

FORM 7

MONTHLY PROGRESS REPORT

Name of CNSX Issuer: Telferscot Resources Inc. ("Telferscot" or the "Issuer").

Trading Symbol: TFS

Number of Outstanding Listed Securities: 60,275,000

Date: February 1, 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 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.

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

On January 11, 2016 the Issuer reported that it had completed a definitive agreement for the sale of its 2,775 common shares of Kolwezi Copper Corp. ("KCC") (the "Definitive Agreement") which holds the Kolwezi exploration permits in Katanga Province, Democratic Republic of Congo. The total sale price is USD 854,700 and will close in two tranches. The first tranche of 575 KCC common shares closed with the signing of the Definitive Agreement. The second tranche (2,200 KCC common shares) is expected to close in February 2016 following, and subject to, TFS shareholder approval. For further information, please see TFS Press Release dated November 11, 2015.

In conjunction with the closing of the first tranche, the Company will be repaying the \$250,000 convertible note closed on October 6, 2015 (see TFS Press Release dated October 6, 2015).

Following this announced sale of KCC, the Company intends to move forward with negotiation and finalization of terms to acquire Resideo Properties Inc. ("Resideo"), a privately held real estate company focused on the acquisition, rehabilitation and management of single-family and multi-residential properties in

urban and suburban Detroit. Assuming the successful finalization of the acquisition terms for Resideo, the Company will be seeking regulatory, exchange and shareholder approvals to complete the proposed transaction. The Company will provide further information in due course.

On January 28, 2016 the issuer reported that it had set the date of its Annual General and Special Meeting of shareholders to be held at the Company's offices on February 25, 2016 at 10:00 am EST. In addition to the normal course business issues to be addressed, shareholders will be asked to approve the following:

- Sale of the Company's remaining interest in Kolwezi Copper Corp. ("KCC") as previously announced on November 11, 2015 and January 11, 2016, for US\$677,600;*
- A reduction in the stated capital of the Company to facilitate a distribution of the net proceeds of the KCC sale to shareholders as a return of capital by way of cash or new issue of shares in the capital of the Company, at the election of each shareholder; and*
- Authorization for the Directors to complete a consolidation of the Company's common shares at a ratio of one new common share for up to twenty-five current common shares.*

The Company anticipates net proceeds of the sale of KCC to be approximately \$900,000 or \$0.015 per current common share.

The proposed Resideo Properties Inc. ("Resideo") acquisition, as announced on May 13th, 2015, has been terminated following notice from Resideo that as a result of USD exchange rate fluctuations and general adverse capital markets conditions it is unable to complete the transaction as contemplated. While disappointing, the board is reviewing a possible restructuring of the Detroit real estate opportunity and will entertain other potential transactions as, if and when they are presented.

2. 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 other than as described in 1 above.

3. 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 as at January 31, 2016

4. 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 as at January 31, 2016

5. 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 as at January 31, 2016

6. 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 as at January 31, 2016

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

Not applicable as at December 31, 2015

8. 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 as at January 31, 2016

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

Not applicable as at January 31, 2016

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

Not applicable as at January 31, 2016

11. 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 as at January 31, 2016

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

Not applicable as at January 31, 2016

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

Not applicable as at January 31, 2016

14. Provide details of any loans to or by Related Persons.
Not applicable as at January 31, 2016
15. Provide details of any changes in directors, officers or committee members.
Not applicable as at January 31, 2016
16. Discuss any trends, which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.
The Company's principal activity is mineral exploration. Companies in this industry are subject to many and varied risks, including but not limited to environmental, political and economic conditions.
- The Company does not expect to receive significant income from any of its properties within the foreseeable future. Should the company decide to further develop any of its properties, the company may fund its capital requirements by arranging further equity financing, and/or arranging joint ventures with other companies.*

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 at *February 1, 2016*

James Garcelon
Name of Director or Senior
Officer

"James Garcelon"
Signature

CEO
Official Capacity

Issuer Details Name of Issuer Telferscot Resources Inc.	For Month End <i>January, 2016</i>	Date of Report YY/MM/DD 16/02/01
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