FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: DNI Metals Inc. (the "Issuer").

Trading Symbol: DNI

Number of Outstanding Listed Securities: 132,687,603

Date: March 31, 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

(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.

   DNI is obtaining its environmental licenses so it can build its pilot plant.

2. Provide a general overview and discussion of the activities of management.
   Development of graphite projects, in Madagascar.

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.

DNI filed its maiden resource report for its Vohitsara Graphite Project in Madagascar. Please see Sedar for the full report.

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.

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.

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

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

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

None to report.

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.

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

None to report

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

None to report.

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.

Fraud Trial – Mr. Steven Goertz

While investigating the permitting process completed by the previous Madagascar Country Manager and his team, the *Office National pour l'Environnemen*t (the National Office for the Environment or "ONE") claimed that documents presented to DNI Senior Management and Board in Canada had been forged. The previous Madagascar Country Manager had withdrawn the funds from DNI's bank account in Madagascar and yet according to the "ONE" did not pay the permit fees to the government.

Under Malagasy law, if a person becomes aware of a crime it must be reported to the police. Therefore, Daniel Weir reported the fraud to the police. The fraud being, that the former DNI Madagascar team lead by Steven Goertz, the former Country Manager, had forged government documents and misappropriated the applicable funds. Under Malagasy law it is also illegal not to file the corporate taxes in a timely manner. As the previous DNI Madagascar team refused to return the corporate documents to DNI, Daniel Weir on behalf of DNI had to file a report with the police stating that the pertinent corporate documents required to file the taxes had been lost or stolen. As Steven Goertz still held those documents in his possession, he was able to claim that the report filed with the police claiming the documents were lost or stolen was technically invalid.

On February 19, 2020, a trial was held. On March 5, 2020 a judgement and sentencing was released. The formal reports from that trial have yet to be released, due to the coronavirus, but counsel for DNI has reported that Mr. Steven Goertz, (the former DNI Madagascar Country Manager and team leader) was convicted of fraud, in regard to the missing funds, creating false permitting documentation and fake receipts. The sentencing includes jail time, fines, and eviction from Madagascar. That said, that same judge found that Daniel Weir filed an invalid report with the police. Mr. Weir has appealed the decision against him. Mr. Goertz cannot appeal his conviction, since he and his lawyers chose not to attend the trial. DNI may have further details once it can access the court documents.

Cougar Metals

On September 24, 2018 a Settlement Agreement (the "Agreement") was reached between DNI Metals Inc. ("**DNI**") and Cougar Metals NL ("**Cougar**")

On July 24, 2019, DNI issued Cougar a default notice.

On November 5, 2019, DNI issued Cougar a second default notice for failure to observe the non-disparagement and confidentiality obligations in the Agreement.

A hearing was held on November 18, 2019 in Toronto, regarding the first default.

On December 2, 2019 a decision was handed down by the arbitrator in which it was decided that;

1. Cougar had breached the non-disparagement provisions of the Agreement;
2. The DNI's notice of breach was justified and Cougar's claim was dismissed;
3. DNI was unable to prove that it had incurred financial damages as a result of Cougar's breach;
4. DNI's request for a set off against, or cancellation of, the payment to be made by DNI to Cougar under the Agreement was dismissed; and
5. The payment that was due to Cougar on July 25, 2019 is now due two days after the date of this decision.

However, on November 5, 2019 DNI issued Cougar a second default notice for continued failure to observe the non-disparagement and confidentiality obligations of the Agreement. As applicable with the first default notice, the Agreement provides that DNI is entitled to suspend payment of the balance of the amount owing under the Agreement pending determination of any dispute regarding Cougar's breach by an arbitrator.

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

None to report

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

DNI had extended and repriced certain wts of the company.
These warrants expired on May 17, 2019.

A number of warrants were subscribed for.

DNI is currently is cease traded, and once the CTO has been lifted, DNI will be able to release the number of shares issued in conjunction with the warrant subscription.

DNI's board of directors and its management are working to meet DNI's obligations relating to the filing of the 2018 Annual Financial statements, and lift the Cease Trade order.

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

N/A

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

None to report.

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

None to report

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

The Issuer historically has relied upon equity subscriptions to satisfy its capital requirements. The Issuer will continue to depend upon equity capital to finance its activities. There are no assurances that capital requirements will be met by this means of financing as inherent risks are attached therein including commodity prices, financial market conditions, and general economic factors.

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 ofCompliance.

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.

Date: March 31, 2020.

Daniel J. Weir
Name of Director or Senior Officer
Signature
CEO
Official Capacity

Issuer Details Name of Issuer DNI Metals Inc.	For Month End March 31, 2020	Date of Report YY/MM/D 20/03/31
Issuer Address 119 Pinewood Trail		
City/Province/Postal Code Mississauga, ON, L5G 2L2	Issuer Fax No. ( )	Issuer Telephone No. (416) 720-0754
Contact Name Daniel J. Weir	Contact Position President	Contact Telephone No. (416) 720-0754
Contact Email Address danweir@dnimetals.com	Web Site Address www.dnimetals.com	