FORM 7

MONTHLY PROGRESS REPORT

Name of CNSX Issuer: Muskrat Minerals Incorporated (the "Issuer").

Trading Symbol: YYR

Number of Outstanding Listed Securities: 17,251,015

Date: April 8, 2015

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 the CNSX 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 CNSX.ca website.

This report is intended to keep investors and the market informed of the Issuer's on-going 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 CNSX 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.

Muskrat Minerals Incorporated (MMI) management continue efforts to expand the business awareness of the principle investment of the Company by attending major industry events (speaking and exhibiting) in Q2-Q3 2015; the messages are consistent with previous reports and presentations, and are focused on raising the profile of MMI's role in the pig iron project:

1. **MMI's investment is in Grand River Ironsands Incorporated (GRI) and its related pig iron manufacturing project. What project partners have achieved is significant. Plans are being put in place for the largest merchant pig iron plant in North America, fully dedicated to supplying steel mills and foundries.**
    a. **This project has consistently proven it can take low grade iron ore concentrates and blend with a low cost coal to make a high purity pig iron.**
    b. **Pig iron is used by steel mills (electric arc furnaces) to make a higher grade steel when recycling scrap metal**
    c. **Pig iron, scrap metal and Direct Reduced Iron (DRI) are interchangeable in the melting process. Pig iron, due to having significantly fewer impurities, is preferred over DRI and trades at a 10-15% premium.**
2. **GRI and its North Atlantic Iron Corporation (NAIC) JV partner, Petmin Ltd. (South Africa's largest anthracite coal producer), have made known their intentions to build a merchant pig iron plant in North America. The site selection process has taken longer than anticipated as rapidly lowering market prices for commodities have caused ongoing adjustments to the final decision. This competitive process has produced significant benefits to the future of the project. The final two sites for the first plant to be built is either North of the Ohio River (on Lake Erie) or near the St. Lawrence River. Final negotiations continue with detailed work in process. This is clearly the top priority. The project has an additional US$4 million committed and not deployed for the project. This is sufficient cash for the next completion of Pre-Feasibility Study (PFS) (+/-20%). Project partners will raise sufficient capital during 2015 to fund the Bankable Feasibility Study (+/-5%) expected to get under way in Q3 after PFS is completed.**
3. **The price of iron ore continues to sit under $50/tonne Cost and Freight (CFR) China (source: IIMA). This means the operating margins for making pig iron for NAIC improve. The pig iron market price slipped in March to under $300/tonne (IIMA). Many Russian producers have withdrawn from supplying the US market, Brazil currently is the supplier of choice and many of their furnaces have shuttered until prices stabilize above $300-350/tonne. The falling prices are due to lower scrap prices due to excess supply.**

4. **As a result of commodity price volatility, the Project is firmly focused on manufacturing pig iron and not mining. The mining asset within the project in Labrador is a hedge for any major increases in future iron ore pricing. As infrastructure becomes more mature in central Labrador a reassessment of the economics of mining and locating a pig iron plant there is expected to be revisited.**

MMI Management will be exhibiting, presenting and/or available at the following events:

- **Asian Iron Metallics and EAFs Conference 2015 –** Singapore, Singapore, May 12-13, 2015
- **CIM 2015 Convention –** Montreal, QC, May 10-13, 2015
- **Steel Success Strategies XXX –** New York, NY, June 8-10, 2015
- **Expo Labrador 2015 –** Happy Valley-Goose Bay, NL, June 21-24 2015

Contact for these events is Liz@muskratminerals.ca

Ongoing Activities

The Preliminary Feasibility Study (+/-20%) remains underway with adjustments to plant size to meet the primary targets in the metallic world that pay a premium. It is expected that the PFS work will take up to 6 months (completion is hopefully expected in Q2 2015). The reference site to this has been Ohio and a review of expanding PFS work to Quebec is currently underway. Concurrently, efforts on permitting will begin once a site is selected from two potential host communities. The business case for the two sites remain compelling and negotiations are focused on areas that would yield a definitive benefit for deciding on the best location. Management will recommend a specific site upon conclusion of this independent review.

Given that the Issuer will be acquiring iron ore concentrate from the merchant market, discussions with potential providers and testing of their respective iron ore for the pig iron manufacturing plant is also underway. Iron ores from two producers have been tested along with steel mill reverts (waste material containing iron ore) and those results will soon be received.

Grand River Ironsands has undertaken a detailed work program in Labrador with a view of broadening the size and scope of the mineral resource near Happy Valley-Goose Bay, NL. The test results from the Minerals Engineering Centre at Dalhousie University are expected by Q2 2015. As well, efforts are still focused on the opportunity to economically separate additional minerals in the sands such as garnets, zircons, feldspars, silica sands, etc. Two separate contracts have been awarded for validation and recommended processing circuit; one has been awarded to SGS Canada Limited and one has been awarded to a minerals sands

processing firm in China – they will assess other streams of potential revenue within the mineral suite. These results are expected shortly.

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

The Issuer **continues to monitor the progress of Grand River Ironsands Incorporated (GRI), and through GRI, the Issuer's indirect shareholding in North Atlantic Iron Corporation (NAIC). The current mandate of NAIC is to be a pig iron producer, having access to its own supply of raw material (iron ore concentrate) only using its captive supply of iron ore concentrate when appropriate. Currently the price of iron ore is under $50/tonne CFR China (including shipping costs from eastern Canada to China $22-30/tonne).**

The difference in being a pig iron manufacturer rather than solely a mining project is substantial – margins are better and capital costs are lower as there is no need to build a mine. Establishing a process to be a low cost domestic producer of pig iron, will solve a unique North American need.

Currently, the Issuer has access to sufficient cash to meet its requirements for the next 12 months. The issuer is also assessing strategies to raise additional capital to prepare for new opportunities as well as general working capital. A capital injection is expected before the end of Q2 2015. The Issuer will continue to explore new opportunities and will remain open to raising additional investment as required. (MMI – generally has a cash burn of less than $15,000/month, excluding extraordinary items).

NAIC **has notably met the goal of consistently demonstrating an ability to produce high purity pig iron using a wide range of grades of iron ore concentrate (lower cost), along with a lower grade coal (lower cost). This is an outstanding achievement.**

The Preliminary Feasibility Study (PFS) will focus on further defining the ability to be a low cost pig iron producer and will commence when a site for the first plant has been selected. It is important to note that the project will be to produce nodular pig iron. Given the depressed prices of iron ore concentrate, securing raw material products (iron ore) directly from the merchant market, will be a primary consideration.

Currently, ***Grand River Ironsands*** **has US$4 million in cash to fund its future requirements including the pig iron project.**

As a result, ***MMI's*** **requirement for cash is minimal, and any additional cash would be used to increase its position in GRI, or new opportunities. GRI also is assessing raising additional capital, including the possibility of selling Flow-Through Shares.**

MMI owns 40.2% of GRI or effectively 25.98% of the project.

MMI has 17,251,015 shares outstanding.

Project update

The Key Highlights

I. **Petmin Limited (partner in NAIC) of South Africa announced their commitment to fund an additional US$4 million which will fulfil their US$25 million commitment for a 40% interest in NAIC. On February 17, 2015 they invested an additional US$1 million.**

II. **With 5 melt campaigns completed – the last 3 independently witnessed by Hatch Engineering – the project has been able to confirm that low grade iron ore concentrate, along with lower grade coal, can be melted to make a low cost, high purity, marketable pig iron. The results of this effort will be released when finalized.**

III. **The first planned pig iron plant will be located outside of Labrador where the mineral sands resource is located. Continued work in Labrador will focus on other valuable minerals contained within NAIC's defined resource which includes garnet, zircon, feldspars, silica sands, etc. Efforts will continue to broaden the resource. To date, these additional revenues have not been factored into the Preliminary Economic Assessment (PEA) work. Mining and separation approaches have been assessed and future work will refine the approaches and economics when other minerals are included. Additionally, work will continue on key infrastructure requirements, such as port, power, and access roads. Permitting efforts will not be contemplated until these items are favourably resolved.**

IV. **NAIC's site selection process has been considerably narrowed down and additional information is required from only one location. Locations actively under review are North of the Ohio River (on Lake Erie) or on the St. Lawrence River.**

V. **The 2015 efforts on the Labrador mineral sands resource, will be primarily two fold – as stated, to establish the potential economics of other valuable minerals; secondly, to better understand the economic and operational issues related to the port infrastructure, locating a plant and transport solutions.**

The partners in NAIC are GRI, as a majority shareholder with 64.60% (the Issuer's 40.2% ownership of GRI equates to its current indirect interest in NAIC of 25.98%) and Petmin at 35.40%. Petmin's stake could increase to 40% when the remaining US$4 million of their investment announced on March 3, 2014 is completed.

NAIC continue to meet with a number of steel mills (electric arc furnace operators), pig iron traders and foundries to assess their interest in working with NAIC towards advancing its pig iron project. Additionally, discussions have commenced with off-takers and traders as well as potential capital markets partners. It is expected an additional $15-20

million will be required to finalize the Bankable Feasibility Study and permitting on the first pig iron plant. It is expected the project will initially source iron ore concentrates from the open market due to the lower prices currently projected into the foreseeable future. NAIC believes this strategy provides the shortest timeline to production and cash flow.

Additionally, a number of opportunities for the Sub-merged Arc Furnaces owned by the project, in Pennsylvania, are under review for partnering and/or recognized in a joint venture as an equity contribution. The furnaces will be required in the coming years as a laboratory for testing different iron ore or coals prior to their being utilized in the pig iron making process and the much larger commercial furnaces.

Efforts will continue on evaluating the Labrador sands to be used as feedstock for a future plant. We are currently assessing opportunities for the separation plant (dryers, handling system, and magnetic separators) located in Happy Valley-Goose Bay.

The key goals will be to:

- **Publish the Pre-Feasibility Study**
- **Finalize the site selection and initiate the permitting process for the first pig iron making facility**
- **Review the economics in the PFS and make the decision to initiate a pre-feasibility/bankable feasibility study at the chosen site (*PFS awarded in October 2014)***
- **Assess the interest of strategic partners for partnering, off-take and other possible business arrangements**
- **Initiate a capital raise campaign and other corporate related requirements with all partners to the project.**

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.

There have been no acquisitions. The Issuer is awaiting the results from the NAIC PEA and is working with all external and independent consultants to organize the key aspects into a single report with future recommendations. The Issuer continues to encourage and receive proposals for review on additional opportunities for investment. NAIC and its partners are assessing both the 2015 work program and potential offtake solutions on iron ore fines from iron ore producers.

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.

Not applicable

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.

   The Issuer continues to encourage and assess new investment opportunities. The focus remains on projects located near a port and their required infrastructure. Any new investments would likely require raising additional capital.

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.

   NAIC will assess a new capital structure over the coming months as it relates to the intellectual properties or "know-how" for iron making given the improvements made and paid for by NAIC, as well, as the technical changes and improvements since the initial, and now expired, Memorandum of Understanding with the patents developers and assignees. Additionally, the Issuer remains in discussions with project partners of NAIC on a potential corporate restructuring that would create a solution to best reflect the fullest valuation and liquidity for the project and its shareholders.

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.

   Not applicable.

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

   Not applicable.

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.

   See answer to 6.

10. Report on any employee hiring's, terminations or lay-offs with details of anticipated length of lay-offs.

No changes occurred during period.

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

Not applicable.

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.

No changes.

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

The Issuer is in the process of negotiating a $200,000 line of credit (3% annual interest rate) with Grand River Ironsands Incorporated to fund any general working capital requirements until such time that the Issuer raises additional capital.

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

Security	Number Issued	Details of Issuance	Use of Proceeds(1)

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

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

None.

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

None

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

While the price of iron ore remains at levels last seen in 2009, under $50/tonne CFR (China), the Issuer remains focused on the value-add – a manufacturing process. It is important to note that prices for pig iron have

also declined throughout 2015. According to Steel First the prices of pig iron have actually reduced to under $300/tonne NOLA (down from $430/tonne in late September) – note forward trades in excess of $300 have been recorded and traders reporting pricing from Brazil over $400/tonne (*Source: IMMA*). The markets are expected to stabilize as the need for more pig iron is required.

The primary aspect of the MMI investment in GRI, and thus NAIC, is a focused on manufacturing, and value-add, within the steel mill/foundry supply chain. While this project requires iron ore concentrate, and controls the rights to its own resource; the low cost resource itself is currently a hedge against future and significant increases in the prices of iron ore. That forecast for iron ore prices remains uncertain and futures markets suggesting <$85/tonne until late 2019 being possible. As a result, the projects business strategy is fully based upon the manufacturing of pig iron required by the steel mills, in particular, the electric arc furnaces or mini-mills. Pig iron that meets the grade known as "Nodular" for foundries typically commands a premium price of $50/tonne for pig iron.

The number of new Electric Arc Furnace steel mills continue to increase and will each require pig iron. Further, supply of merchant pig iron (as this project will produce) has become tighter in supply which will continue as one of the largest Russian merchant pig iron producers will reduce the volume of MPI they will sell into the market including the USA – the firm will move up the value chain with the pig iron and produce steel.

It has recently been reported that by 2020, China will achieve a point where replacement steel will become a reality. As steel in China soon enters the phase where it will become end of life steel it will be recycled. Recently, it was reported by then China will have 180 million tonnes per year of scrap to recycle as it will face this new reality. Most blast furnaces cannot accept any more than 20% of their melt as scrap. This will certainly create a greater need for pig iron if they move to Electric Arc Furnaces to deal with their scrap.

In summary, the goal for NAIC is to add value to minerals resources (iron ore concentrate, coal, and limestone) and become a low cost producer of a quality product required by steel mills that utilize an electric arc furnace ("EAF") to make steel. EAF's melt scrap metal and generally add pig iron, hot briquetted iron and/or direct reduced iron to improve the quantity and quality of the steel produced.

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 CNSX 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 CNSX Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: April 8, 2015.

Lorne S. MacFarlane
Name of Director or Senior Officer

Signed "*Lorne S. MacFarlane*"
Signature
CFO
Official Capacity

Issuer Details Name of Issuer **Muskrat Minerals Incorporated**	For Month End March 2015	Date of Report YY/MM/D 15/04/8
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