

FORM 7

MONTHLY PROGRESS REPORT

Name of CNQ Issuer: **ZAB RESOURCES INC. (the "Issuer" or "Zab" or the "Company" or the "Corporation").**

Trading Symbol: **ZABK**

Number of Outstanding Listed Securities: **27,323,620**

Date: **July 31, 2008**

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 CNQ 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 CNQ.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 CNQ 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 principal business of the Company is the acquisition, exploration and, if warranted, the development of natural resource properties.

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

Effective June 26, 2008, the Company has been extra provincially registered in the Province of Nova Scotia under the Corporations Registration Act (Nova Scotia) Certificate Registration No. 3229428.

The Company has filed an application with the Mines and Minerals Branch of the Nova Scotia Department of Natural Resources for a special licence for potash exploration as prescribed under Section 22 of the Mineral Resources Act. The application is for a 12,205 hectare area on Cape Breton Island at Kempt Head in what is geologically classified as the Boularderie Syncline on the western side of the Sydney Basin. The Company has submitted a multiyear work plan to accompany its application. Should ZAB be successful with its application, the Company intends to expeditiously pursue the first year activities which are outlined in the Company's multiyear work plan.

Management is currently pursuing the possibilities of acquiring mineral prospects of merit for the Company. Furthermore, management is pursuing the possibilities of raising funds for the Company.

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.

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.

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.

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.

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.

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.

None.

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

None.

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

None.

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.

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

None.

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

None.

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.

There is a noticeable resurgence in mineral exploration and development and in particular, in those companies that carry on exploration activities in precious metals. However, certain trends that may impact the Issuer are:

- i. Exploration of mineral prospects involves a high degree of risk which even experience, knowledge and careful evaluation may not be able to avoid.***
- ii. Governmental regulations, including those regulations governing the protection of the environment, taxes, labour standards, occupational health, waste disposal, mine safety and other matters, could have an adverse impact on the Issuer.***
- iii. The economics of exploring and developing gold and precious metal mineral properties are affected by many factors including the prices of the commodities.***
- iv. Exploration and development of mineral prospects require substantial capital. A drop in the availability of equity financings will likely impede spending.***
- v. Due to global demand, prices of metals have appreciated significantly during the last few years. It is generally expected that the worldwide demand for metals will continue for the foreseeable future. Should this trend continue, it is expected that mineral prospects of merit will be more difficult and expensive to acquire and the services of technically competent people will be more difficult to obtain.***

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 is no material information concerning the Issuer which has not been publicly disclosed.
- 3. The undersigned hereby certifies to CNQ 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 CNQ Requirements (as defined in CNQ Policy 1).

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

Dated **August 1, 2008**

Bedo H. Kalpakian
Name of Director or Senior Officer

"signed"

"Bedo H. Kalpakian"
Signature

President, CEO, CFO & Director
Official Capacity

Issuer Details Name of Issuer: ZAB RESOURCES INC.	For Month End July, 2008	Date of Report August 1, 2008
Issuer Address: Suite 1501 – 700 West Georgia Street, PO Box 10047, Pacific Centre		
City/Province/Postal Code Vancouver, BC, V7Y 1A1	Issuer Fax No. (604) 681-9428	Issuer Telephone No. (604) 681-1519
Contact Name Bedo H. Kalpakian	Contact Position: President, CEO, CFO & Director	Contact Telephone No. (604) 681-1519
Contact Email Address bedo@zabresources.com	Web Site Address www.zabresources.com	