

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: KRI

Number of Outstanding Listed Securities: 88,666,482

Date: November 3, 2016

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.**

In May, 2016, the Company announced the receipt of US\$70 from the Government of Mongolia in settlement of an international arbitration award rendered in favour of Khan in March, 2015.

The proceeds of the settlement with Mongolia were allotted to KRI and its subsidiaries, first to KRI as a reimbursement of the expenses incurred to obtain the award and collect the settlement, and the balance to Khan's subsidiaries based on their proportionate ownership of the underlying properties.

An agreement (the "Khan Bermuda Sale Agreement") was signed and closed on Aug 17, 2016 with an independent third party for the sale of Khan's directly held subsidiary, Khan Resources Bermuda Ltd. ("Khan Bermuda"). Khan Bermuda holds all of the issued and outstanding shares of Khan Resources LLC ("Khan LLC") and CAUC Holding Company Ltd. ("CAUC Holding"), which in turn holds a 58% interest of Central Asian Uranium Company, LLC ("CAUC"). Under the terms of the Khan Bermuda Sale Agreement, Khan sold all of the shares of Khan Bermuda (and accordingly, all of Khan's interest in CAUC Holding and CAUC and Khan LLC) for a cash purchase price of US\$38,462,686.

By August 31st, US\$52.5 million of the settlement funds that were allocated to Khan's subsidiaries had been repatriated to Canada. These funds, along with US\$10.5 million held in Khan's corporate treasury have been converted to Canadian dollars at the average rate of 1.3050.

The funds will be distributed to shareholders in two or more installments once shareholders approve the voluntary liquidation and dissolution of the Company at a special meeting of shareholders to be held on November 10, 2016. It is anticipated that a first distribution of \$0.85 per share will be done as soon as

practically possible after the special meeting as a return of capital.

During October, the Management Information Circular and the form of proxy for the special meeting were mailed to shareholders of record as of October 4, 2014.

Additional Information

Additional information relating to the Issuer is available on the CSE Disclosure Hall at www.CSE.ca or on SEDAR at www.sedar.com.

2. **Provide a general overview and discussion of the activities of management.**
See the item above
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.**
N/A
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.**
N/A
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.**
No new contracts during the past month.
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.**
No termination of contracts during the past month.
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.**

No acquisition or disposition during the past month. Per note 1 above, the Khan Bermuda Sale Agreement was signed and closed on Aug 17, 2016.

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

N/A

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.

N/A

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

There were no hiring or terminations during the past month.

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

N/A

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.

The Issuer did not become a party to any legal proceedings in the past month.

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

N/A

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

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

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

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

N/A

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

No changes in October

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

N/A

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 CSE 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 CSE Requirements (as defined in CSE Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.
5. Dated November 3, 2016.

Grant A. Edey
Name of Director or Senior Officer

Signed "Grant A. Edey"
Signature

President, CEO and a Director
Official Capacity

Issuer Details Name of Issuer	For Month End October 30, 2016	Date of Report YY/MM/D 16/11/03
Issuer Address The Exchange Tower 130 King Street West, Suite 1800		

City/Province/Postal Code Toronto/Ontario/M5X 1E3	Issuer Fax No. (416) 947-0167	Issuer Telephone No. (416) 360-3405
Contact Name Grant A. Edey	Contact Position President and CEO	Contact Telephone No. (416) 360-3405
Contact Email Address gedey@rogers.com	Web Site Address www.khanresources.com	