

**FORM 7**  
**MONTHLY PROGRESS REPORT**

Name of CNSX Issuer: **EXCALIBUR RESOURCES LTD.** (the "Issuer").

Trading Symbol: **XBR**

Number of Outstanding Listed Securities: **82,924,831**

Date: **June 5, 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 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 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.

**The Company is a junior mining company focused on the discovery, development and mining of economically viable precious and base metal mineral resources in Canada and Peru. The Company sold its 49% interest in Minera Catanava within the Municipality of Pinos, State of Zacatecas, Mexico to its 51% partner Minera Apolo in May 2015.**

**See Press Release on June 3, 2015 "Excalibur Sells Minera Catanava"**

**On June 25, 2014, in order to develop a second potential cash flow stream, the Company announced a Letter of Intent for the acquisition, through the issuance of 1 million shares to a Director, of a 900 hectare high grade gold concession being worked by local informal miners called San Pedro in the State of Piura in northern Peru.**

**The Company holds the Sturgeon Lake claims, with volcanogenic massive sulphide targets in NW Ontario, just east of the old Noranda Matabi mines, now owned by Xstrata.**

**The Company holds the Cariboo, Princess and Cleopatra Claims (the "Cariboo Group Claims") near Nelson, British Columbia, a 58 hectare gold property.**



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

**In August 2014, our 51% partner in Mexico, Minera Apolo("Apolo") signed a binding LOI for Branco Resources Ltd. to acquire 60% of Apolo as the Qualifying Transaction to go public on the TSX Venture Exchange and raise up to US\$4 million. On February 27, 2015, Branco entered into a stock purchase and sale agreement with Apolo, S.A. de C.V. As part of this proposed transaction, Apolo offered to buy Excalibur's 49% for US\$75,000. The offer was accepted as the plant is shutdown and over a period of 4 years, the plant was unable to generate positive cash flow, due to lower than expected average grades, recoveries and concentrate purchase prices as well as ongoing equipment breakdowns, low volumes, water shortages, etc so there is no justification for further investment.**

**In Peru, the goal is to increase the frequency 'ore trades' from San Pedro I. However, mining was stopped for the last 3 months due to a very unusual and extended rainy season and only recently was dry enough to resume operations. In future, to avoid the dependence on production solely from San Pedro, the company is now seeking new sources of gold and copper ore with similar gross margins of \$2-300 per ton. So the simpler strategy is to just buy high grade ore from informal miners in batches equivalent to container loads for direct sale into the international concentrate market from the nearest port. In order to attract and assess new sources of supply, the Company is looking into buying a 10 ton per hour 'dry' mill to crush ore to sand size that is high enough grade to be shipped directly to China without further local processing. This 'toll mill' would charge the local miners roughly US\$30 per ton and operate with similar margins generating up to US\$3000 per day as a complement to the 'ore trading' business model. This will require an investment in equipment of approximately US\$50,000 and take about 3 months to set up and permit. Strategically, Excalibur will have the option to choose which ore to buy, receive it as a deposit and/or blend it with other sources in order to maximize the profit margin and increase the frequency of these 'ore trades'.**

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.

***Not applicable.***

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.

**In Mexico, due to ongoing lack of profitability and the lack of capital, the Catanava plant was sold to Minera Apolo. See Press Release on June 3, 2015 "Excalibur Sells Minera Catanava"**

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.

***Not applicable.***

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.



**Not applicable.**

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.

**In Mexico, due to ongoing lack of profitability and the lack of capital, the Catanava plant was sold to Minera Apolo. See Press Release on June 3, 2015 "Excalibur Sells Minera Catanava"**

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.

**Not applicable.**

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

**Not applicable.**

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.

**Not applicable.**

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

**Not applicable.**

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

**Not applicable.**

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

**Not applicable.**

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

**Not applicable.**

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

**Not applicable.**



## 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: June 5, 2015**

*"Tim Gallagher"*

---

**Chief Executive Officer**

**For Month Ended: May 2015**

**Issuer Details:**

*Excalibur Resources Ltd.*  
*8 King Street East, Suite 1010, Toronto, ON., M5C 1B5*  
*Tel No. 416.987.0298*  
*Website Address: [www.excaliburresources.ca](http://www.excaliburresources.ca)*

**Contact Name:**

*Tim Gallagher*  
*Chief Executive Officer*  
*Contact Tel No.: 416.925.0090*  
*Contact Email Address: [tim@excaliburresources.ca](mailto:tim@excaliburresources.ca)*

