

## FORM 7

### MONTHLY PROGRESS REPORT

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

Trading Symbol: FAT

Number of Outstanding Listed Securities: 18,606,667

Date: September 10, 2012

#### **Report on Business**

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

#### **Silver Switchback Property**

On August 20, 2012, the Issuer acquired an option to purchase, subject to a 3% net smelter return royalty (of which 2% can be bought back), a 100% interest in the Silver Switchback property located midway between Terrace and Smithers in central British Columbia along the west flank of the Howson Range, comprised of approximately 3,125 hectares and readily accessible by logging roads from Terrace (the "Silver Switchback Property").

Previous reconnaissance sampling program on the Property by Silver Quest Resources Ltd. in 2006 had returned anomalous silver and copper values up to 802.0 grams per tonne silver (23.39 ounces per ton) and 7.24 % copper from a mineralized grab sample (#51687).

Several historic showings of silver, copper and gold occur on the Property; however, sampling of a new road cut in 1995 returned significant silver and copper values that prompted the acquisition of the Property and the recent prospecting and sampling program. This occurrence, known as the "Switchback Zone", has been defined discontinuously over a length of more than 300 metres by grab and chip samples taken in 2006 by Silver Quest from a gossanous shear zone. Interested parties will find additional information in the CNSX disclosure hall in our Form 9 filings and in our News Release dated August 20, 2012, available on SEDAR or in the CNSX disclosure hall.

#### **Tchentlo Lake Property**

The Issuer owns a 100% undivided interest in the Tchentlo Lake Property (the "Tchentlo Property"), comprised of six mineral tenures totalling 2,507.94 hectares located in the Omineca Mining Division of north central British Columbia approximately 100 kilometres northwest of Fort St. James and is divided into two separate claim blocks referred to as the "North Block" and the "South Block". The North Block consists of three contiguous mineral tenures (1,196.19 hectares) and the South Block consists of three contiguous mineral tenures (1,311.75 hectares).

The Issuer's website is currently under development and is expected to launch soon at [www.farresources.com](http://www.farresources.com).

For further information regarding the Issuer please visit the CNSX Disclosure Hall at [www.CNSX.ca](http://www.CNSX.ca), or view the Prospectus posted on SEDAR, [www.SEDAR.com](http://www.SEDAR.com).

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

Management concentrated its effort in August on completing the acquisition of the Silver Switchback Property and will continue to seek new opportunities.

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 7 for our description of the option agreement with Multiple Metals 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.*

In August, the Issuer entered into an option agreement with respect to the Silver Switchback Property described in Item 1, above. The Property was acquired under terms of an option

agreement with Multiple Metals Resources Ltd., a private B.C. company ("MMR"). The Company can earn a 100% interest in the Property, subject to a 3.0% net smelter return royalty, by making cash payments of \$255,000 and issuing 1,000,000 common shares of the Company over a period of four years as set out in the table below, of which \$15,000 cash and 200,000 shares are payable upfront (paid). In addition, the Company is required to incur exploration expenses of \$200,000 on the Property, of which \$100,000 must be incurred prior to December 31, 2012.

Payment Date	Cash	Common Shares	Exploration Expenditures
August 20, 2012	\$15,000.00(paid)	-	-
August 27, 2012	0	200,000 (paid)	-
December 31, 2012	0	0	\$100,000.00
August 20, 2013	\$25,000.00	200,000	-
August 20, 2014	\$50,000.00	200,000	\$100,000.00
August 20, 2015	\$75,000.00	200,000	
August 20, 2016	\$90,000.00	200,000	
	<u>\$255,000.00</u>	<u>1,000,000</u>	<u>\$200,000.00</u>

The Company is also responsible for keeping the Property in good standing and, if terminating the option, will return the Property to MMR with a minimum of 12 months assessment work. MMR will retain a 3.0% net smelter return royalty, subject to the Company's right to purchase back up to 2.0% at any time for \$2,000,000 based on \$500,000 per 0.5% segment.

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.*

This does not apply to the Issuer.

14. *Provide details of any securities issued and options or warrants granted.*

Security	Number Issued	Details of Issuance	Use of Proceeds(1)
Common Shares	200,000	Issued pursuant to the option agreement with MMR with respect to the Silver Switchback Property as more fully described in Items 1 & 7, above.	N/A
<b>Total:</b>	<b>200,000</b>		

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.*

As at the date of this report the directors and officers of the Issuer are:

- Mr. Keith C. Anderson, Director, President & Chief Executive Officer
- Mr. Leon F. Anderson, Director, Secretary
- Mr. Cyrus Driver, Director, Chief Financial Officer
- Mr. Lindsay Bottomer, Director
- Mr. Allen Morishita, Director

The members of the Audit Committee are:

- Mr. Cyrus Driver, Director, Chief Financial Officer
- Mr. Lindsay Bottomer
- Mr. Allen Morishita

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 September 10, 2012

**Keith Anderson**

Name of Director or Senior Officer

**/s/ Keith Anderson**

Signature

**Director and CEO**

Official Capacity

<b>Issuer Details</b> Name of Issuer <b>FAR RESOURCES LTD.</b>	For Month End <b>August 31, 2012</b>	Date of Report YY/MM/DD <b>2012/09/10</b>
Issuer Address <b>302- 1620 West 8<sup>th</sup> Avenue</b>		
City/Province/Postal Code <b>Vancouver, BC V6J 1V4</b>	Issuer Fax No. <b>( 604) 253-3484</b>	Issuer Telephone No. <b>( 604) 805-5035</b>
Contact Name <b>Mr. Keith Anderson</b>	Contact Position <b>Pres/CEO</b>	Contact Telephone No. <b>( 604) 805-5035</b>
Contact Email Address <a href="mailto:farresources1@hotmail.com">farresources1@hotmail.com</a>	Web Site Address <a href="http://www.farresources.com">www.farresources.com</a> <b>WEBSITE UNDER CONSTRUCTION</b>	