

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: 62,556,607

Date: May 4, 2017

Report on Business

1. *Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month.*

Winston Project Purchase Agreement

In March, the Issuer entered into a binding agreement (the "Purchase Agreement") to acquire a 100% interest in its Winston gold project located in Sierra County, New Mexico (the "Winston Project") from Redline Mineral Inc. and Southwest Land & Exploration Inc. (together the "Vendors").

The Winston Project consists of 16 unpatented mining claims, the "LG Claims", owned directly by the Vendors and the right to acquire an additional 4 unpatented mining claims, the "Little Granite" claims, and 2 patented mining claims, the "Ivanhoe/Emporia claims" located in Sierra County, New Mexico. The Issuer originally acquired an option (the "Option") in October 2014 (as subsequently amended) to earn up to an 80% undivided interest in the Winston Project for cash payments totalling \$430,000 (\$250,000 paid), 4,300,000 common shares of the Issuer (1,800,000 shares issued) and \$1,200,000 in exploration expenditures (see news releases dated October 21, 2014 and June 28, 2016).

Under the new Purchase Agreement, the Issuer has agreed to purchase a 100% interest in the Winston Project for \$100,000 cash and 2,500,000 common shares (the "Payment Shares") of the Issuer payable as follows:

- (a) \$10,000, by way of non-refundable deposit, upon execution of the Purchase Agreement;
- (b) an additional \$40,000 and 2,500,000 Payment Shares upon closing; and
- (c) the balance of \$50,000 within 60 days following closing.

The Payment Shares will be subject to a statutory hold period of four months and one day. 500,000 Payment Shares will be subject to an additional voluntary hold period expiring six months after closing and an additional 500,000 Payment shares will be subject to a further voluntary hold period expiring 8 months after closing.

Additional cash payments totalling US\$434,000 and US\$361,375 will be payable to the owners of the Little Granite claims and Ivanhoe/Emporia claims, respectively, in accordance with the terms and conditions of the underlying purchase agreements in order to complete the acquisition of such claims.

The Purchase Agreement is subject to, among other things, a satisfactory due diligence review of the Winston Project by the Issuer and is scheduled to close shortly.

Zoro Lithium Property Drill Program

The Issuer's initial Drill Program was designed to validate the results of historic 1956 drilling and related assays ("Drill Program 1"). Information from historic drilling including collar locations and drill logs were combined with trench locations uncovered by Far Resources' consultants during field work to produce a three-dimensional model of Zoro spodumene-bearing pegmatite dyke #1. This model was tested by all drill holes in this program.

About Drill Program 2

In April, the Issuer mobilized to the drill location and conducted its planned Drill Program 2. The drill program was designed to expand on the results of the Phase 1 program and the historic 1956 drilling with related assays. The objective of the Phase 2 drill program was to test the Dyke 1 pegmatite within 150m from surface and along strike. The holes were designed to infill previously untested areas of the pegmatite approximately 30m to 50m from historical and Phase 1 drill intersections. The density of the Phase 1 and 2 drill holes are spaced with the intention of working towards the Zoro Lithium Property's first NI 43-101 resource as defined by NI 43-101 – *Standards of Disclosure for Mineral Projects*.

A total of 1088 metres of NQ core were completed during the Phase 2 drill program with all seven holes intersecting the spodumene-bearing Dyke 1 pegmatite. The intersections reflect the historical results and those predicted by the three-dimensional model. Of significance in the recently completed program were wide intervals of pegmatite intersected in drillholes FAR17-010 and FAR17-012. FAR17-010 intersected spodumene-bearing pegmatite over 53.7m (162.9-216.6m) and FAR17-012 intersected coarse spodumene crystals (up to 15cm in length) between 103.4m and 115.6m (12.2m).

Subsequent to logging, a total of 167 core samples were shipped to Activation Laboratories (Ancaster, Ontario) an ISO certified laboratory for lithium and multi-element analysis. Results will be reported when assays have been received.

About Drill Program 1

A total of 1142 metres of NQ core were completed during the Drill Program with all seven holes intersecting the spodumene-bearing Zoro pegmatite. Subsequent to logging, a total of 143 sawn core samples were shipped to Activation Laboratories (Ancaster, Ontario) an ISO certified laboratory for lithium assays and multi-element analysis.

Each of seven drill holes intersected lithium-bearing pegmatite mineralization over intervals of up to 28 m. These intercepts compare favorably with historic data reported by Green Bay Uranium Ltd. in 1956. The main lithium-bearing mineral present in all holes is coarse-grained spodumene.

This recent exploration on the property by Far Resources has identified locations of drill sites and collars from historic exploration of lithium-bearing pegmatite dykes on optioned ground adjacent to the Zoro1 claim and principal Dyke #1. Far Resources is preparing a three dimensional model with the new field data in combination with historic information to identify high priority drill targets.

The Issuer is also planning a geological mapping and prospecting program to commence as soon as snow cover permits for the assessment of high-grade lithium-bearing pegmatite dykes in trenches blasted at dykes 2 through 7, , to the northeast of Dyke #1. This work will involve exploration for additional pegmatite dykes reported in outcrop but not assessed by trenching. The geological results will be used to plan further exploration and support upcoming drill programs.

Based on further information obtained from the recent drill program amended weighted averages from seven drill holes are presented in Table 1, below.

Table 1. Amended weighted averages for Li₂O from seven drill holes at the Zoro lithium property

<u>Weighted Averages</u>	
<u>DDH</u>	<u>BEST INTERVALS</u>
<u>DDHFAR16-001</u>	<u>1.46% Li₂O over 1.6m</u>
<u>DDHFAR16-002*</u>	<u>0.88% Li₂O over 5.9m</u>
	<u>1.32% Li₂O over 2.8m</u>
<u>DDHFAR16-003</u>	<u>1.13% Li₂O over 12.1m</u>
<u>DDHFAR16-004</u>	<u>0.55% Li₂O over 1.3m</u>
<u>DDHFAR16-005</u>	<u>1.31% Li₂O over 1.5m</u>

<u>DDHFAR16-006*</u>	<u>0.77% Li₂O over 10.9m</u>
	<u>1.31% Li₂O over 1.4m</u>
<u>DDHFAR16-007</u>	<u>1.10% Li₂O over 23.4m</u>
	<u>1.18% Li₂O over 4.1m</u>

* Hole bottomed in spodumene-bearing pegmatite

About the Zoro Lithium Property

Far Resources' Zoro Lithium Property is comprised of the optioned Zoro1 claim covering approximately 52 hectares near Wekusko Lake in western Manitoba (see news release dated April 28, 2016); and a 100% interest in pegmatite dykes on contiguous ground to the north east, optioned from Strider Resources Limited (see news releases dated June 26, 2016 and August 10, 2016). The ground optioned from Strider increased the Zoro property from 0.5 km² to 3.0 km², a 600% increase.

The Zoro Lithium Property covers a number of known lithium pegmatite occurrences, one of which contains an historic "reserve" based on 1956 drilling on the "Principal Dyke" of 1.8 million tonnes grading 1.4% Li₂O. The mineral reserve cited above is presented as an historical estimate and uses historical terminology which does not conform to current standards, and as such should not be relied upon. Although the historical estimates are believed to be based on reasonable assumptions, they were calculated prior to the implementation of National Instrument 43-101. These historical estimates do not meet current standards as defined under sections 1.2 and 1.3 of NI 43-10 and therefore should not be relied upon.

Sample Assays on Zoro Lithium Property

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.

Share Issuances and Compensation Updates

In collaboration with the Issuer to fulfill Drill Program 2 and to advance the Issuer's knowledge of the Zoro Lithium Property, certain service providers have agreed to accept a portion of payment for services provided in shares as part of their compensation thereby assisting the Issuer to preserve cash while meeting strategic goals and objectives. Therefore, the Issuer has agreed to issue up to 1,000,000 Common shares (the "Shares") of the Issuer at a price of \$0.10 per Share as part of Drill Program 2.

The Issuer has agreed to acquit certain outstanding invoices with its service providers in the amount of \$18,000 through the issuance of 200,000 shares at a deemed price of \$.09.

The Issuer and certain of its directors have agreed that director fees of \$1000 per month will be paid for their services to the Issuer on an annual basis, to be paid as \$6000 cash and \$6000 payable in Common shares in the equity of the Issuer. The Issuer has increased the CEO's monthly salary to \$10,000 per month, payable as \$6000 cash per month and the remainder to be payable in Common shares in the equity of the Issuer. The shares payable to officers and directors will be

issued on the last day of the fiscal year and the share issuance price will be calculated based on the 30 day average closing price of the shares for the period immediately preceding the share issuance (the "Issue Price") provided that the Issue Price shall not be below \$0.10 per Share.
The Issuer has also entered into certain consulting agreements for corporate development and general consulting services with service providers at a rate of \$5000.00 per month, where the payment for services will be payable in shares (the "Monthly Fee"). For each such consulting agreement, the Monthly Fee will payable in arrears on the last day of each month in which services were provided and will be paid through the issuance of that number of Common shares valued at \$5000 (the "Shares") where the share issuance price will be calculated based on the 10 day average closing price of the Shares for the period immediately preceding the share issuance (the "Issue Price") provided that the Issue Price shall not be below \$0.10 per Share.

The issuance of securities described in this report is subject to acceptance by the Canadian Securities Exchange and will be subject to statutory hold periods of four months and one day from date of issue. All amounts quoted in this news release are in Canadian funds.

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 completed its second drill program on the Zoro Lithium Property, and entered into a purchase agreement with respect to its Winston project, all as more fully described under Item 1.

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.*

Please see Item 1 for details of the Issuer's current activity on its Zoro Lithium Property near Snow Lake, Manitoba.

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.*

The Issuer has engaged certain service providers for its drill program and ongoing corporate development goals as noted in Item 1, above..

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.*

Please see Item 1 for details regarding the purchase agreement related to the Issuer's Winston project.

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)
Common Shares	1,000,000	payment to a drilling services provider for services rendered pursuant to invoice issued to the company at a deemed price of \$0.10 per share	n/a
Common Shares	434,389	Shares issued to CEO for 2016 compensation at a deemed price of \$0.1105	Acquittal of invoice
Common Shares	54,298	Shares issued to a director for 2016 director fees at a deemed price of \$0.1105	Acquittal of invoice
Common Shares	54,298	Shares issued to a director for 2016 director fees at a deemed price of \$0.1105	Acquittal of invoice
Common Shares	200,000	Shares issued to director for 2016 director fees at a deemed price of \$0.1105	General working capital

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.

Following the Issuer's annual general meeting held in November, 2016, the board of directors is comprised of the following individuals:

Keith Anderson, director, president & CEO

Cyrus Driver, director and CFO

Frank Anderson – director

Lindsay Bottomer – director

Jeremy Ross – director

Shastri Ramnath - director

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 May 4, 2017

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 April 30, 2017	Date of Report YY/MM/DD 2017/05/04
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Contact Name Mr. Keith Anderson	Contact Position Pres/CEO	Contact Telephone No. (604) 805-5035
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