

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: Silk Road Finance Inc. (the "Issuer").

Trading Symbol: SFA

Number of Outstanding Listed Securities: 40,280,050

Date: September 30, 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 Exchange 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 Exchange 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 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.

During the month of November 2016, the Issuer concentrated its activities on the evaluation potential direct investment opportunities across various frontier markets in Asia.

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

The Management is actively assessing acquisition opportunities in several sectors, including advisory services and asset management business across several frontier markets. Active investment in publicly listed securities is conducted based on investment themes in the emerging and frontier markets.

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

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.

N/A

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 hirings, terminations or lay-offs with details of anticipated length of lay-offs.

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.

N/A

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.

*(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.

N/A

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

Over the last two decades, the dynamic economic growth in countries such as China, India, Russia, Brazil, Mexico, Turkey and Indonesia transform the group of 20 largest emerging markets into the main growth engine of the global economy. According the International Monetary Fund (IMF), the GDP of the emerging markets and developing economies have risen to 56% of the global GDP in 2013, eclipsing that of the developed economies.

However, as the major emerging markets expand the size of their economies, they are face many structural headwinds and finding it increasing challenging to maintain historically high rates of economic growth. Therefore, it is not surprising that the IMF estimates that 19 out of the world's 20 fastest growing countries with the highest projected compounded annual growth rate (CAGR) from 2013 through 2017 are so-called frontier markets (among emerging markets, only China made to this list, none of developed economies are even remotely close). The IMF expects these 19 frontier markets to grow by whooping 8%-14% per annum during the five-year period, albeit many of them start from a low base.

Frontier markets are countries with investable stock markets that are less established than those in the emerging markets. Nigeria, Kenya, Vietnam are among more developed frontier markets. Some frontier markets do not have functional stock markets or have bourses only in their rudimentary stage. Investors seek opportunities in frontier, or pre-emerging markets due to availability of potentially high, long term returns, albeit with higher risks compared with developed and mainstream emerging markets. Frontier market investments often have a low correlation to developed markets and thus can provide additional diversification to global investors.

## 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 the Exchange 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 Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: December 5, 2016.

Artem Klimenko  
Name of Director or Senior  
Officer

*"Artem Klimenko"*  
Signature  
Director, CEO  
Official Capacity

<b>Issuer Details</b>	For Month	Date of Report
Name of Issuer	End	2016/12/05
Silk Road Finance Inc.	November 30, 2016	
Issuer Address		
2 <sup>nd</sup> Floor, Eastern Wing, Regency, Ulaanbaatar, 14240, Mongolia		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Ulaanbaatar, 14240	( N/A )	(+976) 99900354
Contact Name	Contact Position	Contact Telephone No.
Artem Klimenko	CEO	(+976) 99900354
Contact Email Address	Web Site Address	
<a href="mailto:artem.klimenko@silkroadf.com">artem.klimenko@silkroadf.com</a>	<a href="http://www.silkroadf.com">www.silkroadf.com</a>	