

## FORM 7

### **MONTHLY PROGRESS REPORT**

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

Trading Symbol: FAT

Number of Outstanding Listed Securities: 101,295,498

Date: April 6, 2018

#### **Report on Business**

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

#### **Founding CEO passes away**

In February, the Issuer accepted the resignation of its founding CEO, Keith Anderson, who resigned due to ill health. Mr. Anderson passed away on March 4, 2018. Following Mr. Anderson's resignation, Mr. Toby Mayo was appointed interim CEO.

#### **Zoro Lithium Property Ongoing Exploration Program**

In March, the Issuer announced the discovery of a previously unknown spodumene-bearing pegmatite dyke at its Zoro Lithium Project, located near the historic mining community of Snow Lake, Manitoba. The discovery was made during the 2,472-metre, 19-hole drill program, as described in news releases on January 19 and February 13, 2018, which is now complete. A news release with preliminary results from the drill program was published on March 12, 2018. The Issuer is still awaiting assay results.

The discovery of this additional dyke was made during the drill-testing of a Mobile Metal Ions (MMI) soil geochemical anomaly bringing the total of known high-grade dykes on the Zoro Lithium Property to eight.

In January, the Issuer mobilized a drill to its Zoro Lithium Property to test deeper portions of Dyke 1 and to test adjacent high-grade dyke targets. In February, the Issuer reported that initial drilling has intersected wide zones of spodumene in Dyke 1 (see news release dated February 13, 2018).

As reported in December, the Issuer has identified an extension to Dyke 1 (the "Dyke 1 Extension"). Upon review of historic assessment information followed by outcrop stripping and field mapping the Issuer's exploration team has defined the Dyke 1 Extension; it is approximately 75 metres long and extends from the north end of Dyke 1 in a northeast direction.

#### **Zoro Lithium Property Fall 2017**

In October two prospecting teams were dispatched to the Zoro Lithium Property at Snow Lake to commence exploration of newly optioned ground (see Strider Resources, below). The teams will utilize LIDAR imagery to guide their examination and sampling of outcrop in this new area.

In November, the Issuer announced previously unrecognized tantalum potential at the Zoro Lithium Property. The Zoro pegmatite is a lithium-cesium-tantalum (LCT) type pegmatite with confirmed high-grade lithium mineralization predominantly in light green spodumene. The 2016 intersection of 0.117% tantalum ( $\text{Ta}_2\text{O}_5$ ) in drill hole DDH FAR16-001 and the presence of elevated tantalum assays on the property has motivated the Issuer to further evaluate tantalum potential.

#### **High Grade Drill Core Results**

As part of the Issuer's exploration program, a total of 207 drill core samples were shipped to Activation Laboratories (Ancaster, Ontario) for multi-element assay using ACTLABS package UT-7. Weighted averages calculated for each pegmatite drill intersection for lithium, tantalum and niobium are presented in Table 1.

**Table 1. Summary of weighted averages for lithium, tantalum and niobium.**

Drill Hole	Intersection (metres)	Li <sub>2</sub> O %	Tantalum (ppm)	Niobium (ppm)
DDHFAR17-15	1.2	1.05	75	156
	3.3	0.83	41	88
	1.0	1.35	59	157
	1.0	1.50	152	115
	6.1	1.00	145	123
	1.0	1.09	42	79
DDHFAR17-16	0.9	0.71	32	85
	1.0	0.58	142	408
DDHFAR17-17	3.0	0.51	58	158
DDHFAR17-18	20.6	1.43	60	142
includes	4.0	2.19	88	214
and	1.0	3.12	137	409
DDHFAR17-19	12.4	1.15	45	155

Multiple narrow intersections of lithium are present in all five drill holes. Wider intervals with elevated Li<sub>2</sub>O include 1.43% Li<sub>2</sub>O over 20.6 metres in DDH FAR17-18 and 1.15% Li<sub>2</sub>O over 12.4 metres in DDHFAR17-19. Higher grade intervals are present within DDH FAR17-18 and include 2.19% Li<sub>2</sub>O over 4 m and 3.12% Li<sub>2</sub>O over 1 m. Tantalum and niobium range between 32 and 152 ppm and 88 and 408 ppm, respectively.

#### **Zoro Lithium Property Previous Exploration by the Issuer**

Details and results of the Issuer's exploration programs including the Summer 2017 Exploration Program and Drill Programs 1 and 2 can be found in the Issuer's previous reports on Form 7, in particular, the November 2017 report which contains a summary of this information, and on the Far

Resources' website at [www.farresources.com](http://www.farresources.com), as well as in the Issuer's news releases available on [www.sedar.com](http://www.sedar.com).

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.

### **Hidden Lake Option**

On February 28, 2018, the Issuer signed a definitive agreement with 92 Resources Corp. ("92 Resources") regarding the Hidden Lake Option to acquire up to a 90% undivided interest in the Hidden Lake Lithium Property, Northwest Territories (the "Hidden Lake Project").

The Hidden Lake Project consists of five contiguous mineral claims totalling approximately 1,659 hectares within the central parts of the Yellowknife Lithium Pegmatite Belt along Highway 4, approximately 40 km east of Yellowknife. 92 Resources' 2016 exploration results returned 1.90% Li<sub>2</sub>O over 9 m and grab samples up to 3.3% Li<sub>2</sub>O. Metallurgical test work has produced a high-grade mineral concentrate of 6.16% Li<sub>2</sub>O with an average spodumene lithium content of 3.8 per cent lithium (8.2% Li<sub>2</sub>O). Thus far, 92 Resources has channel sampled four dykes extensively which range between 275 and 790 m in length and up to about 10 m in length which returned an average lithium concentration of 1.03% Li<sub>2</sub>O for the 308 samples with surface samples up to 3.3% Li<sub>2</sub>O. Due to the success of the programs, a preliminary metallurgical test work and scoping lithium extraction tests were conducted. The scoping test work achieved an overall extraction of 97%, indicating that the industry standard lithium extraction techniques applied to typical spodumene concentrates are applicable to concentrates produced from the pegmatites at Hidden Lake. The Hidden Lake Project is easily road accessible and its proximity to infrastructure provides for numerous development advantages.

Under the option, the Issuer has the right to acquire up to a 90% undivided interest in the Hidden Lake Project in consideration for a combination of cash, common shares and exploration expenditures as follows:

Interest Earned	Cash Payment	Dollar Value of Far Shares	Exploration Expenditures	Year
60%	\$50,000 upon closing (paid)	\$500,000 upon closing (at \$0.90 per share) (issued)	\$500,000	Year 1
Additional 10% (70% total)	-	\$250,000 (based on Far's then market price to a maximum of \$1.50/share)	\$500,000	Year 2
Additional 10% (80% total)	-	\$300,000 (based on Far's then market price to a maximum of \$1.50/share)	\$600,000	Year 3
Additional 10% (90% total)	-	\$400,000 (based on Far's then market price to a maximum of \$1.50/share)	\$700,000	Year 4
90%	\$50,000	\$1,450,000 (share value)	\$2,300,000	

The Issuer will be operator of the Hidden Lake Project and shall have the right to accelerate the exercise of the option in its sole discretion. However, if Far Resources exercises the option to earn less than 90% of the Hidden Lake Project and a joint venture with 92 Resources is formed, the Issuer will be responsible for funding the initial \$1,000,000 in joint venture expenditures.

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.

### **Winston Project**

In June 2017, the Issuer acquired 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).

The Issuer has engaged James Moors, P. Geo. to prepare a Technical Report on the Winston property located in New Mexico (the "Winston Property") in accordance with the requirements of NI 43-101 (the "Technical Report") and a team of experts have visited the Winston Property (as reported in December), including James Moors P.Geo., co-author of the Technical Report, Ray Strafehl of Redline Minerals Ltd, who has long experience and first-hand knowledge of the Winston Property, and several others who will be reviewing alternatives for an initial exploration program that the Issuer intends to undertake in the new year.

### **Proposed Plan of Arrangement**

The Issuer now has two flagship projects, the Zoro Lithium Property located in Snow Lake, Manitoba and the Winston Project located in New Mexico. The Issuer must now determine the best way to advance both these properties while taking into account that two projects will place increased demands on the management team, on the Issuer's financial resources available for exploration and must address the technical and regional differences presented by these two projects. Management and the Board of Directors have determined that the best course of action is to separate the projects into two separate companies. As such, the Issuer intends to pursue a statutory plan of arrangement, under Part 9 Division 5 of the *Business Corporations Act* (British Columbia) and will present shareholders with the opportunity to vote on a plan of arrangement (the "Plan of Arrangement") at a meeting to be held in 2018 (the "Meeting"). The Plan of Arrangement

will create two companies with separate management teams and boards of directors, one of which will be dedicated to advancing the Zoro Lithium Property and one which will pursue the Winston Project.

The Issuer will be sending out meeting materials as soon as they are ready, announcing all the details of the Meeting, including date and location of the Meeting, record date for shareholders entitled to vote at the Meeting and full details of the Company's proposed plan of arrangement. The preparation of the meeting materials, including an information circular, a Technical Report prepared in accordance with the requirements of NI 43-101 (the "Technical Report"), and financial statements, is underway. For information regarding the Plan of Arrangement please refer to Far Resources' previous news releases dated October 4 and July 18.

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 where applicable. 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](http://www.thecse.com), or view the Issuer's filings posted on SEDAR, [www.SEDAR.com](http://www.SEDAR.com).

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

Most recently, Management continued exploration on its Zoro Lithium Property and entered into the definitive agreement with 92 Resources as described in Item 1, 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.*

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

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 continues to engage certain service providers for its drill program and ongoing corporate development goals including Gogal Air Services and Westcore Drilling as set out in the Issuer's news release dated January 19, 2018.

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.*

Security	Number Issued	Details of Issuance	Use of Proceeds(1)
Common Shares	9,504	Payment for services	n/a
Common Shares	555,556	The Issuer issued 555,556 common shares subject to a warrant exercise at a price of \$0.15 per option share.	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.*

There have been no changes to the board of directors since the filing of the last report. The board of directors is comprised of:

Toby Mayo, director, Interim CEO

Cyrus Driver, director and CFO

Frank Anderson – director

Lindsay Bottomer – 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 April 6, 2018

**Toby Mayo**

Name of Director or Senior Officer

**/s/ Toby Mayo**

Signature

**Director and CEO**

Official Capacity

<b>Issuer Details</b> Name of Issuer <b>FAR RESOURCES LTD.</b>	For Month End <b>March 31, 2018</b>	Date of Report YY/MM/DD <b>2018/04/06</b>
Issuer Address <b>201-2691 Viscount Way</b>		
City/Province/Postal Code <b>Richmond, BC</b>	Issuer Fax No. <b>( 778 ) 372-1790</b>	Issuer Telephone No. <b>( 833 ) 327-7377</b>
Contact Name <b>Mr. Toby Mayo</b>	Contact Position <b>Interim CEO</b>	Contact Telephone No. <b>( 833 ) 327-7377</b>
Contact Email Address <a href="mailto:info@farresources.com">info@farresources.com</a>	Web Site Address <a href="http://www.farresources.com">www.farresources.com</a>	