

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: 72,635,867

Date: June 6, 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 (paid);
- (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 (\$15,000 paid).

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. The Issuer has received the results of the assays and these were published in news releases dated May 2 and May 30.

Drill Program 2 - Dyke 7 Composite Rock Chip Samples

The table below shows assay results of two composite rock chip samples collected from Dyke 7, one of seven known spodumene-bearing pegmatite dykes present on recently optioned adjacent ground, part of its Zoro lithium property near the historic mining centre of Snow Lake, Manitoba.

The two samples were collected by Far Resources field crews during mucking of boulders and debris from historic blasted trenches on the optioned portion of the Zoro property. Dyke 7 samples were collected to expand the assay database on the property and as part of an ongoing quality control program to compare lithium contents in historic rock assays with modern assay technology. This contributes to the Issuer's efforts to build its geologic understanding of the distribution of lithium mineralization on the property.

Analyses for these samples are presented as percentages of Li₂O in Table 1 along with historic assay data and other assays by the Issuer. Results compare favourably with elevated lithium contents from recent assaying of spodumene-bearing pegmatite dykes and are significantly higher than the range of historic values reported in Manitoba government assessment files.

New assay data will be compiled with the revised geologic database to plan a ground-based mapping and exploration program integrated with available LIDAR data on the property once snow cover is permissive.

Dyke	Sample	Far Resources Ltd.	Historic Assays
		Li₂O%	Li₂O%
2	2-1	2.71	1.66
	2-2	3.53	1.69
4	4-1	2.41	1.12
5	5-1	6.11	2.26
	5-2	6.35	2.22
	5-3	1.78	2.42-7.28*
	5-4	1.46	
7	7-1	1.35	0.46
	7-2	2.91	0.50

* The range of historic assays for samples 5-3 and 5-4 is 2.42-7.28% Li₂O.

Table 1. Summary of lithium assay data from historic exploration and recent confirmatory exploration by Far Resources Ltd. at dykes 2, 4, 5 and 7.

Phase 2 Drill Program Results

The results of the Phase 2 drill program that confirmed extensive lithium mineralization in the Dyke 1 pegmatite on the Zoro Lithium Property in Manitoba.

Highlighted assay results from Dyke 1 include:

- FAR17-010 intersected spodumene-bearing pegmatite over 53.7m and had significant Li₂O results of 1.2% Li₂O over 38.3m including 2.3% Li₂O over 4.6m, 2.6% Li₂O over 2.1m and 1.4% Li₂O over 7.7m.
- FAR17-012 intersected coarse spodumene crystals up to 15cm in length over 12.2m and had significant Li₂O results of 1.7%, Li₂O over 10.7m including 4.1% Li₂O over 0.4m and 2.1% Li₂O over 5.1m.

Pegmatite intersections reflect the historical results as well as those predicted by the three-dimensional model. The Phase 2 drilling program has given further confidence as to the dimensions and geometry of Dyke 1 and the three-dimensional geological model is being updated to include the new drillholes.

The objective of the Phase 2 drill program, which was completed on April 15th, 2017, was to test the Dyke 1 pegmatite within 150m from surface and along strike. The program was designed to step out from the results of the Phase 1 drill program which tested significant historic 1956 drilling and related assays. The program consisted of 7 drillholes totaling 1,088 metres and a list of summarized results is tabled below.

Table 1. Significant results of the 2017 Drilling Program.

BHID	From (m)	To (m)	Length (m)	Li₂O (%)
<u>FAR17-008</u>	<u>144.6m</u>	<u>147.0m</u>	<u>2.4m</u>	<u>1.1%</u>
<u>FAR17-009</u>	<u>Pegmatite intersected over 1.8m but no significant assays</u>			
<u>FAR17-010</u>	<u>164.0m</u>	<u>202.3m</u>	<u>38.3m</u>	<u>1.2%</u>
<u>including</u>	<u>173.5m</u>	<u>178.1m</u>	<u>4.6m</u>	<u>2.3%</u>
<u>and</u>	<u>189.3m</u>	<u>191.4m</u>	<u>2.1m</u>	<u>2.6%</u>
<u>and</u>	<u>194.6m</u>	<u>202.3m</u>	<u>7.7m</u>	<u>1.4%</u>
<u>FAR17-011</u>	<u>46.7m</u>	<u>48.0m</u>	<u>1.3m</u>	<u>1.3%</u>
<u>FAR17-012</u>	<u>104.3m</u>	<u>115.0m</u>	<u>10.7m</u>	<u>1.7%</u>
<u>and</u>	<u>107.3m</u>	<u>107.7m</u>	<u>0.4m</u>	<u>4.1%</u>
<u>and</u>	<u>109.0m</u>	<u>114.1m</u>	<u>5.1m</u>	<u>2.1%</u>
<u>FAR17-013</u>	<u>75.3m</u>	<u>77.0m</u>	<u>1.7m</u>	<u>1.0%</u>
<u>FAR17-014</u>	<u>Pegmatite intersected over 8.0m but no significant assays</u>			

With the success of drilling on the Dyke 1 Pegmatite, the Issuer is planning a field assessment in June to study the other high-grade lithium-bearing pegmatites in trenches blasted at Dykes 2 through 7, located on optioned ground to the northeast of the Zoro Lithium Property. This work will

involve exploration for additional pegmatite dykes reported in outcrop but not assessed by trenching. Dyke 1 be further evaluated for mineralogy and zonation, and surrounding host rock will be sampled to determine if background lithium values are higher near the pegmatite contact. These results will then be used to explore for pegmatites that may not outcrop at surface. Geological information gathered during this project will be used to plan a Phase 3 drilling program

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.

In May, the Issuer closed the option amendment agreement with the vendors (the "Vendors") of the Zoro 1 mineral claim comprising the Issuer's Zoro lithium property near Snow Lake, Manitoba to accelerate the exercise of the Issuer's existing option to acquire a 100% interest in such claim (the "Option") by issuing the Vendors a total of 6,000,000 common shares of the Issuer at a deemed price of \$0.10 per share (the "Payment Shares") and a non-interest bearing promissory note for C\$100,000 payable in 12 months. By accelerating the exercise of the option, the Issuer has reduced its overall option payments to the Vendors under the original option agreement dated April 28, 2016 by C\$200,000. The Issuer has previously paid C\$50,000 cash and issued 1,000,000 shares to the Vendors under the Option.

The 6,000,000 Payment Shares will be subject to a statutory hold period of four months and one day; 1,666,667 Payment Shares will be subject to an additional voluntary hold period expiring eight months after closing and an additional 1,666,667 Payment shares will be subject to a further voluntary hold period expiring 12 months after closing. In order to facilitate the acceleration of the Option, Keith Anderson, the President of the Issuer, has agreed to transfer 1,000,000 “free-trading” common shares of the Issuer to the Vendors in exchange for 1,000,000 restricted Payment Shares.

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.

Private Placement

The Issuer completed the financing announced on May 17, 2017 to raise up to \$300,000 (the “Financing”). The Financing was oversubscribed, raising an aggregate total of \$315,000. The Financing consists of consist of up to 3,500,000 units (the “Units”) at a price of \$0.09 per Unit. Each Unit will consist of one common share (each a “Share”) and one half (1/2) of one common share purchase warrant (the “Warrants”). Each whole Warrant will be exercisable by the holder into one Share of the Issuer at a price of \$0.15 per Share for a period of one year from close of financing. The proceeds of the Financing will be used to advance the Issuer’s strategic plan including additional exploration of the Zoro Lithium property and for general working capital purposes. All securities issued pursuant to this Financing will be subject to a 4-month and one day hold period from the date of closing. All amounts quoted in this news release are in Canadian dollars.

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, entered into a purchase agreement with respect to its Winston project, and completed the Option amendment on the Zoro I mineral claim 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	140,000	payment to a drilling services provider for services rendered pursuant to invoice issued to the Issuer at a deemed price of \$0.095 per share	Acquittal of invoice
Common Shares	200,000	Shares issued to service providers to acquit invoices at a deemed price of \$0.10	Acquittal of invoice
Common Shares	6,000,000	Shares issued pursuant to the Option amendment agreement for the Zoro I mineral claim (see Item 1 of this report)	n/a
Units	3,500,000	Each Unit consists of one common share (each a "Share") and one half (1/2) of one common share purchase warrant (the "Warrants") at a price of \$0.09 per Unit. Each whole Warrant will be exercisable by the holder into one Share of the Company at a price of \$0.15 per Share for a period of one year from close of financing. Total proceeds of \$315,000 received.	The proceeds of the Financing will be used to advance the Company's strategic plan including additional exploration of the Zoro Lithium property and for general working capital purposes

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 June 6, 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 May 31, 2017	Date of Report YY/MM/DD 2017/06/06
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City/Province/Postal Code Burnaby, BC V5J 5H8	Issuer Fax No. (604) 253-3484	Issuer Telephone No. (604) 805-5035
Contact Name Mr. Keith Anderson	Contact Position Pres/CEO	Contact Telephone No. (604) 805-5035
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