

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: DNI

Number of Outstanding Listed Securities: 39,424,204

Date: June, 2016

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 Metals Inc. Announces Completion of \$500,000.00 Financing

Toronto, Ontario--(Newsfile Corp. - May 19, 2016) - DNI Metals Inc. (CSE: DNI) (FSE: DG7N) ("DNI" or the "Company") Further to its news release dated

January 29, 2016, the Company has closed, subject to final Regulatory approval, the final tranche (the "Final Tranche") of its non-brokered private placement financing (the "Private Placement"). The Final Tranche comprises 1,475,000 units of the Company (the "Units") at a price of Cdn\$0.05 per Unit for aggregate gross proceeds of Cdn\$73,750.00 Each Unit consists of one common share of the Company (a "Common Share") and one common share purchase warrant of the Company ("Warrant"). Each Warrant will entitle the holder to acquire one additional Common Share at a price of Cdn\$0.10 per Common Share for a period of 18 months following the date of the closing of the Final Tranche. All securities issued under the final Tranche are subject to a four-month hold period expiring on October 20, 2016. A finder's fee of \$3,200 cash and 38,000 shares and will be paid, in conjunction with this closing. 15,744 non-transferable common share purchase warrants (the "Broker's Warrants") will also be issued and are, subject to final Regulatory approval, payable in connection with the closing of the Final Tranche. Each Broker's Warrant will be exercisable into one Common Share at an exercise price of Cdn\$0.10 for a period of 18 months following issuance. This completes the \$500,000.00 financing.

The Company will to use the proceeds raised from the final Tranche to fund general and operating working capital.

=====

DNI Metals Inc. Appoints Lithium Ion Battery and Fuel Cell Experts to the Board of Directors

Toronto, Ontario--(Newsfile Corp. - May 25, 2016) - DNI Metals Inc. (DNI: CSE) (FSE: DG7N) ("DNI" or the "Company") As part of the transformation that DNI Metals has achieved over the past 18 months, DNI is adding Lithium Ion Battery and Fuel Cell expertise to the board of Directors. This will help position DNI to take full advantage of the "clean technology revolution".

Paul L. Hart, MBA, CPA, CA

Paul is a seasoned finance and operations executive with experience in the C-Suite, most recently as Chief Financial Officer and Corporate Secretary for Electrovaya Inc., a Lithium Ion Battery manufacturer based in Mississauga, Ontario, Canada. In addition to his experience in clean-technology, he has held senior financial roles with public companies (TSX, NASDAQ) in the software, internet and financial services industries where he has been responsible for strategic planning, corporate governance, finance and operations, mergers and acquisitions and capital markets in North America and Europe. He brings many years of experience in investor relations and debt and equity fund-raising, applying financial and operating experience from large organizations to small and microcap enterprises. He has previously served on other Boards, including Audit and Disclosure Committees and holds a BA (Honours) in Psychology, an M.B.A (Finance), and a Chartered Director designation.

Dr. Ravi B. Gopal

Ravi holds a Bachelor's degree in Electronics and Controls and a Ph.D. in Physics and Instrumentation. He is a seasoned technology executive with a strong combination of technology and business development skills. Ravi has spent the past 25 years in clean energy technologies such as hydrogen, fuel cells and Lithium Ion batteries. Prior to founding PACEAS (www.paceas.com), a company driven by a vision to help accelerate the shift towards a sustainable environment and clean energy technologies, Ravi was the Vice President of Applications Development at Hydrogenics Corporation. Hydrogenics is a fuel cell manufacturer, based in Canada, where he was responsible for all aspects of building organisational capacity, leading teams of highly qualified technical professionals and developing solid supplier and customer relationships worldwide. He has also been a participant in mergers & acquisition activities, ISO and Business Management Systems Steering Committees, and as a Management Executive Committee member.

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

Management is working to finance funding of a drill programme at the Vohitsara Property in Madagascar, and also to finance the purchase of a laboratory in Mississauga, Ontario.

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.

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 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.

None to report.

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.

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Common share	1,475,000		Working capital
Purchase Warrant	1,490,744	Included with above	Working capital
Options	2,000,000	At \$0.06	

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

Aggregate proceeds of C\$73,750 to be used to fund general and working capital.

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.

Paul L. Hart, Ravi B. Gopal, and Keith Minty have been added to the Board of Directors.

Denis Clement and Paul Gorman resigned from the Board.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) 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 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 1, 2016.

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

Issuer Details Name of Issuer DNI Metals Inc.	For Month End April 2, 2016	Date of Report YY/MM/D 16/05/02
Issuer Address Suite 1711 – 25 Adelaide Street East		
City/Province/Postal Code Toronto, Ontario, M5C 3A1	Issuer Fax No. ()	Issuer Telephone No. (416) 595-1195
Contact Name Daniel J. Weir	Contact Position President	Contact Telephone No. (416) 595-1195
Contact Email Address danweir@dnimetals.com	Web Site Address www.dnimetals.com	