

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

Name of CNSX Issuer: **HI HO SILVER RESOURCES INC. the “Issuer”**

Trading Symbol: **HHS**

Number of Outstanding Listed Securities: **95,367,647**

Date: **January 7, 2014**

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

On July 2, 2013, the Company announced a non-brokered private placement (the “Private Placement”) to raise gross proceeds of up to \$500,000 through the sale of up to 10,000,000 units (“Units”) at a price of \$0.05 per Unit. Each Unit will be comprised of one common share of Hi Ho and one common share purchase warrant (each a “Warrant”). Each Warrant will be exercisable to acquire one additional common share of the Company at any time for a two year period following issuance, at an exercise price of \$0.10 per common share.

On August 8, 2013, the Company announced a special financing offering for up to 5,000,000 participating convertible redeemable Series “A” preferred shares (“Series “A” Preferred Shares”). Net proceeds will be used to conduct one or more bulk sampling programs on Hi Ho’s 100%-owned Fairview Gold property, near Oliver, in the Okanagan Valley of southern British Columbia, Canada.

The subscription price is \$1.00 per Series “A” Preferred Share with a minimum financing of \$500,000 and a maximum financing of \$5,000,000 (priced in Canadian Dollars). The Company may elect to offer up to 80% of the Offering on a flow-through basis.

All Series “A” Preferred Shares will carry a participating dividend of 50% of the gross net margins payable quarterly until participating dividends equal to the issue price have been earned by each Series “A” Preferred Share. At that time the dividend will be set at 40% per annum.

Each Series “A” Preferred Share will be convertible into that number of common shares equal to the quotient of (i) the Issue Price plus accrued and unpaid dividends per *Preferred Share* divided by (ii) the greater of (a) \$0.05 and (b) 80% of the average of the closing prices of the common shares during the 10 trading days immediately preceding the notice of conversion.

The Series “A” Preferred Shares and any common shares, into which they may be converted, may only be resold or transferred in accordance with all applicable legislative and regulatory rules, restrictions and policies.

On October 28, 2013, the Company announced it had completed a first tranche of the previously announced (August 9, 2013) \$5 million convertible redeemable Series “A” preferred shares offering, for gross proceeds to the Company of \$300,000.

On December 5, 2013, the Company announced that it had expanded the use of funds in its Participating Convertible Redeemable Series “A” Preferred Share Offering announced on August 9, 2013 to include an investment in Ascot Mining Plc.

The Company was successful in negotiating the purchase of 125,157 preferred shares of Ascot Mining PLC at a cost of US\$200,000, which upon conversion gives the Company a 4.70 % interest in Ascot Mining PLC. In addition the Company obtained an option to acquire an additional 3,629,560 preferred shares at a cost of US\$5,800,000 which upon conversion will give the Company a 59.69 % interest in Ascot Mining PLC.

On October 28, 2013, the Company announced that it is negotiating to obtain a controlling interest in a company which holds several gold properties in Latin America. The target company is in the process of refining its recovery procedures and enhancing throughput on its ongoing gold operations. Further details will be provided as available.

On October 31, 2013, the Company announced that it signed a preference share investment agreement (the “Agreement”) with Ascot Mining Plc. (“Ascot”) of London, England, and completed the first tranche of US\$200,000 of a US\$6 million convertible Series “A” preferred shares offering in Ascot. The execution of the Agreement and the purchase of the first tranche gives Hi Ho the right to purchase additional preferred shares of Ascot. When completed, the purchase will result in Hi Ho obtaining a controlling interest in Ascot which holds several gold properties in Costa Rica. Ascot is in the process of refining its recovery procedures and enhancing throughput on its ongoing gold operations. Further details will be provided as available.

Hi Ho is progressing with its bulk sampling program on the Fairview Gold property (see Company news release date May 27, 2013). Permitting for this bulk sampling program is completed, subject to the posting of a reclamation bond. Hi Ho has completed an independent technical report on the Fairview Gold property, compliant with the standards of National Instrument 43-101, filed on SEDAR on August 21, 2013.

On December 30, 2013, the Company announced that it will be extending the warrant expiry date for 9,181,714 share purchase warrants due to expire on February 26, 2014. The new expiry date will be February 26, 2016 at an exercise price of \$0.15

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. **N/A**

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. **N/A**

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. **None**
7. Describe the acquisition of new customers or loss of customers. **N/A**
8. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trademarks. **N/A**
9. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs. **N/A**
10. Report on any labour disputes and resolutions of those disputes if applicable. **N/A**
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. **N/A**
12. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**During the period, the Issuer did not incur any debt or repay any debt other than in the normal course of business.**

13. Provide details of any securities issued and options or warrants granted. **N/A**

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
<sup>(1)</sup> State aggregate proceeds and intended allocation of proceeds	General working capital and mineral exploration work		

14. Provide details of any loans to or by Related Persons. **None**
15. Provide details of any changes in directors, officers or committee members. **N/A**
16. Discuss any trends which are likely to impact the Issuer including trends in **the** Issuer's market(s) or political/regulatory trends.

Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in size to return a profit from production. The marketability of natural resources that may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource

markets, government regulations. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. The great majority of exploration projects do not result in the discovery of commercially mineable deposits of ore. Even if commercial quantities of mineral deposits are discovered by the Company, there is no guarantee that a profitable market will exist for the sale of the metals produced.

The development of the Company's properties will depend upon the Company's ability to obtain financing through the joint venturing of projects, private placement financing, public financing or other means. There can be no assurance that the Company will be successful in obtaining the required financing.

### 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 January 7, 2014

**Dennis McKnight**

Name of Director or Senior Officer

**"Dennis McKnight"**

Signature

**Chief Executive Officer**

Official Capacity

<b>Issuer Details</b> Name of Issuer <b>Hi Ho Silver Resources Inc.</b>	For Month End <b>December 31, 2013</b>	Date of Report YY/MM/D <b>14-01-07</b>
Issuer Address <b>575, 1111 West Hastings Street</b>		
City/Province/Postal Code <b>Vancouver British Columbia V6E 2J3</b>	Issuer Fax No. <b>(604) 629-1931</b>	Issuer Telephone No. <b>(604) 629-1928</b>
Contact Name <b>Dennis McKnight</b>	Contact Position <b>C.E.O.</b>	Contact Telephone No. <b>(604) 629-1928</b>
Contact Email Address <b>dennis@hihoresources.com</b>	Web Site Address <b>www.hihoresources.com</b>	