FAR RESOURCES LTD.

CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)
(Expressed in Canadian dollars)

SEPTEMBER 30, 2014

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed interim financial statements for the period ended September 30, 2014.

FAR RESOURCES LTD.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited)
(Expressed in Canadian dollars)
AS AT

	September 30, 2014	March 31, 2014 (Audited)
ASSETS		
Current assets		
Cash and cash equivalents	$ 21,929	$ 19,116
GST receivable	4,702	2,861
Prepaids	-	2,000
Total current assets	26,631	23,977
Non-current assets		
Exploration and evaluation assets (Note 4)	213,638	156,138
Total assets	$ 240,269	$ 180,115
LIABILITIES AND EQUITY (DEFICIT)		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	$ 178,053	$ 145,181
Short-term loan payable (Note 6)	152,000	37,000
Total liabilities	330,053	182,181
Deficit		
Capital stock (Note 7)	1,421,534	1,392,134
Reserves (Note 7)	224,960	246,226
Deficit	(1,736,278)	(1,640,426)
Total deficit	(89,784)	(2,066)
Total liabilities and equity	$ 240,269	$ 180,115

Nature and continuance of operations (Note 1)

Approved and authorized on behalf of the Board on November 28, 2014:

"Leon F. Anderson" Director ***"Keith C. Anderson"*** Director
Leon F. Anderson *Keith C. Anderson*

The accompanying notes are an integral part of these condensed interim financial statements.

FAR RESOURCES LTD.
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Three Months Ended September 30, 2014	Three Months Ended September 30, 2013	Six Months Ended September 30, 2014	Six Months Ended September 30, 2013
EXPENSES				
Consulting	$ 1,500	$ 10,500	$ (1,000)	$ 21,000
Investor relations	-	5,000	1,000	11,000
Management fees (Note 8)	21,000	19,500	42,000	39,000
Office	326	2,414	1,601	10,967
Professional fees (Note 8)	12,250	22,263	28,200	43,266
Rent	3,000	3,000	6,000	10,500
Share-based payments (Notes 7)	2,146	-	8,134	22,754
Transfer agent and filing fees	5,071	6,920	9,845	11,091
Travel	-	178	72	3,639
Loss for the period	$ (45,293)	$ (69,775)	$ (95,852)	$ (173,217)
Basic and diluted loss per common share	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.01)
Weighted average number of common shares outstanding	18,647,215	18,615,133	18,647,215	18,569,832

The accompanying notes are an integral part of these condensed interim financial statements.

FAR RESOURCES LTD.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited)
(Expressed in Canadian dollars)
FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (95,852)	$ (173,217)
Items not involving cash:		
Share-based payments	8,134	22,754
Changes in non-cash working capital items:		
Decrease in GST receivable	(1,841)	19,722
Decrease (increase) in prepaids	2,000	(416)
Increase in accounts payable and accrued liabilities	32,872	42,596
Net cash used in operating activities	(54,687)	(88,561)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation acquisition costs	(57,500)	(28,339)
Net cash used in investing activities	(57,500)	(28,339)
CASH FLOWS FROM FINANCING ACTIVITIES		
Short-term loans (Note 6)	115,000	-
Net cash provided by financing activities	115,000	-
Change in cash and cash equivalents for the period	2,813	(116,900)
Cash and cash equivalents, beginning of period	19,116	243,563
Cash and cash equivalents, end of period	$ 21,929	$ 126,663
Cash and cash equivalents consist of:		
Cash on hand	$ 21,929	$ 115,163
Term deposit	-	11,500
	$ 21,929	$ 126,663
Cash paid during the period for interest	$ -	$ -
Cash paid during the period for taxes	$ -	$ -

Supplemental disclosures with respect to cash flow (Note 9)

The accompanying notes are an integral part of these condensed interim financial statements.

FAR RESOURCES LTD.
STATEMENTS OF CHANGES IN EQUITY (DEFICIT)
(Expressed in Canadian dollars)

	Capital Stock				
	Shares	Amount	Reserves	Deficit	Total Equity
Balance, April 1, 2013	18,606,667	$ 1,315,334	$ 297,882	$ (1,099,484)	$ 513,732
Shares issued for:					
Acquisition of exploration and evaluation assets	200,000	18,000	-	-	18,000
Release of founder shares from escrow	-	29,400	(29,400)	-	-
Fair value reversal of options cancelled	-	-	(3,011)	3,011	-
Share-based payments	-	-	22,754	-	22,754
Loss for the period	-	-	-	(173,217)	(173,217)
Balance, September 30, 2013	18,806,667	$ 1,362,734	$ 288,225	$ (1,269,690)	$ 381,269
Balance, April 1, 2014	18,606,667	$ 1,392,134	$ 246,226	$ (1,640,426)	$ (2,066)
Release of founder shares from escrow	-	29,400	(29,400)	-	-
Share-based payments	-	-	8,134	-	8,134
Loss for the period	-	-	-	(95,852)	(95,852)
Balance, September 30, 2014	18,606,667	$ 1,421,534	$ 224,960	$ (1,736,278)	$ (89,784)

The accompanying notes are an integral part of these condensed interim financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Far Resources Ltd. (the "Company") is incorporated under the laws of the Province of British Columbia. The Company's head office is located at 2255 William Street, Vancouver, BC, V5L 2S5. The Company's registered and records office is located at Suite 650 – 1188 West Georgia Street, Vancouver, BC, V6E 4A2.

The Company is a mineral exploration company focused on acquiring, exploring and developing resource properties.

Going concern of operations

These condensed interim financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at September 30, 2014 the Company has had significant losses. In addition, the Company has not generated revenues from operations. The Company has financed its operations primarily through the issuance of common shares. The Company continues to seek capital through various means including the issuance of equity and/or debt. These circumstances cast significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

In order to continue as a going concern and to meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

2. BASIS OF PREPARATION

Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with IAS 34, *Interim Financial Reporting* ("IAS 34"), as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee (IFRICs). Accordingly, they do not include all of the information required for full annual financial statements by International Financial Reporting Standards ("IFRS") for complete financial statements for year-end reporting purposes. These condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended March 31, 2014, which have been prepared in accordance with IFRS.

The accounting policies applied by the Company in these financial statements are the same as those applied by the Company in its most recent annual consolidated financial statements for the year ended March 31, 2014.

Basis of measurement

These condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit or loss and available-for-sale which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. All dollar amounts presented are in Canadian dollars unless otherwise specified.

3. SIGNIFICANT ACCOUNTING POLICIES

Use of estimates and judgments

The preparation of these condensed interim financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

Significant accounting judgments

Significant accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

i) Determination of categories of financial assets and financial liabilities; and

ii) Assessment of any indicators of impairment of the carrying value of the Company's exploration and evaluation assets.

Critical accounting estimates

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year include, but are not limited to, the following:

i) *Deferred income taxes* - The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur. Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives.

ii) *Share-based payments* – The fair value of share-based payment is determined using a Black-Scholes Option pricing model. Such option pricing models require the input of subjective assumptions including the expected price volatility, option life, dividend yield, risk-free rate and estimated forfeitures at the initial grant.

New accounting standards and recent pronouncements

There are no IFRS or IFRIC interpretations that are effective April 1, 2014 that are expected to have a material impact on the Company.

(Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS

During the six month period ended September 30, 2014, the following exploration expenses were incurred on the exploration and evaluation assets:

	Winston Property	Tchentlo Lake	Silver Switchback	Total
Acquisition costs				
Balance, March 31, 2014	$ 50,000	$ 28,260	$ -	$ 78,260
Additions – cash	57,500	-	-	57,500
Additions – shares	-	-	-	-
Balance, September 30, 2014	107,500	28,260	-	135,760
Exploration costs				
Balance, March 31, 2014	-	77,878	-	77,878
Geological and consulting	-	-	-	-
Balance, September 30, 2014	-	77,878	-	77,878
Total balance, September 30, 2014	$ 107,500	$ 106,138	$ -	$ 213,638

During the year ended March 31, 2014, the following exploration expenses were incurred on the exploration and evaluation assets:

	Winston Property	Tchentlo Lake	Silver Switchback	Total
Acquisition costs				
Balance, March 31, 2013	$ -	$ 28,260	$ 43,000	$ 71,260
Additions – cash	50,000	-	17,500	67,500
Additions – shares	-	-	18,000	18,000
Balance, March 31, 2014	50,000	28,260	78,500	156,760
Exploration costs				
Balance, March 31, 2013	-	75,908	129,548	205,456
Geological and consulting	-	2,540	33,056	35,596
BC Mining Tax Credit	-	(570)	(1,303)	(1,873)
Balance, March 31, 2014	-	77,878	161,301	239,179
Write-off of exploration and evaluations assets	-	-	(239,801)	(239,801)
Total balance, March 31, 2014	$ 50,000	$ 106,138	$ -	$ 156,138

4. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Winston Property

Subsequent to the quarter ended September 30, 2014, the Company entered into an option agreement with Redline Minerals Inc. ("Redline"), Redline Mining Corporation ("RMC"), and Southwest Land & Exploration Inc. ("SWLE") (collectively, the "Optionors") to acquire up to an 80% interest in and to 105 unpatented and 2 patented mineral claims located in Sierra Country, New Mexico, U.S.A.

The Option Agreement supersedes and replaces the binding letter of intent ("LOI") between the Company and Redline announced on November 5, 2013 and sets out the terms under which the Company can acquire an initial 50% interest in the Property (the "Initial Option") and further sets out how the Company can earn up to an additional 30% interest in the Property (the "Additional Option") from the Optionors.

The Company has the option to acquire an intial 50% interest upon completion of the following:

a) Cash payments to Redline of $107,500 (paid);
b) Cash payment of $13,750 on or before November 15, 2014;
c) Cash payment of $15,000 or share issuance of 300,000 common shares of the Company on January 15, 2015;
d) Payment of $240,000 over 3 years for $80,000 per year;
e) Issuance of 2,500,000 common shares of the Company over 4 years for 500,000 shares per year , with the first tranche due on closing and the remaining shares due on the anniversary dates of the Option Agreement; and
f) Incurring exploration expenditures totaling $1,000,000 over a period of 4 years, of which $200,000 is to be spent in the first and second years, respectively, and $300,000 in each subsequent year.

Upon acquiring the initial 50% interest, the Company will have a further option to acquire up to an additional 30% interest, in increments of 10% per annum, by completing the following:

a) Payment of $240,000 over 3 years for $80,000 per year;
b) Issuance of 1,500,000 common shares of the Company over 3 years for 500,000 shares per year; and
c) Incurring exploration expenditures totaling $1,500,000 over a period of 3 years for $500,000 per year.

Upon exercise of the Initial Option, the Company and the Optionors will enter into a joint venture agreement for further exploration and development of the Property with the Company as the initial operator.

4. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Tchentlo Lake

The Company staked various claims in the Tchentlo Lake Property located approximately 100 kilometres northwest of Fort St. James, British Columbia. The Company holds a 100% interest in the Tchentlo Lake Property comprised of six mineral tenures in two separate claim blocks.

In June 2014, the Company entered into an option agreement with Alchemist Mining Inc. ("Alchemist"), whereby Alchemist may acquire up to 80% undivided interest in the Company's Tchentlo Lake Property (the "Property").

Under the terms of the agreement, Alchemist can earn 51% interest in the Property by:

a) paying $60,500 to the Company over a period of three years;

b) issuing 500,000 common shares of Alchemist to the Company over a period of two years; and

c) incurring $280,000 of expenditures in exploration activities on the Property over a period of three years.

Upon acquisition of the undivided 51% interest in the Property, Alchemist can choose to exercise the following options:

i) form a joint venture with the Company, wherein Alchemist holding a 51% Participating Interest and the Company holding a 49% Participating Interest; and

ii) acquire an additional 29% interest in the Property, increasing its interest to 80% (the "Bump-Up Right") by:

    a) paying $75,000 to the Company over a period of five years;

    b) issuing 500,000 common shares of Alchemist to the Company over a period of five years; and

    c) incurring an additional $575,000 in expenditures on the Property over another two year period.

    In the event Alchemist exercises the Bump-Up Right, a joint venture will be formed with Alchemist holding 80% Participating Interest and the Company holding 20% Participating Interest in the Property.

The agreement is subject to regulatory approval. All share issuances pursuant to the agreement will be subject to a four-month and one day statutory hold period.

(Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Silver Switchback

On August 20, 2012, the Company entered into an Option Agreement with an individual and a private company ("the Optionors") to purchase a 100% interest, subject to a 3% net smelter return royalty in the Silver Switchback property located southwest of Smithers in central British Columbia (the "Silver Switchback Property").

Pursuant to the agreement, the Company is required to:

i) pay cash of $255,000 over a period of four years, of which $32,500 has been paid;
ii) issue 1,000,000 common shares of the Company over a period of four years, of which 400,000 shares have been issued; and
iii) incur exploration expenses of $200,000 over a period of two years ($162,604 incurred).

The Company is also responsible for keeping the Silver Switchback Property in good standing and, if terminating the option, will return the Silver Switchback Property to the Optionors with a minimum of 12 months assessment work. The Optionors will retain a 3.0% net smelter return royalty, of which the Company may reduce to 1% at anytime for $2,000,000.

The Company wrote-off all associated costs of $239,801 during the year ended March 31, 2014 as the option agreement was terminated.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Payables and accrued liabilities for the Company are broken down as follows:

	September 30, 2014	March 31, 2014
Trade payables	$ 56,706	$ 44,559
Accrued liabilities	6,500	16,500
Due to related parties (Note 8)	114,847	84,122
Total	$ 178,053	$ 145,181

6. SHORT-TERM LOAN PAYABLE

	September 30, 2014	March 31, 2014
Loan payable on demand, with no interest and no fixed term (Note 8)	$ 57,000	$ 37,000
Loan payable on demand, with no interest and no fixed term	95,000	-
	$ 152,000	$ 37,000

7. CAPITAL STOCK AND RESERVES

a) Authorized capital stock:

(Expressed in Canadian dollars)

As at September 30, 2014, the authorized capital stock of the Company was:

i) Unlimited number of common shares without par value.
ii) All issued shares are fully paid.

b) Issued capital stock:

During the period ended September 30, 2014, 975,000 (2013- 975,000) common shares were released from escrow. Accordingly, the Company has reclassed $29,400 (2013- $29,400) from reserves to share capital.

As at September 30, 2014, 975,000 (March 31, 2014 – 1,950,000) common shares included in capital stock are held in escrow. The shares subject to escrow will be released as follows:

i) 10% (released) upon the issuance of notice of listing of the common shares for trading by the CSE, and
ii) the remainder in six equal tranches of 15% (five tranches released) every six months thereafter for a period of 36 months.

During the period ended September 30, 2013, the Company issued 200,000 shares at a fair value of $18,000 as part of the acquisition costs of Silver Switchback property.

c) Stock options:

The Company follows the policies of the CSE under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the policies, the exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of ten years.

Stock option transactions for the period ended September 30, 2014 are summarized as follows:

Expiry Date	Exercise Price	March 31, 2014	Granted	Expired / Cancelled	September 30, 2014	Exercisable
November 30, 2016	0.15	1,100,000	-	-	1,100,000	1,100,000
April 8, 2018	0.15	200,000	-	-	200,000	200,000
October 1, 2018	0.15	250,000	-	-	250,000	250,000
May 22, 2019	0.05	-	188,000	-	188,000	188,000
Total		1,550,000	188,000	-	1,738,000	1,738,000
Weighted average exercise price		$ 0.15	$ 0.05	$ -	$ 0.14	$ 0.14
Weighted average remaining contractual life					2.86 years	

(Expressed in Canadian dollars)

7. CAPITAL STOCK AND RESERVES (cont'd...)

Stock option transactions for the period ended September 30, 2013 are summarized as follows:

Expiry Date	Exercise Price	March 31, 2013	Granted	Expired / Forfeited	September 30, 2013	Exercisable
November 30, 2016	0.15	1,100,000	-	-	1,100,000	1,100,000
February 19, 2018	0.15	200,000	-	(200,000)	-	-
April 8, 2018	0.15	-	200,000	-	200,000	200,000
Total		1,300,000	200,000	(200,000)	1,300,000	1,300,000
Weighted average exercise price		$ 0.15	$ -	$ -	$ 0.15	$ 0.15
Weighted average remaining contractual life					3.38 years	

Share-based payments

During the six month period ended September 30, 2014, the Company granted 188,000 (2013 - 450,000) stock options with a total fair value calculated using the Black-Scholes options pricing model of $8,134 (2013 - $47,741).

Option pricing models require the use of estimates and assumptions including the expected volatility. Changes in underlying assumptions can materially affect the fair value estimates. The following weighted average assumptions were used for the Black-Scholes valuation of options granted during the period:

	September 30, 2014	September 30, 2013
Risk-free interest rate	1.53%	1.24%
Expected life of options	5 years	5 years
Annualized volatility	187.95%	176.88%
Dividends	0.00%	0.00%
Forfeiture rate	0.00%	0.00%

(Expressed in Canadian dollars)

8. RELATED PARTY TRANSACTIONS

Related party transactions are as follows:

Paid or accrued to:	Nature of transaction	Six Month Period Ended September 30, 2014	Six Month Period Ended September 30, 2013
Key management personnel:			
Directors	Management	$ 12,000	$ 9,000
CEO	Management	30,000	30,000
		$ 42,000	$ 39,000
Related party:			
A firm of which the CFO is a partner	Professional	$ 17,500	$ 30,300

The amounts due to related parties included in accounts payable and accrued liabilities are as follows:

	As at September 30, 2014	As at March 31, 2014
Due to a firm of which the CFO of the Company is a partner	$ 88,697	$ 70,122
Due to directors of the Company	26,150	14,000
	$ 114,847	$ 84,122

During the quarter ended September 30, 2014, the Company received $20,000 (2014- $37,000) of non-interest bearing demand loan with no fixed term from the CEO of the Company.

(Expressed in Canadian dollars)

9. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOW

During the period ended September 30, 2014, significant non-cash transactions included:

a) reclassified fair value of $29,400 from reserves to capital stock as 975,000 founder shares were released from escrow.

b) issued 188,000 stock options with a total fair value of $8,134 as part of share-based payment for consulting work.

During the period ended September 30, 2013, significant non-cash transactions included:

a) reclassified fair value of $29,400 from reserves to capital stock as 975,000 founder shares were released from escrow.

b) incurred exploration and evaluation expenditures of $3,213 included in account payable;

c) issuance of 200,000 share with a fair value of $18,000 for acquisition of exploration and evaluation assets; and

d) reclassified fair value of $3,011 from reserve to deficit for stock options cancelled.

10. SEGMENTED INFORMATION

The Company primarily operates in one reportable operating segment, being the acquisition and exploration of exploration and evaluation assets. Geographic information is as follows:

	September 30 2014	March 31, 2014
Exploration and evaluation assets		
Canada	$ 106,138	$ 106,138
United States	107,500	50,000
	$ 213,638	$ 156,138

11. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with major Canadian financial institutions.

11. FINANCIAL RISK MANAGEMENT (cont'd...)

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2014, the Company had a cash balance of $21,929 (March 31, 2014 – $19,116) to settle current liabilities of $330,053 (March 31, 2014 - $182,181). All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company plans to raise money from the equity market to settle the liabilities.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk

The Company has cash and cash equivalents balances and no interest-bearing debt. The Company's cash and cash equivalents do not have significant exposure to interest. As of September 30, 2014 and March 31, 2014, the Company did not have any investments.

(b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash, receivables and accounts payable and accrued liabilities that are denominated in a foreign currency. As at September 30, 2014 and March 31, 2014, the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

(c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.