

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: KRI

Number of Outstanding Listed Securities: 84,811,482

Date: March 2, 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.**

International Arbitration

On March 2, 2015 the international arbitration tribunal rendered an award to Khan as compensation for the Government of Mongolia's illegal actions in relation to the cancellation of Khan's uranium licenses in 2009. The award aggregates to approximately \$106 million (US) with interest currently accruing at a rate of 2.78% or \$7,256 per day (US). In Canadian dollars at February 29, the value of the total award was approximately \$143.7 million.

On June 12, 2015 the Company filed a petition for confirmation of its international arbitration award in the US District Court in the District of Columbia. Mongolia responded to the petition by filing on September 4, 2015 a motion to dismiss or stay the Company's petition. These were followed by memoranda by the Company and by Mongolia on September 29 and October 13 respectively in support of the corresponding arguments. In addition, Mongolia has requested a verbal hearing of the arguments. The Judge on the case has not yet made any rulings on the motion to dismiss or the request for a verbal hearing. Dependant upon the judge's initial ruling, the Company's petition to certify will then be addressed. When certification is confirmed, the award will be executable in the US as a court judgement and the Company can begin a process of seizure of non-immune Mongolian sovereign assets in the US.

On July 9, 2015, the Government of Mongolia filed a notice in the French Court of Appeal in Paris for annulment of the international arbitration Award. The Government of Mongolia filed their arguments in support of the annulment on December 9, 2015. The Company's counsel is currently preparing arguments for the filing of the defense, due April 9, 2016 at the latest.

Meetings were held in December and January with representatives of the Government of Mongolia to discuss the outstanding obligations of the Government.

The Company is currently investigating other jurisdictions in which to have the arbitration award recognized.

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 cancellation 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.**

N/A

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 additional legal proceedings in the past month.

Please, see Item 1 above for details with respect to the monthly activity related to the collection of the International Arbitration award against the Government of Mongolia.

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⁾
Common shares	675,000	Options exercise	Operations
		Total Proceeds	135,000

(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 during month of February.

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.

Dated March 2, 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 February 29, 2015	Date of Report YY/MM/D 16/03/02
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	