

FORM 7

MONTHLY PROGRESS REPORT

Name of CNSX Issuer: FAR RESOURCES LTD (the "Issuer", "Far", we" or "our").

Trading Symbol: FAT

Number of Outstanding Listed Securities: 45,752,666

Date: August 7, 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.*

Zoro

Letter of Understanding (the "LOU") with Strider Resources Ltd. ("Strider")

Far has entered into a letter of understanding with Strider Resources Limited ("Strider") to acquire 100% interest in and to all lithium-bearing pegmatite dykes on properties adjacent to its Zoro1 claim in Snow Lake, Manitoba (the "LOU").

The LOU includes pegmatite dikes on Claim Jake 3558 (P3558F) and a 350 metre wide strip along the northeast edge of claim Jake 3558 and a portion of adjacent claims Bert 6304 (MB6304) and Bert 797 (MB797) (collectively, the "Property"). These claims are contiguous with the Zoro1 claim and in good standing until 2030. Far Resources Ltd. and Strider intend to enter into the definitive agreement noted in its July 5 news release in early August 2016 (the "Definitive Agreement").

Under the terms of the LOU, Far Resources will earn a 100% interest in the pegmatite minerals on the Property, subject to a 2% NSR of which 1% of which can be purchased by Far Resources for CAD \$1,000,000 and by making staged cash payments and issuing common shares of Far Resources as follows:

1. Upon signing the Definitive Agreement Far Resources will pay to Strider \$50,000 in cash and \$50,000 in shares of Far Resources based on the Average Price (defined below);
2. on or before first anniversary date of the Definitive Agreement Far Resources will pay to Strider \$50,000 in cash and \$50,000 in shares of Far Resources based on the Average Price;
3. on or before second anniversary date of the Definitive Agreement Far Resources will pay to Strider \$75,000 in cash and \$75,000 in shares of Far Resources based on the Average Price; and

4. on or before third anniversary date of the Definitive Agreement Far Resources will pay to Strider \$75,000 in cash and \$75,000 in shares of Far Resources based on the Average Price.

The Average Price means the average of the Far Resources' Common shares' closing price on the immediately previous 30 trading days before the date in question.

The Zoro I Claim

The Zoro I claim covers approximately 52 hectares near Wekusko Lake in western Manitoba. The Zoro I Claim covers a number of known lithium pegmatite occurrences. The presence of the main dyke where the majority of diamond drilling was undertaken has been established on the Claim. This dyke was tested by a total of 3048 metres with a calculated tonnage of 1.8 million tonnes at a grade of 1.4% Li₂O to a depth of 305 metres was established. A review of all historic field information is underway.

Accordingly, estimates of grade and intercept width is historical and was calculated prior to the implementation of National Instrument 43-101 *Standards of Disclosure of for Mineral Projects* ("NI 43-101") using historical terminology and is not meant to be interpreted as a current estimate as defined in sections 1.2 and 1.3 of NI 43-101. The grades are presented solely to provide a historical frame of reference and as a guide to future exploration. Although believed to be reliable, no "qualified person" as defined in NI 43-101 has done sufficient work to classify the historical estimate as a current mineral resource or mineral reserve. Accordingly, the Company is not treating the historical estimate as a current mineral resource or mineral reserve and it should not be relied upon. Further exploration including new diamond drilling will be required to assess and verify the historical estimate as current mineral resources or mineral reserves.

Far Resources has received a work permit from the government of Manitoba for their planned drill program to assess seven lithium-rare metal bearing pegmatites.

Sample Assays on Zoro

In July, the Issuer received the analyses of seven composite rock chip samples collected from historic blasted trenches during a recent visit to the expanded Zoro property. The purpose of the sample collection was to compare lithium contents in rock samples analysed with modern analytical technology to results from historic assays.

Analyses for these samples are presented as percentages of Li₂O in Table 1. Results of recently collected chip samples compare favourably with the range of historic values reported in Manitoba government assessment files. Dykes 2, 4 and 5 are present on recently optioned adjacent ground.

These results confirm the presence of significant lithium mineralization present as spodumene-bearing pegmatite dykes on the Zoro property and will assist in planning an upcoming drill program (cf. News Release July 19, 2016).

Dyke	Sample	Far Resources Ltd.	Historic Assays
		Li ₂ O%	Li ₂ O%
2	2-1	2.71	1.66
2	2-2	3.53	1.69
4	4-1	2.41	1.12
5	5-1	6.11	2.26
5	5-2	6.35	2.22
5	5-3	1.78	2.42-7.28*
5	5-4	1.46	

Table 1. Summary of lithium assay data from historic exploration and recent confirmatory exploration by Far Resources Ltd.

*Historic range in Li₂O contents from Dyke 5 rock chip samples.

The scientific and technical information regarding Far Resources' lithium claims has been approved by Mark Fedikow, P.Geo., a consultant of Far Resources and a "qualified person" as defined in NI 43-101.

Option Agreement with Redline Minerals

In June 2016, Redline Minerals and Far Resources further amended the Option Agreement, so that upon Far Resources having earned an initial 50% interest, it may elect to earn a further 30% interest by paying the Optionor an additional \$180,000 cash, (reduced from \$240,000 in the original agreement); issuing an additional 1,500,000 shares; and incurring an additional \$900,000 (reduced from \$1,500,000 in the original agreement) in Exploration Expenditures within three years of the election date.

Further to the update provided in the news release dated February 1, 2016, the Company has initiated permitting for an exploration program on the Little Granite claims to verify the results from work carried out in the 1980s in the Little Granite mine area. Sampling carried out by Far Resources in late 2013 confirmed the presence of abundant strongly mineralised epithermal vein material on

the mine dumps, assumed to have been excavated during the decline development in the early 1980s. Two samples thought to be representative of the main style of quartz veining returned values of 179 g/t silver and 2.9 g/t gold and 170 g/t silver and 6.7 g/t gold respectively, while a third sample of grey, finer-grained quartz material returned values of 1,439 g/t silver and 25.2 g/t gold. Limited drilling in 1984 returned several high grade vein intercepts (see news release dated February 1, 2016 for details). These results pre-date the implementation of NI 43-101, and since the work was not conducted under the supervision of a QP, cannot be relied upon and are presented as historical information only. However, the sampling conducted by Far suggests the results are credible and that further work using modern techniques and supervision is warranted.

For further information regarding the Issuer please visit the CSE Disclosure Hall at www.thecse.com, or view the Issuer's filings posted on SEDAR, www.SEDAR.com.

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

Most recently, Management obtained a permit for a drill program on its Zoro 1 claim, further amended its option agreement with Redline Minerals, entered into a LOU with Strider Resources Ltd. to expand the Zoro property and announced the results of certain assay samples taken from the Zoro property..

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.*

This does not apply to the Issuer.

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.*

This does not apply to the Issuer.

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.*

See Item 1 – LOU with Strider Resources Ltd.

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.*

This does not apply to the Issuer.

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.

This does not apply to the Issuer.

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

This does not apply to the Issuer.

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.

This does not apply to the Issuer.

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

This does not apply to the Issuer.

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

This does not apply to the Issuer.

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.

This does not apply to the Issuer.

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

The Issuer has received a \$20,000 non-interest bearing demand loan with no fixed term from its CEO.

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

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

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

This does not apply to the Issuer.

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

No changes to directors, officers or committee members.

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

This does not apply to the Issuer.

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 August 7, 2016

Keith Anderson

Name of Director or Senior Officer

/s/ Keith Anderson

Signature

Director and CEO

Official Capacity

Issuer Details Name of Issuer FAR RESOURCES LTD.	For Month End July 31, 2016	Date of Report YY/MM/DD 2016/08/07
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