gold property.*  |  |
|  |  |  |  |

*(1) State aggregate proceeds and intended allocation of proceeds.*

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

N/A

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

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

N/A

**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. To the best of the undersigned’s knowledge and belief, as of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that, to the best of the undersigned’s knowledge and belief, 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. To the best of the undersigned’s knowledge and belief, all of the information in this Form 7 Monthly Progress Report is true.

Dated June 1, 2020.

Gurminder Sangha
Name of Director or Senior Officer

“*Gurminder Sangha*”
Signature

President
Official Capacity

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| ***Issuer Details***Name of IssuerFirst Energy Metals Limited | For Month EndMay 31, 2020 | Date of ReportYY/MM/D20/06/01 |
| Issuer Address1206 – 588 Broughton Street |
| City/Province/Postal CodeVancouver, BC V6G 3E3 | Issuer Fax No.( )N/A | Issuer Telephone No.(604) 375-6005 |
| Contact NameGurminder Sangha | Contact PositionPresident & CEO | Contact Telephone No.(604) 375-6005 |
| Contact Email Addressgsangha@firstenergymetals.com  | Web Site Address<https://www.firstenergymetals.com>  |