

Far Resources enters JV with BattMat for battery technology development



Far Resources Ltd. {TSX.V: FAT}

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Mr. Toby Mayo reports

FAR RESOURCES EXTENDS RELATIONSHIP WITH BATTMAT TECHNOLOGIES INC. AND FILES PATENTS FOR SEVEN BATTERY AND MARINE RELATED TECHNOLOGIES

Far Resources Ltd. has expanded its relationship with BattMat Technologies Inc., allowing the company to partner with BattMat in the development of various patentable battery-related technologies.

A binding Letter of Intent ("LOI") has been signed between Far and BattMat to form a Joint Venture ("JV"). The initial payment has been made by Far to trigger the contract including funding certain activities described below. A definitive agreement will be finalised in the coming weeks.

Through this agreement, Far will have the opportunity to participate in early stage ownership of patentable battery related technologies, to advance relationships with battery manufacturers, and to gain access to a wider, alternative base of stakeholders.

Far President, Toby Mayo explains: *"Having access to BattMat's clients and partners greatly enhances Far's ability to take advantage of a vertically integrated network, from raw material through to consumer and industrial products. We will be working closely with BattMat to strengthen downstream relationships with battery manufacturers. The filing of these patent applications is a major step in realising our broader battery strategy and building a strong base for growth encompassing the entire life-of-battery cycle."*

Patent Applications

The LOI is being triggered by the lodging on Tuesday, July 23, 2019, of two provisional patent applications with the US Patent Office by BattMat partner Electric Blue Power. The first is an omnibus application for a renewable energy power system that actively manages renewable power sources and batteries to provide sustainable and reliable power, and the sub-systems that make the system operate efficiently.

A second application is being submitted for a universal battery warmer providing existing or new batteries an application that can increase the efficiency of the batteries in temperatures much lower than currently available.

The patent applications support fast-track development of certain technologies enabling optimal use of lithium ion batteries and efficient use and storage of (renewable) energy in different operating environments and power applications – some of which are directly applicable to the mining and exploration industry – and that are intended to bring near-term revenue-generating opportunities to Far.

Included in the applications are technologies that cover:

1. Management and control of power supplied from renewable energy sources to the batteries for extended battery output and life and efficient use by an electric motor;
2. A system for optimising wind turbine efficiency, particularly on a vessel;

3. Battery temperature control to optimise battery performance and life;
4. Efficient positioning and alignment of, and power transmission from, an electric motor;
5. Systems for autonomous and remote control movement and operation of marine vessels.

It is anticipated that each individual application may take 6-24 months for patent approvals; however, commercialisation of the technologies may begin under a patent pending designation immediately.

Joint Venture

The LOI and agreement with BattMat to follow will allow the partners to quickly and efficiently assess and invest in battery and power related projects, leveraging the use of the company's Zoro and Hidden Lake lithium projects as a future source of raw materials, while also allowing Far to gain access to both a broader investor base and to numerous potentially revenue-generating projects and inventions. The LOI outlines the main terms that will be incorporated into the final JV document, which are as follows.

There are no monthly fees payable by Far to BattMat.

With the exception of the initial \$20,000 USD payment, there are no obligatory payments.

As each financeable technology or project is presented to Far by BattMat, Far has the option to accept or reject participation in that particular project. Rejection of one project does not preclude FAR from participating in future projects.

The earn-in on each project, which are held in separate SPVs, is designed in 4 stages, or otherwise mutually agreed upon alternative terms. Upon payment for any particular stage, the ownership in the SPV is crystallised, and Far has the option to continue funding or not.

The initial omnibus transaction, which is comprised of three payments by Far to BattMat, of which the first payment has already been exercised, is considered complete after the third payment is completed. This will give Far 5% ownership in each SPV that is derived from the Initial Omnibus patent application that will be provisionally filed as at today's date.

Subsequent projects, including the external battery warmer, would require only one payment of \$20,000 USD for the patent application for access to that one particular SPV.

After completion of the 4th stage, of up to \$350,000 USD, Far will have earned a 30% ownership of that particular SPV, and maintain a Right of First Offer for subsequent financings until a total of \$2,000,000 has been raised in that particular SPV

Payment schedules may be altered on mutually agreed to terms.

Roger Wagner, President of BattMat, is happy to report that,
"Since our initial conversations with Far, we have discovered multiple synergies based on our shared belief in furthering renewable energy through energy storage, and more importantly among our business frameworks. The financial support of Far allows us to work with partners to focus on the advancement of vital battery and sustainable energy related technologies, which we intend to develop and commercialise. Today's lodging of our first patents is proof of our ability to work together in an efficient and productive manner."

About Far

Far Resources Ltd. is a Canadian battery and technology metals exploration and development company with projects in Canada and the USA.