

Far Resources Update to Shareholders

October 16, 2018 – Far Resources Ltd (CSE:FAT) (FSE:F0R) (OTC:FRRSF) (www.farresources.com) (“Far”, “Far Resources” or the “Company”) is pleased to provide the following letter to its shareholders from President and CEO, Toby Mayo.

“Dear Shareholders:

Far Resources continues to deliver on its exploration and corporate initiatives in a difficult time for the lithium sector. I want to thank you for your continuing support of the Company and management’s strategy for developing our superior lithium assets in Canada.

Globally, the best-performing lithium explorers are down by around 40% this year. The entire market is suffering.

Despite the clear disconnect between the share price performance of lithium explorers and the underlying industry, which is being driven by the ongoing shift towards electric mobility, the fundamental supply and demand case for lithium remains extremely robust. Our commitment to our projects and ongoing exploration programmes reflect our belief that lithium demand will continue to grow; we will be well-positioned to meet that demand as we develop our projects through staged, strategic exploration.

Exploration is a process; success cannot always be achieved over night. We are in the business of developing our assets in a staged and sustainable manner, keeping our treasury in good order. We are not in the business of short-term gain at the expense of realising our Company’s potential. Over the past year, we have witnessed the negative effects of such short-term gain: our share price climbed unsustainably at the end of 2017 only to decline steeply this year.

So we continue to develop our projects in a way that is consistent with the overall strategy of the company, which has been communicated regularly and effectively over the past twelve months. Our milestones are being met and our ambitious plans for the following six months make it an exciting time to be invested in Far.

Since I wrote in June, we have achieved each of our stated objectives, delivering results that show the growth potential of the Company and its assets. Here are some of the highlights from the past three months:

- Successful completion of the first ever drilling programme at our Hidden Lake Project in Northwest Territories, earning us our initial 60% interest. As reported in June, this programme of ten holes (1,079 metres of diamond drilling), intersected lithium mineralisation in every hole (see press release of June 27, 2018).
- Announcement of the maiden resource at our 100% owned Zoro Project in Manitoba. The initial resource of 1.1 million tonnes at 0.93% Li₂O (at a 0.3% cutoff) was reported on a portion of Dyke 1 and the NI 43-101 technical report was filed on SEDAR. This important step shows the huge potential for scale at Zoro, at which we have discovered a further seven dykes, with numerous additional targets to drill (see press releases of July 9 and September 5, 2018).
- Outlining a very significant, high contrast lithium anomaly at Zoro. With the release of the second batch of MMI samples from last winter, the Company announced the identification of a large 1.5 km long and up to 100 m wide MMI geochemical anomaly for lithium which is viewed as very significant based on the

discovery of our eighth spodumene-bearing pegmatite dyke, a discovery which resulted from the drill testing of an MMI lithium anomaly in 2017 (see press release of September 10, 2018).

- Commencement and successful completion of a summer exploration programme at Zoro. Field work, including Mobile Metal Ions Technology (“MMI”) soil geochemical surveys and geological mapping, was completed on the Zoro Project. The aim was to demonstrate the potential for adding significantly to the number of lithium targets, and to better understanding the controls on mineralisation (see press releases of July 26 and September 6, 2018)
- Reporting numerous high-grade lithium intersections at Hidden Lake. The successful initial diamond drilling programme in NWT has shown the potential of this Project, as we drilled ten holes all intersecting mineralisation of greater than 1% Li₂O, also with elevated tantalum (see press release of September 10, 2018).
- Reporting numerous exciting new targets at Zoro. Expansion of the MMI sampling programme during the summer has led to the identification of multiple additional targets to the north, south and west of the existing, known dyke swarm. These high-contrast anomalies bring the total to over fifty targets for follow up, any of which could yield high grade lithium dykes of an economic scale. (see press release of October 2, 2018).

As we move into the autumn and winter, we see great opportunities for continued growth for the Company. Here are some of the details:

Zoro Lithium Project, Manitoba

The NI 43-101 technical report shows the great merit of the Project and justifies our excitement and conviction in continued exploration there. We are currently in the final stages of planning our autumn/winter drilling programme at Zoro, and this will be presented when we have processed all the results from summer soil sampling.

The sampling has provided us with over fifty additional targets for follow-up work. We already have a large number of targets to drill and a resource to expand, but now can show the huge upside potential of the Project through science as well as our through our passion for the Project.

Lastly, the winter programme will fulfil requirements for the ongoing metallurgical test study, which is an important process in de-risking the Project and attracting appropriate end-users.

Hidden Lake Project, Northwest Territories

In the past few weeks we released exciting results from the Hidden Lake Project, with all ten holes drilled intersecting lithium grades over 1% Li₂O, with some values higher than 2% Li₂O. All holes also intersected anomalous tantalum, which could have significant positive effects on economics. We are therefore very encouraged by what we have drilled and for the potential of further discovery there.

We are planning a future drilling programme for this Project and have also planned soil sampling for when the ground thaws next year. As at Zoro, we already have numerous targets to follow up on, and will be working towards drilling a maiden resource at the project over the next twelve months.

Marketing

We have initiated a multi-faceted marketing and PR programme aimed at raising awareness within the retail investment community, especially aimed at potential new investors in the US and Canada.

We have visited and actively marketed in Los Angeles, San Francisco, New York, Toronto, Hartford, Atlanta, Montreal and of course in Vancouver. Concurrently, we continue to push our news and progress through social media channels and actively update letter writers, analysts, brokers, bankers and shareholders alike.

Meanwhile, we are attending highly targeted conferences focused on exploration and interest in the lithium space and consistently review marketing proposals from online campaign providers, print media and news providers and will be implementing new and innovative campaigns as we head into a new drilling season.

We have just returned from New York for the 121 Investment Conference, targeting smaller funds, as well as additional meetings to increase our retail presence in the US.

We will be in Hong Kong in late October for the 121 Investment Conferences and to make additional connections in the end-user space, and in London for the 121s in November. This is a work in progress and there are ongoing meetings in this regard. We will be at Mines and Money in London during November.

Corporate

We continue to examine financing options to see us through two exploration programmes, though of course the share price is far from where we would like it. However, our duty is to move the company forward, and this is achieved through exploration. Our successes to date in this regard highlight the fact that we are in possession of two excellent lithium projects and that we are capable of building on that success to expand our mineral inventory.

We have been pushing forward with a plan to move our listing to the TSX Venture Exchange. We are filing the last pieces of required paperwork with the aim of achieving conditional approval in the coming month. The process should be complete by the end of this year.

Lastly, we are looking at opportunities for acquisition of additional lithium assets, as well as options for monetising the high-grade New Mexico gold/silver assets.

To reiterate: the BEST performers are down over 40%. Our price climb last year was inflated and unnatural, hence the exaggerated decline.

We have over fifty new targets at Zoro, and numerous targets at Hidden Lake.

Management believes strongly that as we continue to hit our corporate and technical targets, and maintain the disciplined execution of our business strategy, we will solidify and expand our position in the North American lithium sector. To this end, we remain focused strongly on building shareholder value.

Again, I want to thank you all for your ongoing support and encouragement. We continue to see the prospect of growth and a steady flow of positive news to the market over the rest of the year. Accordingly, we work towards seeing our share price respond positively from these current lows.

Yours faithfully

Toby Mayo

President and CEO, Far Resources Ltd.”

About the Company

Far Resources is actively drilling its Zoro Lithium project located near Snow Lake, Manitoba, which covers a number of known lithium pegmatite occurrences. The Company has recently acquired an option on the Hidden Lake Property in NWT and is initiating drilling for continuity of spodumene mineralization to depth. In the United States, the Company owns the Winston project in New Mexico, an historic mining property with additional potential for silver and gold. Please visit our website at www.farresources.com for full details on our current projects.

The technical content of this news release has been reviewed and approved by Mark Fedikow P.Geo., a qualified person as defined under NI 43-101.

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

Toby Mayo, President and CEO

FOR FURTHER INFORMATION, PLEASE CONTACT

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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 (including our planned exploration for the Winston Project, the Zoro Lithium Property and the Hidden Lake Property) 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 are qualified by these cautionary statements and those in our continuous disclosure filings available on SEDAR at 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.