

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

**CONTENT OF MATERIAL CHANGE REPORT**

**Item 1 Name and Address of Company**

Far Resources Ltd. (the “Company” or “Far Resources”)  
Unit 114B – 8988 Fraserton Court  
Burnaby, BC V5J 5H8

**Item 2 Date of Material Change**

May 18, 2016

**Item 3 News Release**

The information pertaining to this material change was disseminated by news release via Newsfile on May 18, 2016.

**Item 4 Summary of Material Change**

Far Resources announced:

1. the closing of the oversubscribed private placement financing announced on April 28, 2016 (the “**Financing**”);
2. a debt settlement arrangement to reduce \$62,500 in outstanding payables through the issuance of 1,250,000 common shares in the equity of the Company at a deemed price of \$0.05 per share to certain of its consultants and insiders; and
3. the grant of 250,000 stock options with an exercise price of \$0.13 for a period of five years.

**Item 5 Full Description of Material Change**

***The Financing***

Far Resources announced the closing of the oversubscribed private placement financing announced on April 28, 2016 (the “**Financing**”). The Company has issued a total of 18,000,000 units (the “**Units**”) at a price of \$0.05 per Unit, for proceeds of \$900,000. Each Unit consists of one common share (the “**Shares**”) in the equity of the Company and one half of one share purchase warrant (each whole warrant, a “**Warrant**”). Each whole Warrant will entitle the holder to acquire one additional Common Share at an exercise price of \$0.10 for a period of 24 months from closing of the Financing, provided that, in the event the closing price of the outstanding Common Shares on the Canadian Securities Exchange (the “**CSE**”) is greater than \$0.15 for a period of 20 consecutive trading days at any time following the closing of the Financing, the Company may, at its option accelerate the expiry date of the Warrants by giving written notice to the holders of the Warrants and in such case the Warrants will expire on the earlier of: (i) the 30<sup>th</sup> day after the date on which such notice is given by the Company; and (ii) 24 months from the closing of the Financing.

Finder’s fees are payable on the Financing, consisting of CAD \$47,110 cash and 1,346,000 broker warrants (the “**Broker Warrants**”). Each Broker Warrant is exercisable into one common share in the equity of the Company at an exercise price of \$0.10 for a period of two years, expiring May 18, 2018. The Company also announces that it will issue 1,000,000 Common shares at a deemed price of \$0.05 per share as finder’s fee in connection with the agreement to option the Zoro I claim as described in the news release dated April 28, 2016. All securities issued pursuant to this Financing are subject to a 4-month and one day hold period,

expiring on September 19, 2016. The Financing is subject to filing of final documentation with the CSE. The proceeds of the Financing will be used for general working capital purposes.

***Debt Settlement and Option Grant***

The Company further announces that it has entered into a debt settlement arrangement to reduce \$62,500 in outstanding payables through the issuance of 1,250,000 common shares in the equity of the Company at a deemed price of \$0.05 per share to certain of its consultants and insiders. The Company also announces that it has granted 250,000 stock options with an exercise price of \$0.13 for a period of five years.

*A copy of the news release is attached hereto as Schedule "A".*

**Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

This does not apply.

**Item 7 Omitted Information**

The Company has not omitted any information.

**Item 8 Executive Officer**

Keith Anderson  
Chief Executive Officer  
(604) 805 - 5035

**Item 9 Date of Report**

This report is dated May 28, 2016.

Schedule "A"  
News Release

*Not for dissemination in the US or to US wire services.*

## **Far Resources Closes Oversubscribed Private Placement**

**May 18, 2016 - VANCOUVER, BRITISH COLUMBIA:** Far Resources Ltd. (CSE:FAT) ("**Far Resources**" or "**the Company**") is pleased to announce the closing of the oversubscribed private placement financing announced on April 28, 2016 (the "**Financing**"). The Company has issued a total of 18,000,000 units (the "**Units**") at a price of \$0.05 per Unit, for proceeds of \$900,000. Each Unit consists of one common share (the "**Shares**") in the equity of the Company and one half of one share purchase warrant (each whole warrant, a "**Warrant**"). Each whole Warrant will entitle the holder to acquire one additional Common Share at an exercise price of \$0.10 for a period of 24 months from closing of the Financing, provided that, in the event the closing price of the outstanding Common Shares on the Canadian Securities Exchange (the "**CSE**") is greater than \$0.15 for a period of 20 consecutive trading days at any time following the closing of the Financing, the Company may, at its option accelerate the expiry date of the Warrants by giving written notice to the holders of the Warrants and in such case the Warrants will expire on the earlier of: (i) the 30<sup>th</sup> day after the date on which such notice is given by the Company; and (ii) 24 months from the closing of the Financing.

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### **About the Company**

Far Resources Ltd. is an exploration company, publicly traded on the Canadian Securities Exchange under the symbol FAT, focused on the identification and development of high potential mineral opportunities in stable jurisdictions.

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ON BEHALF OF THE BOARD OF DIRECTORS OF  
FAR RESOURCES LTD.

**“Keith C. Anderson”**

President

**The Canadian Securities Exchange has neither approved nor disapproved the contents of this news release and accepts no responsibility for the adequacy or accuracy hereof.**

*This news release contains forward-looking statements, which relate to future events or future performance and reflect management’s current expectations and assumptions. Such forward-looking statements reflect management’s current beliefs and are based on assumptions made by and information currently available to the Company. Readers are cautioned that these forward looking statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected. All of the forward-looking statements made in this news release and the accompanying graphic links are qualified by these cautionary statements and those in our continuous disclosure filings available on SEDAR at [www.sedar.com](http://www.sedar.com). These forward-looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances save as required under applicable securities legislation. This news release does not constitute an offer to sell securities and the Company is not soliciting an offer to buy securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.*

***This news release, required by applicable Canadian laws, is not for distribution to U.S. news services or for dissemination in the United States and does not constitute an offer of securities for sale in the United States. These securities have not and will not be registered under United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold in the United States or to a U.S. Person unless so registered, or an exemption from registration is relied upon.***