AMARC RESOURCES LTD.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED
MARCH 31, 2015 and 2014

(Expressed in Canadian Dollars)

DeVISSER GRAY LLP
CHARTERED ACCOUNTANTS

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REPORT OF INDEPENDENT REGISTERED CHARTERED PROFESSIONAL ACCOUNTANTS

To the Shareholders of Amarc Resources Ltd.

We have audited the accompanying financial statements of Amarc Resources Ltd., which comprise the statements of financial position as at March 31, 2015 and March 31, 2014 and the statements of loss and comprehensive loss, changes in equity and cash flows for the years ended March 31, 2015 and March 31, 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Amarc Resources Ltd. as at March 31, 2015 and March 31, 2014 and its financial performance and its cash flows for the years ended March 31, 2015 and March 31, 2014 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1 in the financial statements which indicates that the Company is dependent upon its ability to secure new sources of financing to fund on-going exploration and development objectives. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

De Visser Gray LLP

INDEPENDENT REGISTERED CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada
July 20, 2015

Amarc Resources Ltd.

Statements of Financial Position

(Expressed in Canadian Dollars)

	March 31, 2015	March 31, 2014
ASSETS		
Current assets		
Cash and cash equivalents (note 3)	$ 489,150	$ 4,772,772
Amounts receivable and other assets (note 5)	971,890	76,264
Marketable securities (note 6)	59,841	96,179
	1,520,881	4,945,215
Non-current assets		
Restricted cash (note 4)	234,198	232,666
Amounts receivable (note 5)	–	128,184
	234,198	360,850
Total assets	$ 1,755,079	$ 5,306,065
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (note 8)	$ 66,299	$ 35,401
Balance due to a related party (note 11(b))	212,642	69,939
Loan payable to director (note 9)	1,000,000	–
	1,278,941	105,340
Shareholders' equity		
Share capital (note 10)	58,955,410	58,761,410
Reserves	5,068,700	5,103,263
Accumulated deficit	(63,547,972)	(58,663,948)
	476,138	5,200,725
Total liabilities and shareholders' equity	$ 1,755,079	$ 5,306,065

Nature of operations and going concern (note 1)
Events after the reporting period (note 15)

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

/s/ Robert A. Dickinson

Robert A. Dickinson
Director

/s/ Rene G. Carrier

Rene G. Carrier
Director

Amarc Resources Ltd.

Statements of Loss

(Expressed in Canadian Dollars, except for weighted average number of common shares outstanding)

	Year ended March 31, 2015	2014 (note 2(b))
Expenses		
Exploration and evaluation (notes 11, 13)	$ 3,277,935	$ 1,094,601
Assays and analysis	131,856	52,950
Drilling	726,685	–
Equipment rental	31,357	8,771
Geological	921,192	374,551
Geological - mineral exploration tax credits	(880,501)	(122,612)
Helicopter	947,480	65,285
Property costs and assessments	554,398	521,048
Site activities	190,708	95,731
Socioeconomic	504,608	74,956
Travel and accommodation	150,152	23,921
Administration (notes 11, 13)	1,477,731	1,306,126
Depreciation	–	1,205
Legal, accounting and audit	61,450	44,626
Office and administration	1,293,768	1,103,733
Shareholder communication	67,388	102,129
Travel and accommodation	22,772	23,142
Trust and regulatory	32,353	31,291
Share-based payments	–	103,004
Exploration-related	–	41,071
Administration-related	–	61,933
	4,755,666	2,503,731
Other items		
Interest income	(38,189)	(68,759)
Interest expense on loan payable to director (note 9)	16,302	–
Interest expense on debenture (note 7(g))	–	23,136
Financing charges (note 9)	187,500	–
Foreign exchange loss	809	1,937
Gain on termination of joint venture (note 7(g))	–	(284,717)
Gain on disposition of AFS financial assets (note 6)	(38,064)	(68,750)
Impairment of AFS financial assets (note 6)	–	48,225
Mineral property interests written off	–	2
Loss for the year	$ 4,884,024	$ 2,154,805
Basic and diluted loss per common share	$ 0.04	$ 0.02
Weighted average number of common shares outstanding (note 10(c))	139,357,212	138,644,883

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

Amarc Resources Ltd.

Statements of Comprehensive Loss

(Expressed in Canadian Dollars)

	Year ended March 31, 2015	2014
Loss for the year	$ 4,884,024	$ 2,154,805
Other comprehensive loss (income):		
Items that may be reclassified subsequently to profit and loss:		
Revaluation of AFS financial assets (note 6)	(3,954)	(25,012)
Change in fair value of AFS financial assets transferred to profit or loss upon disposition (note 6)	38,517	9,875
Impairment of AFS financial assets transferred to profit or loss (note 6)	–	(48,225)
Total other comprehensive loss (income) for the year	34,563	(63,362)
Comprehensive loss for the year	$ 4,918,587	$ 2,091,443

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

Amarc Resources Ltd.

Statements of Changes in Equity

(Expressed in Canadian Dollars, except for share information)

	Share capital		Reserves				
	Number of shares	Amount	Share-based payments reserve	Investment revaluation reserve	Share warrants reserve	Deficit	Total
Balance at April 1, 2013	138,624,061	$ 58,756,410	$ 2,099,636	$ 26,041	$ 2,811,220	$ (56,509,143)	$ 7,184,164
Share-based payments	–	–	103,004	–	–	–	103,004
Issuance of common shares pursuant to mineral property agreements (note 10(b))	100,000	5,000	–	–	–	–	5,000
Total other comprehensive income	–	–	–	63,362	–	–	63,362
Loss for the year	–	–	–	–	–	(2,154,805)	(2,154,805)
Balance at March 31, 2014	138,724,061	$ 58,761,410	$ 2,202,640	$ 89,403	$ 2,811,220	$ (58,663,948)	$ 5,200,725
Balance at April 1, 2014	138,724,061	$ 58,761,410	$ 2,202,640	$ 89,403	$ 2,811,220	$ (58,663,948)	$ 5,200,725
Issuance of common shares pursuant to mineral property agreements (note 10(b))	100,000	6,500	–	–	–	–	6,500
Issuance of common shares pursuant to loan agreement (note 10(b))	2,500,000	187,500	–	–	–	–	187,500
Total other comprehensive loss	–	–	–	(34,563)	–	–	(34,563)
Loss for the year	–	–	–	–	–	(4,884,024)	(4,884,024)
Balance at March 31, 2015	141,324,061	$ 58,955,410	$ 2,202,640	$ 54,840	$ 2,811,220	$ (63,547,972)	$ 476,138

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

Amarc Resources Ltd.

Statements of Cash Flows

(Expressed in Canadian Dollars)

	Year ended March 31, 2015	Year ended March 31, 2014
Operating activities		
Loss for the year	$ (4,884,024)	$ (2,154,805)
Adjustments for:		
Depreciation	–	1,205
Interest income	(38,189)	(68,759)
Interest expense on loan payable to director (note 9)	16,302	–
Interest expense on debenture (note 7(g))	–	23,136
Common shares issued, included in financing charges (note 9)	187,500	–
Common shares issued, included in exploration expenses (note 10(b))	6,500	5,000
Share-based payments	–	103,004
Gain on termination of joint venture (note 7(g))	–	(284,717)
Gain on disposal of AFS financial assets (note 6)	(38,064)	(68,750)
Impairment of AFS financial assets (note 6)	–	48,225
Mineral property interests written off	–	2
Changes in working capital items		
Amounts receivable and other assets	(767,442)	1,221,152
Restricted cash	(1,532)	34,136
Accounts payable and accrued liabilities	30,898	2,492
Balances due to related parties	142,703	(52,235)
Net cash used in operating activities	(5,345,348)	(1,190,914)
Investing activities		
Interest received	38,189	68,759
Proceeds from disposition of AFS financial assets, net (note 6)	39,839	68,750
Net cash provided by investing activities	78,028	137,509
Financing activities		
Loan payable to director (note 9)	1,000,000	–
Interest paid on loan payable to director (note 9)	(16,302)	–
Interest paid on debenture	–	(23,136)
Principal payment on debenture	–	(20,000)
Net cash provided by (used in) financing activities	983,698	(43,136)
Net decrease in cash and cash equivalents	(4,283,622)	(1,096,541)
Cash and cash equivalents, beginning of the year	4,772,772	5,869,313
Cash and cash equivalents, end of the year (note 3)	$ 489,150	$ 4,772,772

Amarc Resources Ltd.

Statements of Cash Flows

(Expressed in Canadian Dollars)

	Year ended March 31, 2015	Year ended March 31, 2014
Supplementary cash flow information:		
Non-cash investing and financing activities:		
Issuance of common shares pursuant to mineral property agreements (note 10(b))	$ 6,500	$ 5,000
Issuance of common shares pursuant to loan agreements (note 10(b))	$ 187,500	$ –
Debenture obligation transferred upon termination of Galaxie Joint Venture (note 7(g))	$ –	$ (240,000)
Balance due to related party transferred upon termination of Galaxie Joint Venture (note 7(g))	$ –	$ (44,779)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Amarc Resources Ltd. (the "Company" or "Amarc") is incorporated under the laws of the province of British Columbia, and its principal business activity is the acquisition and exploration of mineral properties. Its principal mineral property interests are located in British Columbia ("BC"). The address of the Company's corporate office is 15th Floor, 1040 West Georgia Street, Vancouver, BC, Canada V6E 4H1.

The Company is in the process of exploring its mineral property interests and has not yet determined whether its mineral property interests contain economically recoverable mineral reserves. The Company's continuing operations are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to continue the exploration and development of its mineral property interests and to obtain the permits necessary to mine, and on future profitable production or proceeds from the disposition of its mineral property interests.

These financial statements (the “Financial Statements”) have been prepared on a going concern basis, which contemplates the realization of assets and the discharge of liabilities in the normal course of business for the foreseeable future. The Company has a history of losses with no operating revenue, an accumulated deficit at March 31, 2015 of $64 million (March 31, 2014 – $59 million), and working capital at March 31, 2015 of $0.2 million (March 31, 2014 – $4.8 million).

The Company will need to seek additional financing to meet its exploration and development objectives. These factors indicate the existence of a material uncertainty that raises significant doubt about the Company’s ability to continue as a going concern. The Company has a reasonable expectation that additional funds will be available when necessary to meet ongoing exploration and development costs. However, there can be no assurance that the Company will continue to be able to obtain additional financial resources or will achieve profitability or positive cash flows. If the Company is unable to obtain adequate additional financing, the Company will be required to re-evaluate its planned expenditures until additional funds can be raised through financing activities.

These Financial Statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these Financial Statements are described below. These policies have been consistently applied for all years presented, unless otherwise stated.

(a) Statement of compliance

These Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC"), effective for the Company's reporting year ended March 31, 2015.

The Board of Directors of the Company authorized these Financial Statements on July 20, 2015 for issuance.

(b) *Basis of presentation*

These Financial Statements have been prepared on a historical cost basis, except for financial instruments classified as available-for-sale which are stated at fair value. In addition, these Financial Statements have been prepared using the accrual basis of accounting, except for cash flow information.

Certain comparative amounts have been reclassified to conform to the presentation adopted in the current year.

(c) *Significant accounting estimates and judgments*

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The impact of such estimates is pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Changes in the subjective inputs and assumptions can materially affect fair value estimates.

Specific areas where significant estimates or judgements exist are:

<u>Estimates</u>

- estimate of the accrual of Mineral Exploration Tax Credit ("METC"). The METC initiative was introduced by the government of British Columbia to stimulate mineral exploration activity in the province and includes an enhanced credit for mineral exploration in areas affected by the mountain pine beetle infestation. The Company is eligible to receive refunds under this tax credit. However, the timing and amounts of refunds pursuant to the METC program are uncertain; and
- inputs used in accounting for share-based payments. The Company uses the Black-Scholes Option Pricing Model to calculate the fair value of share purchase options granted and of share purchase warrants issued. Inputs used in this model require highly subjective assumptions. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's share purchase options and share purchase warrants.

Judgements

- assessment of the Company's ability to continue as a going concern;
- the recognition of a deferred tax asset for the Company's accumulated tax losses and resource tax pool. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Judgment is required in determining whether deferred tax assets are recognized, including judgment in assessing the likelihood of taxable earnings in future periods in order to utilize recognized deferred tax assets;
- the determination of categories of financial assets and financial liabilities; and
- the carrying value and recoverability of the Company's marketable securities.

(d) Foreign currency

The functional and presentational currency of the Company is the Canadian Dollar.

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated. Gains and losses arising on translation are included in profit or loss for the year.

(e) Financial Instruments

Financial assets and liabilities are recognized when the Company becomes party to the contracts that give rise to them. The Company determines the classification of its financial assets and liabilities at initial recognition and, where allowed and appropriate, re-evaluates such classification at each financial year end. The Company does not have any derivative financial instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, upon initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Non-derivative financial assets

The Company's non-derivative financial assets comprise of the following:

(i) Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Loans and receivables comprise of cash and cash equivalents, amounts receivable and other assets, and restricted cash.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position is comprised of cash and highly liquid investments held at major financial institutions, having maturity dates of three months or less from the date of purchase, which are readily convertible into known amounts of cash. The Company's cash and cash equivalents are invested in business and savings accounts which are available on demand by the Company for its programs and as such, are subject to an insignificant risk of change in value.

(ii) Available-for-sale ("AFS") financial assets

The Company's investments in marketable securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on AFS monetary items, are recognized in other comprehensive income or loss. When an investment is derecognized, the cumulative gain or loss in the investment revaluation reserve is transferred to profit or loss.

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate prevailing at the end of the reporting period. Changes in the fair value of AFS equity investments are recognized directly in equity.

Non-derivative financial liabilities

The Company classifies its non-derivative financial liabilities into the following category:

(i) Financial liabilities measured at amortized cost

Such financial liabilities are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

Financial liabilities measured at amortized cost comprise of accounts payable and accrued liabilities, balance due to a related party, and loan payable to director.

Impairment of financial assets

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income or loss are reclassified to profit or loss in the period. Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For shares classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organization.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized. In respect of AFS equity securities, impairment losses previously recognized through profit or loss are not reversed through profit or loss. Any increase in fair value of AFS equity securities subsequent to an impairment loss is recognized directly in equity.

(f) Exploration and evaluation expenditures

Exploration and evaluation costs are costs incurred to discover mineral resources, and to assess the technical feasibility and commercial viability of the mineral resources found.

Exploration and evaluation expenditures include:

- the costs of acquiring licenses;
- costs associated with exploration and evaluation activity; and
- the acquisition costs of exploration and evaluation assets, including mineral properties.

Exploration and evaluation expenditures until the technical feasibility and commercial viability of extracting a mineral resource has been determined, and a positive decision to proceed to development has been made, are generally expensed as incurred. However, if management concludes that future economic benefits are more likely than not to be realized, the costs of property, plant and equipment for use in exploration and evaluation of mineral resources are capitalized.

Costs incurred before the Company has obtained the legal rights to explore an area are expensed. Costs incurred after the technical feasibility and commercial viability of extracting a mineral resource has been determined and a positive decision to proceed to development has been made are considered development costs and are capitalized.

Costs applicable to established property interests where no further work is planned by the Company may, for presentation purposes only, be carried at nominal amounts.

(g) Equipment

Equipment is carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is provided at rates calculated to expense the cost of equipment, less its estimated residual value, using the declining balance method at various rates ranging from 20% to 30% per annum.

An item of equipment is derecognized upon disposal or when no material future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

Where an item of equipment consists of major components with different useful lives, the components are accounted for as separate items of equipment. Expenditures incurred to replace a component of an item of equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

Residual values and estimated useful lives are reviewed at least annually.

As at March 31, 2014, all equipment had been fully depreciated. The Company did not purchase any equipment during the year ended March 31, 2015.

(h) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issuance of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects.

When the Company issues common shares for consideration other than cash, the transaction is measured at fair value based on the quoted market price of the Company's common shares on the date of issuance.

(i) Loss per share

Loss per share is computed by dividing losses attributable to common shareholders by the weighted average number of common shares outstanding during the reporting period. Diluted loss per share is determined by adjusting the losses attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares, such as options granted to employees. The dilutive effect of options assumes that the proceeds to be received on the exercise of share purchase options are applied to repurchase common shares at the average market price for the reporting period. Share purchase options are included in the calculation of dilutive earnings per share only to the extent that the market price of the common shares exceeds the exercise price of the share purchase options.

The effect of anti–dilutive factors is not considered when computing diluted loss per share.

(j) Share–based payments

The share purchase option plan allows Company employees and consultants to acquire shares of the Company. The fair value of share purchase options granted is recognized as an employee or consultant expense with a corresponding increase in share-based payments reserve in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

For employees, fair value is measured at the grant date and each tranche is recognized on a straight-line basis over the period during which the share purchase options vest. The fair value of the share purchase options granted is measured using the Black–Scholes option pricing model taking into account the terms and conditions upon which the share purchase options were granted. At the end of each financial reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share purchase options that are expected to vest.

Share–based payment transactions with non-employees are measured at the fair value of the goods or services received. However, if the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the entity obtains the goods or the counterparty renders the service.

(k) Income taxes

Income tax on the profit or loss for the years presented comprises of current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for:

- goodwill not deductible for tax purposes;
- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit; and
- differences relating to investments in subsidiaries, associates, and joint ventures to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(l) Restoration, rehabilitation, and environmental obligations

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability at the time the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the project or asset, the conditions imposed by the relevant permits and, when applicable, the jurisdiction in which the project or asset is located.

Discount rates using a pre–tax rate that reflects the time value of money are used to calculate the net present value, where applicable. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit–of–production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds, creating an expense recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degrees by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as at March 31, 2015.

(m) Joint venture activities and joint controlled operations

Joint control is defined as the contractually agreed sharing of control over an economic activity, and exists only when the strategic, financial and operating decisions essential to the relevant activities require the unanimous consent of the parties sharing control. When the Company enters into agreements that provide for specific percentage interests in exploration properties, a portion of the Company's exploration activities is conducted jointly with others, without establishment of a corporation, partnership or other entity.

Under IFRS 11 "Joint Arrangements", this type of joint control of mineral assets and joint exploration and/or development activities is considered as a joint operation, which is defined as a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. During the year ended March 31, 2014, the Company recognized the following in relation to its interests in joint operations for the Galaxie and ZNT properties:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output of the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

Both joint operations were terminated on March 31, 2014 (note 7(g)). The Company did not participate in any joint venture activities or joint controlled operations during the year ended March 31, 2015.

(n) Operating segments

The Company is operating in a single reportable segment – the acquisition, exploration and development of mineral properties. All assets are held in Canada.

(o) Government assistance

When the Company is entitled to receive METC and other government grants, this government assistance is recognized as a cost recovery within exploration expense when there is reasonable assurance of recovery.

(p) Accounting standards, interpretations and amendments to existing standards

<u>Accounting policies adopted during the current year</u>

Effective April 1, 2014, the Company has applied the following new accounting standard which was issued by the IASB:

- Amendments to IAS 32, Financial Instruments: Presentation

The amendments to IAS 32 relate to the offsetting of financial assets and financial liabilities. The adoption of this amended standard had no material impact on the Company's financial statements.

<u>Accounting standards issued but not yet effective</u>

Effective for annual periods beginning on or after July 1, 2014:

- Amendments to IFRS 2, Share-based Payment
- Amendments to IFRS 3, Business Combinations
- Amendments to IFRS 8, Operating Segments
- Amendments to IFRS 13, Fair Value Measurement
- Amendments to IAS 16, Property, plant and equipment
- Amendments to IAS 24, Related Party Disclosures

Effective for annual periods beginning on or after January 1, 2018:

- IFRS 9, Financial Instruments

The Company has not early adopted these new standards or amendments to existing standards and does not expect the impact of these standards on the Company's financial statements to be material.

(Expressed in Canadian Dollars, unless otherwise stated)

3. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents are invested in business and savings accounts which are available on demand by the Company.

4. RESTRICTED CASH

Restricted cash represents guaranteed investment certificates held in support of exploration permits. The amounts are refundable subject to the consent of regulatory authorities upon the completion of any required reclamation work on the related projects.

5. AMOUNTS RECEIVABLE AND OTHER ASSETS

	March 31, 2015	March 31, 2014
Current		
Value added taxes refundable	$ 30,426	$ 21,055
Prepaid insurance	61,464	55,209
British Columbia Mineral Exploration Tax Credits (“METC”)	880,000	–
Total current	$ 971,890	$ 76,264
Non-current		
British Columbia Mineral Exploration Tax Credits (“METC”)	$ –	$ 128,184

6. MARKETABLE SECURITIES

As at March 31, 2015 and March 31, 2014, the Company held common shares in several public and private companies. These marketable securities are classified as available–for–sale financial assets and are carried at fair value.

During the year ended March 31, 2015, the Company sold marketable securities with a carrying amount of $1,775 (2014 – nil) for total net proceeds of $39,839 (2014 – $68,750) and recognized a gain of $38,064 (2014 – $68,750).

During the year ended March 31, 2014, the Company recognized an impairment loss of $48,225 on certain marketable securities, which reflected the decline in their respective trading prices below cost at that date.

7. MINERAL PROPERTY INTERESTS

All of the Company's active exploration properties are located in British Columbia, Canada. The following is a summary of the Company's material properties.

(a) IKE Property

The IKE property is located approximately 40 kilometres northwest of Gold Bridge, British Columbia.

Option Agreement

In December 2013, the Company entered into an agreement (the "IKE Option Agreement") with Oxford Resources Inc. ("Oxford") in respect of the IKE property, whereby Amarc had an option to acquire an 80% ownership interest in the property by making staged cash payments totaling $125,000 ($75,000 paid), issuing 300,000 common shares (200,000 common shares issued), and by incurring $1,855,697 in exploration expenditures on or before November 30, 2015. As of the date of the IKE Option Agreement, the mineral property interest in the IKE Property was held by two private third parties (together referred to as the "Underlying Optionors"), and Oxford's interest in the IKE Property was represented by an option agreement between Oxford and the Underlying Optionors through an underlying option agreement (the "Underlying Option Agreement").

In July 2014, the IKE Option Agreement was amended, whereby Oxford assigned to Amarc its rights in the Underlying Option Agreement for cash consideration of $40,000 and a 1% net smelter return ("NSR") royalty (capped at total payments of $2,000,000). Consequently, Amarc had the right to acquire a 100% ownership interest in the IKE property directly from the Underlying Optionors by making a cash payment of $40,000, issuing 100,000 common shares, and by incurring $1,855,697 in exploration expenditures (completed) before November 30, 2015.

In June 2015, after the end of the current reporting period, the $40,000 cash payment was made and the 100,000 common shares were issued to the Underlying Optionors. As a result, Amarc currently holds a 100% ownership interest in the IKE property.

Amarc has further agreed that, upon completion of a positive feasibility study, it will issue 500,000 common shares in total to the Underlying Optionors.

Royalties

Oxford's 1% NSR royalty can be purchased at any time for $2 million (payable in cash, Amarc common shares, or any such combination, at Amarc's discretion).

The Underlying Optionors retain a 2% NSR royalty. Amarc has the right to purchase half of the royalty (1%) for $2 million (of which $1 million is payable in cash, and the remainder in cash, Amarc common shares, or any such combination, at Amarc's discretion) at any time prior to commercial production. Amarc also has the right to purchase the remaining half of the royalty (1%) for $2 million (of which $1 million is payable in cash, and the remainder in cash, Amarc common shares, or any such combination, at Amarc's discretion) prior to December 31, 2018.

Minimum advance royalty payments of $25,000 (payable in cash, Amarc common shares, or any such combination, at Amarc's discretion) are due to the Underlying Optionors annually commencing on December 31, 2015.

(b) Galore Property

In July 2014, the Company entered into an option and joint venture agreement with Galore Resources Inc. ("Galore Resources"), whereby the Company acquired the right to earn an initial 51% ownership interest in the Galore property by incurring $3 million in exploration expenditures within five years ($1,500,000 of which may be comprised of recordable assessment credits and not cash expenditures incurred on the property), and by making staged cash payments up to a maximum of $450,000 (50% of which may be payable in Amarc common shares). Amarc may thereafter acquire an additional 19% ownership interest, for a total 70% ownership interest, by incurring $2 million in exploration expenditures within two years. Upon exercise of the initial or additional option, Amarc and Galore Resources have agreed to form either a 51/49 or a 70/30 joint venture, as the case may be.

The Galore mineral tenure is comprised of five claim groups and is subject to five underlying option agreements, each of which provides the relevant underlying owner with a 1.5% NSR royalty which may be purchased by the Company for $250,000 on or before December 31, 2024 and a 10% net profits interest royalty which may be purchased by the Company at any time until December 31, 2024 for $400,000 less any amounts in respect of net profits interest royalty already paid.

(c) Granite Property

In August 2014, the Company entered into a purchase agreement with Great Quest Fertilizers Ltd. ("Great Quest"), whereby the Company could acquire a 100% ownership interest in the Granite property on or before November 30, 2014 by making staged cash payments totalling $400,000 (completed).

Great Quest holds a 2% NSR royalty on the property which can be purchased for $2 million, on or before commercial production (payable in cash, Amarc common shares, or any such combination, at Amarc's discretion). In addition, there is an underlying 2.5% NSR royalty on certain mineral claims, which can be purchased at any time for $1,500,000 less any amount of royalty already paid.

(d) Silver Vista Property

The Silver Vista Property is located approximately 55 kilometres northeast of Smithers, British Columbia.

In July 2012, Amarc acquired a 100% interest in the approximately 30 square kilometre Silver Vista (MR Zone) property for $800,000 cash. The mineral claims purchased are subject to an underlying 2% NSR royalty, of which 1% can be acquired by Amarc for $1 million, and thereafter the remaining 1% NSR royalty is subject to a right of first refusal.

(Expressed in Canadian Dollars, unless otherwise stated)

(e) Newton Property

The Company owns a 100% interest in the Newton Property, located approximately 100 kilometres west of Williams Lake, British Columbia.

Certain mineral claims are subject to a 2% NSR royalty, which royalty may be purchased at any time by Amarc for $2 million. Advance royalty payments of $25,000 per annum commenced on January 1, 2011.

(f) Blackwater District Properties

The Blackwater District Properties are located approximately 75 kilometres southwest of Vanderhoof, British Columbia, and consist of properties named Galileo, Hubble, Franklin, and Darwin.

(g) Galaxie and ZNT Properties

On March 31, 2014, Amarc and Quartz Mountain Resources Ltd. ("Quartz") agreed to terminate both the Galaxie Joint Venture and the ZNT Joint Venture. Pursuant to the terms of termination of the joint ventures, Amarc was released from all obligations of the unincorporated entities and its interests in the underlying mineral assets reverted back to Quartz. The Company recognized a gain of $284,717 on the termination of the Galaxie Joint Venture. No gain or loss was recognized upon termination of the ZNT Joint Venture as, at the date of termination of the agreement, the joint venture contained no assets or liabilities, other than mineral property interests in the ZNT properties for which no asset amount had been recognized in the Company's financial statements.

During the year ended March 31, 2014, the Company recognized $23,136 of interest expense with respect to its proportionate share of a debenture obligation held by the Galaxie Joint Venture.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2015	March 31, 2014
Accounts payable	$ 11,115	$ 8,401
Accrued liabilities	55,184	27,000
Total	$ 66,299	$ 35,401

9. LOAN PAYABLE TO DIRECTOR

On November 26, 2014, Amarc entered into a loan agreement with a director of the Company, Robert Dickinson, pursuant to which the Company borrowed $1,000,000 from Mr. Dickinson (the "Loan"). The Loan is unsecured and has a maturity date of November 26, 2015. Interest on the Loan is payable at the prime rate plus 2% per annum, and is compounded and payable quarterly in arrears. During the year ended March 31, 2015, the Company incurred interest of $16,302 on the Loan.

(Expressed in Canadian Dollars, unless otherwise stated)

As primary consideration for providing the Loan, Mr. Dickinson received 2,500,000 common shares on January 9, 2015. The carrying value of the shares ($187,500) is equal to the aggregate discounted market price (as defined by TSX Venture Exchange policy) of such shares calculated as of the date of the loan agreement. This $187,500 has been accounted for as a financing cost.

10. CAPITAL AND RESERVES

(a) *Authorized share capital*

The Company's authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares. All issued common shares are fully paid. No preferred shares have been issued.

(b) *Issuance of common shares*

During the year ended March 31, 2015, the Company issued 100,000 common shares with an estimated fair value of $6,500 (2014 – 100,000 common shares with an estimated fair value of $5,000) pursuant to a mineral property agreement in respect of the IKE property (note 7(a)).

On January 9, 2015, the Company issued 2,500,000 common shares to Robert Dickinson with an estimated fair value of $187,500 pursuant to a loan agreement entered into on November 26, 2014 (note 9).

(c) *Basic and diluted loss per share*

The calculation of basic and diluted loss per share for the year was based on the following data:

	Year ended March 31,	
	2015	2014
Loss attributable to common shareholders	$ 4,884,024	$ 2,154,805
Weighted average number of common shares outstanding	139,357,212	138,644,883

(d) *Share purchase option compensation plan*

The Company has a share purchase option compensation plan that allows it to grant up to 10% of the issued and outstanding shares of the Company at any one time, subject to regulatory terms and approval, to its directors, employees, officers, consultants, and service providers. The vesting schedule is determined by the Board of Directors, but share purchase options typically vest over two years. The exercise price of each option may be set equal to or greater than the closing market price of the common shares on the TSX Venture Exchange on the day prior to the date of the grant of the option, less any allowable discounts. Options can have a maximum term of ten years and typically terminate 90 days following the termination of the optionee's employment.

(Expressed in Canadian Dollars, unless otherwise stated)

The following table summarizes the changes in the Company's share purchase options:

Share purchase options	Year ended March 31, 2015		Year ended March 31, 2014	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding – beginning of year	5,155,900	$ 0.32	5,438,600	$ 0.32
Forfeited	(32,100)	$ 0.32	(282,700)	$ 0.33
Expired	(2,072,500)	$ 0.32	–	$ –
Outstanding – end of year	3,051,300	$ 0.32	5,155,900	$ 0.32
Exercisable – end of year	3,051,300	$ 0.32	5,155,900	$ 0.32

Awards typically vest in several tranches ranging from 6 months to 18 months.

The following table summarizes information on the Company's share purchase options outstanding as at March 31, 2015 and 2014:

	March 31, 2015		March 31, 2014	
Exercise price	Number of share purchase options outstanding and exercisable	Remaining contractual life (years)	Number of share purchase options outstanding and exercisable	Remaining contractual life (years)
$0.32	3,051,300	1.5	5,155,900	1.7

(e) Reserves

Share-based payments reserve

The share-based payment reserve relates to share purchase options granted by the Company to its employees or consultants under its share purchase option compensation plan (note 10(d)).

Share warrants reserve

The share warrants reserve relates to share purchase warrants issued by the Company in connection with the private placement in March 2012. There were no share purchase warrants outstanding at March 31, 2015 (March 31, 2014 – nil).

Investment revaluation reserve

The investment revaluation reserve represents the cumulative gains and losses arising on the revaluation of AFS financial assets that have been recognized in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or are determined to be impaired.

(Expressed in Canadian Dollars, unless otherwise stated)

11. RELATED PARTY TRANSACTIONS

(a) Transactions with key management personnel

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly, and by definition include the directors of the Company.

Transactions with key management personnel were as follows:

Remuneration for services rendered	Year ended March 31,	
	2015	2014
Short-term employee benefits	$ 268,511	$ 379,914
Share-based payments	–	51,096
Total	$ 268,511	$ 431,010

Short-term employee benefits include salaries, directors fees and amounts paid to HDSI (note 11(b)(i)) for services provided to the Company by certain HDSI personnel who serve as executive directors and officers for the Company.

During the year ended March 31, 2015, the Company received a loan from a director of the Company. Balances outstanding and the terms of the loan are presented in note 9.

(b) Balances and transactions with related entities

Balances due to related parties	March 31, 2015	March 31, 2014
Balance due to entity with significant influence (note 11(b)(i))	$ 212,642	$ 69,939

The following is a summary of transactions with related entities that occurred during the reporting period:

Transactions with related entities	Year ended March 31,	
	2015	2014
Services received from HDSI (note 11(b)(i)):		
HDSI employee time charges, based on annually set rates	$ 2,099,646	$ 1,150,711
Key management personnel fees	212,100	314,800
Information technology services and maintenance fees	152,700	140,500
	$ 2,464,446	$ 1,606,011
Reimbursement of third party expenses to HDSI	$ 75,977	$ 61,599

(Expressed in Canadian Dollars, unless otherwise stated)

(i) Entity with significant influence over the Company

Management has concluded that Hunter Dickinson Services Inc. ("HDSI"), a private company, has power to participate in the financial or operating policies of the Company.

The following directors or officers of the Company also have a role within HDSI.

Individual	Role within the Company	Role within HDSI
Scott Cousens	Director	Director
Robert Dickinson	Director	Director
Paul Mann	Chief Financial Officer	Employee
Diane Nicolson	President	Employee
Ronald Thiessen	Director, Chief Executive Officer	Director
Trevor Thomas	General Counsel and Corporate Secretary	Employee

Pursuant to certain management agreements between the Company and HDSI, the Company receives technical, geological, corporate communications, regulatory compliance, and administrative and management services from HDSI. HDSI also incurs third party costs on behalf of the Company.

12. INCOME TAXES

(a) Provision for current tax

No provision has been made for current income taxes, as the Company has no taxable income.

(b) Provision for deferred tax

As future taxable profits of the Company are uncertain, no deferred tax asset has been recognized. As at March 31, 2015, the Company had unused non-capital loss carry forwards of approximately $13.3 million (March 31, 2014 – $11.1 million) in Canada.

As at March 31, 2015, the Company had resource tax pools of approximately $24.5 million (March 31, 2014 – $21.8 million) available in Canada, which may be carried forward and utilized to offset future taxes related to certain resource income.

(Expressed in Canadian Dollars, unless otherwise stated)

Reconciliation of effective tax rate	March 31, 2015	March 31, 2014
Loss for the year	$ (4,884,024)	$ (2,154,805)
Total income tax expense	–	–
Loss excluding income tax	$ (4,884,024)	$ (2,154,805)
Income tax recovery using the Company's tax rate	(1,261,000)	(560,000)
Non–deductible expenses and other	(207,000)	291,000
Change in deferred tax rates	–	(330,000)
Temporary difference booked to reserve	(2,000)	2,000
Deferred income tax assets not recognized	1,470,000	597,000
	$ –	$ –

The Company's statutory tax rate was 26% (2014 – 26%) and its effective tax rate is nil (2014 – nil).

As at March 31, 2015, the Company had the following deductible temporary differences for which no deferred tax asset was recognized:

Expiry	Tax losses (capital)	Tax losses (non-capital)	Resource pools	Other
Within one year	$ –	$ –	$ –	$ –
One to five years	–	314,000	–	358,000
After five years	–	13,029,000	–	1,011,000
No expiry date	1,384,000	–	24,549,000	63,000
Total	$ 1,384,000	$ 13,343,000	$ 24,549,000	$ 1,432,000

13. EMPLOYEE BENEFITS EXPENSES

Employees' salaries and benefits included in various expenses were as follows:

	Year ended March 31,	
	2015	2014
Salaries and benefits included in:		
Exploration and evaluation	$ 1,296,142	$ 730,869
Office and administration	1,020,679	792,170
Shareholder communication	55,364	92,143
Total	$ 2,372,185	$ 1,615,182

14. FINANCIAL RISK MANAGEMENT

(a) Capital management objectives

The Company's primary objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders, and to have sufficient liquidity available to fund ongoing expenditures and suitable business opportunities as they arise.

The Company considers the components of shareholders' equity, as well as its cash and cash equivalents as capital. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue equity, sell assets, or return capital to shareholders as well as issue or repay debt.

The Company's investment policy is to invest its cash in highly liquid short–term interest–bearing investments having maturity dates of three months or less from the date of acquisition and that are readily convertible to known amounts of cash.

There were no changes to the Company's approach to capital management during the year ended March 31, 2015.

The Company is not subject to any externally imposed equity requirements.

(b) Carrying amounts and fair values of financial instruments

The Company's marketable securities are carried at fair value, based on quoted prices in active markets (note 6).

As at March 31, 2015 and 2014, the carrying values of the Company's financial assets and financial liabilities approximate their fair values.

(c) Financial instrument risk exposure and risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented treasury policies, counterparty limits, controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

<u>Credit risk</u>

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and cash equivalents, and amounts receivable and other assets. The carrying value of these financial assets represent the maximum exposure to credit risk.

The Company limits the exposure to credit risk by only investing its cash and cash equivalents with high-credit quality financial institutions in business and savings accounts, which are available on demand by the Company for its programs.

(Expressed in Canadian Dollars, unless otherwise stated)

Included in amounts receivable is the Company's claim for 2015 METC of $880,000.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets.

The Company ensures that there is sufficient cash in order to meet its short-term business requirements, after taking into account the Company's holdings of cash and cash equivalents.

The Company has sufficient cash and cash equivalents to meet its commitments associated with its financial liabilities.

The carrying amounts of the Company's obligations, which approximate their contractual cash flows, are as follows:

Due within 12 months	March 31, 2015	March 31, 2014
Accounts payable and accrued liabilities	$ 66,299	$ 35,401
Balances due to a related party	212,642	69,939
Loan payable to director	1,000,000	–
Total	$ 1,278,941	$ 105,340

Interest rate risk

The prime rate on the loan payable to director is subject to interest rate fluctuations. This rate has changed marginally over the last several years, fluctuating by less than 1% since the beginning of 2010. Management does not expect a significant increase in the prime rate prior to the maturity of the loan. In the event that the prime rate changes during this time, the loan's short time frame to maturity will minimize the impact of any interest rates fluctuations. Based on these factors, management has concluded that interest rate risk for the Company is nominal with respect to the loan payable to director as at March 31, 2015.

The Company is subject to interest rate risk with respect to its investments in cash and cash equivalents. The Company's policy is to invest cash at variable rates of interest and cash reserves are to be maintained in cash and cash equivalents in order to maintain liquidity, while achieving a satisfactory return for shareholders. Fluctuations in interest rates when cash and cash equivalents mature impact interest income earned. As at March 31, 2015 and 2014, the Company's exposure to interest rate risk was nominal with respect to its investments in cash and cash equivalents.

Price risk

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. The Company is subject to price risk in respect of its investments in marketable securities (note 6).

The objective of price risk management is to eliminate or limit emerging risk exposures within acceptable parameters, while optimizing return and meeting strategic goals.

As at March 31, 2015 and 2014, the Company's exposure to price risk was nominal.

15. EVENTS AFTER THE REPORTING PERIOD

In June 2015, the Company received a loan from a director of the Company, Robert Dickinson, for the amount of $250,000. The loan is unsecured and has a maturity date of June 1, 2016. Interest on the loan is payable at 6% per annum on the principal balance, calculated monthly, and payable quarterly in arrears.

AMARC RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED MARCH 31, 2015

1.1 DATE

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the audited financial statements (“Financial Statements”) of Amarc Resources Ltd. (“Amarc”, or the “Company”) for the year ended March 31, 2015, which are publicly available on SEDAR at www.sedar.com. All monetary amounts herein are expressed in Canadian Dollars ("CAD") unless otherwise stated.

The Company reports in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee (together known as "IFRS"). The following disclosure and associated Financial Statements are presented in accordance with IFRS.

This MD&A is prepared as of July 20, 2015.

Cautionary Note to Investors Concerning Forward-looking Statements

This presentation includes certain statements that may be deemed "forward-looking statements". All such statements, other than statements of historical facts that address exploration drilling, exploitation activities and other related events or developments are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Assumptions used by the Company to develop forward-looking statements include the following: Amarc's projects will obtain all required environmental and other permits and all land use and other licenses, studies and exploration of Amarc's projects will continue to be positive, and no geological or technical problems will occur. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, potential environmental issues or liabilities associated with exploration, development and mining activities, exploitation and exploration successes, continuity of mineralization, uncertainties related to the ability to obtain necessary permits, licenses and tenure and delays due to third party opposition, changes in and the effect of government policies regarding mining and natural resource exploration and exploitation, the exploration and development of properties located within Aboriginal groups asserted territories may affect or be perceived to affect asserted aboriginal rights and title, which may cause permitting delays or opposition by Aboriginal groups, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. For more information on Amarc investors should review the Company's annual Form 20-F filing with the United States Securities and Exchange Commission at www.sec.gov and its home jurisdiction filings that are available at www.sedar.com.

Cautionary Note to Investors Concerning Estimates of Inferred Resources:

This discussion uses the term "inferred resources". The Company advises investors that although this term is recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize it. "Inferred resources" have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of a mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of economic studies, except in rare cases. Investors are cautioned not to assume that any part or all of an inferred resource exists, or is economically or legally mineable.

1.2 OVERVIEW

Amarc is a British Columbia-based mineral development company with an experienced and successful management team that is focused on advancing the IKE Project, a major porphyry copper discovery located in the heartland of BC's copper mining industry.

LOCATION OF THE COMPANY'S IKE PROJECT

Amarc has made a significant copper-molybdenum-silver discovery at its 100% owned IKE project located in the heartland of the province's copper mining industry. The nine discovery drill holes intersected chalcopyrite and molybdenite mineralization from surface and over a broad area, measuring 1,200 metres east-west by 600 metres north-south and to a depth of approximately 500 metres. Mineralization at IKE remains open in all lateral directions and to depth. The discovery holes and post-drilling geological, geochemical and geophysical surveys completed outwards from the drilled area indicate that the IKE porphyry system has the potential for important-scale resource volumes that require drilling in order to fully delineate the copper-molybdenum-silver deposit. Amarc has received from the provincial government a 50 drill hole permit.

The Company has secured additional mineral claims in the IKE area to cover other compelling deposit targets and potential infrastructure sites.

Amarc is committed to meaningful engagement and building long-term relationships with all communities in the IKE Project area, including mutually beneficial partnerships with Aboriginal groups. A comprehensive engagement plan is in place that is consistent with the current level of exploration activity. The company continues to build on positive relationships with regulators, supporting government's consultation duties to assist with timely and fair regulatory decision-making.

The IKE Property

Amarc has a 100% interest in the IKE property, which is located approximately 40 kilometres northwest of Gold Bridge, in a region characterized by broad U-shaped valleys.

At IKE, limited historical drilling indicated the presence of a mineral system with characteristics that are favorable for the development of a viable porphyry copper-molybdenum-silver deposit. Three key historical drill holes (81-2, 11-1 and 11-2) spaced over 220 metres intercepted long intervals of continuous, chalcopyrite and molybdenite mineralization with encouraging grades. These intersections include: 116 metres of 0.46% copper equivalent (CuEQ)[1] comprising 0.29% Cu and 0.043% Mo; 182 metres of 0.42% CuEQ comprising 0.31% Cu, 0.022% Mo and 1.9 g/t Ag; and 64 metres of 0.51% CuEQ, comprising 0.37% Cu, 0.024% Mo and 4.7 g/t Ag. All three of these historical holes ended in mineralization.

Assay results received from an initial nine hole (5,400 metre) diamond drill program completed by Amarc, have confirmed the presence of an important porphyry-style deposit. The nine discovery drill holes intersected chalcopyrite and molybdenite mineralization from surface and over a broad area, measuring 1,200 metres east-west by 600 metres north-south and to depths of approximately 500 metres. Mineralization at IKE remains open in all lateral directions and to depth. These holes and post-drilling geological, geochemical and geophysical surveys completed outwards from the drilled area indicate that the IKE porphyry system has the potential for important-scale resource volumes that require drilling in order to fully delineate the copper-molybdenum-silver deposit. The Company has received from the provincial government a 50 drill hole permit.

Amarc has secured additional mineral claims in the IKE area to cover other compelling deposit targets as well as potential infrastructure sites.

Highlights from the nine hole discovery drill program include:

- 247 metres of 0.42% CuEQ @ 0.28% Cu, 0.030% Mo and 2.0 g/t Ag
- 234 metres of 0.43% CuEQ @ 0.26% Cu, 0.040% Mo and 1.7 g/t Ag
- 92 metres of 0.41% CuEQ @ 0.31% Cu, 0.020% Mo and 2.1 g/t Ag
- 194 metres of 0.49% CuEQ @ 0.30% Cu, 0.046% Mo and 0.8 g/t Ag
- 308 metres of 0.41% CuEQ @ 0.26% Cu, 0.032% Mo and 1.8 g/t Ag
- 97 metres of 0.46% CuEQ @ 0.32% Cu, 0.030% Mo and 2.2 g/t Ag

Results from Amarc's nine discovery drill holes are summarized in the Table of Assay Results below. A drill plan and other information are posted on Amarc's website.

[1] Copper equivalent (CuEQ) calculations use metal prices of: Cu US$3.00/lb, Mo US$12.00/lb and Ag US$20.00/oz. Metallurgical recoveries and net smelter returns are assumed to be 100%.

IKE DISCOVERY -- TABLE OF ASSAY RESULTS

Drill Hole ID	Dip (°)	Azim (°)	EOH (m)	Incl.	From (m)	To (m)	Int.2,3 (m)	CuEQ[1] (%)	Cu (%)	Mo (%)	Ag (g/t)
IK14001	-45	0	742.2		55.0	213.7	158.7	0.38	0.27	0.020	2.5
					242.0	489.0	247.0	0.42	0.28	0.030	2.0
				incl.	242.0	275.0	33.0	0.43	0.35	0.011	4.1
				incl.	284.6	362.5	77.9	0.44	0.31	0.027	2.0
				incl.	372.9	395.2	22.3	0.45	0.25	0.045	1.7
				incl.	404.1	489.0	84.9	0.50	0.30	0.045	1.7
					528.0	634.6	106.6	0.28	0.23	0.009	1.9
IK14002	-45	100	551.1		57.3	180.1	122.8	0.41	0.32	0.017	2.5
					206.0	494.6	288.6	0.40	0.24	0.038	1.6
				incl.	206.0	440.0	234.0	0.43	0.26	0.040	1.7
				and	206.0	364.0	158.0	0.45	0.26	0.046	1.7
				and	368.5	440.0	71.5	0.41	0.27	0.031	1.7
					521.7	551.1	29.4	0.45	0.15	0.076	0.6
IK14003	-60	180	419.4		10.2	102.0	91.8	0.41	0.31	0.020	2.1
					282.0	365.0	83.0	0.20	0.08	0.029	0.7
IK14004	-50	90	388.6		128.0	189.0	61.0	0.29	0.13	0.036	0.9
IK14005	-60	0	772.7		32.0	80.0	48.0	0.27	0.23	0.007	1.4
					269.4	552.3	282.9	0.44	0.29	0.038	0.7
				incl.	269.4	463.2	193.8	0.49	0.30	0.046	0.8
					602.9	616.1	13.2	0.33	0.29	0.009	0.6
IK14006	-45	90	681.8		9.0	75.0	66.0	0.25	0.21	0.008	1.3
					124.0	574.3	450.3	0.37	0.24	0.028	1.7
				incl.	124.0	432.2	308.2	0.41	0.26	0.032	1.8
				and	124.0	207.8	83.8	0.43	0.31	0.026	2.2
				and	216.4	258.0	41.6	0.43	0.30	0.024	2.8
				and	381.9	432.2	50.4	0.72	0.35	0.088	1.8
				incl.	441.9	490.0	48.1	0.46	0.27	0.044	1.8
					671.0	681.8	10.8	0.33	0.28	0.007	2.0
IK14007	-60	90	688.5		7.9	24.9	17.0	0.31	0.22	0.020	1.1
					139.5	167.0	27.5	0.27	0.06	0.051	0.5
					223.0	274.0	51.0	0.24	0.05	0.048	0.5
					304.0	411.9	107.9	0.24	0.12	0.030	0.7
IK14008	-45	90	788.8		135.4	168.0	32.6	0.30	0.24	0.009	2.0
					233.0	258.5	25.5	0.34	0.23	0.023	1.5
					278.1	567.0	288.9	0.37	0.27	0.022	1.6
				incl.	287.7	384.3	96.6	0.46	0.32	0.030	2.2
				incl.	418.7	462.8	44.0	0.38	0.31	0.015	1.8
				incl.	484.0	564.0	80.0	0.38	0.30	0.018	1.6
					605.0	648.0	43.0	0.25	0.20	0.012	1.0
IK14009	-45	270	376.1		10.5	200.0	189.5	0.24	0.16	0.018	1.1
				incl.	10.5	98.0	87.5	0.29	0.20	0.019	1.4

1 Copper equivalent (CuEQ) calculations use metal prices of: Cu US$3.00/lb, Mo US$12.00/lb and Ag US$20.00/oz. Metallurgical recoveries and net smelter returns are assumed to be 100%.

2 Widths reported are drill widths, such that the thicknesses are unknown.

3 All assay intervals represent length weighted averages.

Like many major porphyry deposits, IKE formed in a very active, multi-stage hydrothermal system that was extensive and robust. The footprint of the hydrothermal system at IKE is approximately six square kilometres. More recent site exploration conducted following the 2014 discovery drilling program includes a new, high resolution airborne magnetic survey, a copper and multi-element in talus fines geochemical survey and a detailed Induced Polarization ("IP") ground geophysical survey. These surveys indicate exciting expansion potential beyond the immediate area of the IKE discovery drilling (see www.amarcresources.com). For example, numerous talus fines samples collected up to 800 metres southwest and 600 metres southeast of the area drilled assayed 1,000 to 3,800 ppm copper (0.10% to 0.38% Cu). Furthermore, the IP survey, which covered only a portion of the hydrothermal system outlined two coalescing porphyry mineralizing systems measuring approximately 800 metres north-south and 2,250 metres east-west. This porphyry-style mineralization remains open to expansion to the south and north, and is largely co-incident with major magnetic low features. These features indicate the presence of well-defined, broad scale magnetite destruction zones that are important targets for additional drilling.

Geological mapping and logging of diamond drill core at IKE indicate the deposit is hosted entirely by multi-phase intrusive rocks. A possible geological analogue to guide further drilling activity at IKE is BC's Highland Valley porphyry copper-molybdenum deposit; it has a similar geological setting within the interior of a felsic batholith, as well as comparable metal assemblage and grades. The regional structural setting at IKE also includes major northwest-trending structures and dykes, which were active in the Tertiary period during formation of the IKE deposit. This overall setting is similar to that of many important porphyry belts along the Cordillera in North and South America.

IKE has important economic potential as indicated by the copper equivalent grades returned over long continuous drill intercepts, which compare favourably to the range of copper equivalent grades for reserves and resources at active BC porphyry copper (± molybdenum ± gold ± silver) mines. For example, Mt. Milligan has proven and probable reserves of 478 million tonnes at 0.20% copper and 0.39 g/t Au for a CuEQ grade of 0.44%, and Highland Valley has proven and probable mineral reserves of 663 million tonnes at 0.29% copper and 0.008% molybdenum for a CuEQ of 0.32% (see websites of Thompson Creek Metals Company Inc. and Teck Resources Limited, respectively).

At IKE, chalcopyrite and molybdenite were precipitated during at least three stages of hydrothermal activity. The mineralization occurs as fine to relatively coarse, mostly discrete grains, mainly as disseminations and less commonly in fractures and veins. Multi-element analyses returned consistently low concentrations of metallurgically or environmentally deleterious elements. These characteristics, and the generally low concentrations of pyrite at IKE, suggest that there is potential to produce, clean good-grade copper and molybdenum concentrates by standard flotation processing. A comprehensive corporate and technical business plan is being implemented to efficiently move IKE forward.

Amarc is committed to meaningful engagement and building long-term relationships with all communities in the IKE Project area, including mutually beneficial partnerships with Aboriginal groups. A comprehensive engagement plan is in place that is consistent with the current level of exploration activity. The company continues to build on positive relationships with regulators, supporting government's consultation duties to assist with timely and fair regulatory decision-making.

IKE Property Agreement

Amarc holds an 100% interest in the IKE property. In December 2013, the Company entered into an Option and Joint Venture Agreement (the "IKE Agreement") with Oxford Resources Inc. ("Oxford"), whereby the Company acquired the right to earn an 80% ownership interest in the IKE property by making cash payments totaling $125,000, issuing 300,000 shares, and by incurring approximately $1,860,000 in exploration expenditures on or before November 30, 2015.

In July 2014 the IKE Agreement was amended and Oxford assigned all of its interest in the IKE property, and the underlying option agreement with respect to the IKE property, to Amarc and converted its ownership interest in the IKE property to a 1% Net Smelter Return ("NSR") royalty in consideration of a $40,000 cash payment. The 1% NSR royalty can be purchased at any time for $2,000,000 less any amount of royalty already paid (payable in cash or common shares of Amarc at the Company's sole election). The maximum aggregate amount payable under the NSR is $2,000,000.

As a result of the foregoing, Amarc had the right to acquire a 100% ownership interest in the IKE property directly from two unrelated individuals (formerly the underlying owners and now the "Optionors") by making a cash payment of $40,000 (completed), issuing 100,000 shares (completed), and by incurring approximately $1,860,000 in exploration expenditures (completed) on or before November 30, 2015.

The Optionors retain a 2% NSR royalty. Amarc has the right to purchase half of the royalty (1%) for $2,000,000 ($1,000,000 of which is payable in cash, Amarc common shares, or any such combination, at Amarc's discretion) at any time prior to commercial production. In addition, Amarc has the right to purchase the remaining half of the royalty (1%) for $2,000,000 ($1,000,000 of which is payable in cash, Amarc common shares, or any such combination, at Amarc's discretion) prior to December 31, 2018. Minimum advance royalty payments of $25,000 (payable in cash, Amarc common shares, or any such combination, at Amarc's discretion) are due to the Optionors annually commencing December 31, 2015.

Amarc has agreed that upon completion of a positive feasibility study, Amarc will issue 500,000 common shares to the Optionors of the property.

The IKE District Properties – Galore and Granite

Amarc has rights to acquire a 70% and a 100% ownership interest in the Galore and Granite properties, respectively, which are located in the underexplored IKE district. Given the compelling exploration results from historical programs throughout the district and the common tendency of porphyry deposits to form in clusters the Company's technical team believes these properties also have potential to host bulk-tonnage porphyry copper mineralization. The Company's technical team is currently in the process of compiling all historical data from these properties to define and prioritize targets for field follow up.

Galore Property Agreement

In July 2014, the Company entered into an option and joint venture agreement with Galore Resources Inc. ("Galore Resources"), whereby the Company acquired the right to earn an initial 51% ownership interest in the Galore property by incurring $3,000,000 in exploration expenditures within five years ($1,500,000 of which may be in recordable assessment credits not directly incurred on the property), and by making staged cash payments up to a maximum of $450,000 (50% of which may be payable in Amarc common shares). Amarc may thereafter acquire an additional 19% ownership interest, for a total 70% ownership interest, by incurring $2,000,000 in exploration expenditures within two years. Upon exercise of the initial or additional option, Galore Resources and Amarc have agreed to form either a 51/49 or a 70/30 joint venture, as the case may be. The Galore mineral tenure is comprised of five claim groups and is subject to five underlying option agreements, each of which provides the relevant underlying owner with a 1.5% NSR royalty which may be purchased for $250,000 on or before December 31, 2024 and a 10% net profits interest royalty which may be purchased at any time until December 31, 2024 for $400,000 less, any amount of the net profits interest royalty already paid.

Granite Property Agreement

In August 2014, the Company entered into a purchase agreement with Great Quest Fertilizers Ltd. ("Great Quest"), whereby the Company can purchase a 100% ownership interest in the Granite property on or before November 30, 2014 by making staged cash payments totalling $400,000 (completed). Great Quest holds a 2% NSR royalty on the property which can be purchased for $2,000,000, on or before commercial production (payable in cash, Amarc common shares, or any such combination, at Amarc's discretion). In addition, there is an underlying 2.5% NSR royalty on certain mineral claims, which can be purchased at any time for $1,500,000 less any amount of royalty already paid.

Other Properties

Amarc's focus with respect to its Newton and Galileo projects is to partner them out to further advance exploration.

<u>The Blackwater District Properties – Galileo, Hubble, and Darwin</u>

Amarc owns a 100% interest in the Galileo, Hubble and Darwin properties, which are located within the Blackwater district, 75 kilometres southwest of Vanderhoof, BC.

The Company has completed an approximately 5,120 line kilometres of helicopter-borne, magnetic and electromagnetic geophysical survey over its Blackwater properties, from which epithermal gold-silver and porphyry gold-copper-type targets were identified for ground evaluation. At Galileo the results of more than 230 line kilometres of Induced Polarization ("IP") ground geophysical surveys, combined with information from soil geochemical surveys and prospecting have identified four principle target areas with the potential to represent important sulphide systems for drill testing. Drill permits have been received.

The Galileo, Hubble, and Darwin properties are located approximately 17 to 35 kilometres from New Gold's Blackwater gold deposit (Proven and Probable Reserves of 344.4 million tonnes at an average grade of 0.74 g/t gold containing 8.2 million gold ounces, and 5.5 g/t silver containing 60.8 million silver ounces; New Gold news release December 12, 2013).

Amarc's Blackwater district properties lie approximately 75 kilometres southwest, of the town of Vanderhoof and 176 kilometres southwest of northern BC's regional hub city of Prince George. The area is characterized by subdued topography and is well served by existing transportation and power infrastructure and a skilled workforce, which supports an active exploration and mining industry.

Amarc is actively working to engage constructively with First Nations and regulators in the area of its permits.

The Newton Property

Amarc made a drill discovery at its 100% owned Newton bulk-tonnage gold-silver project in late 2009 and subsequently conducted exploration and delineation drilling at the deposit until June 2012.

An initial mineral resource estimate announced in September 2012, based on 24,513 metres of core drilling in 78 holes completed up to June 30, 2012, confirms that Newton is a significant bulk tonnage gold discovery that remains open to further expansion. At a 0.25 g/t gold cut-off, Inferred Mineral Resources comprise 111.5 million tonnes grading 0.44 g/t gold and 2.1 g/t silver, containing 1.6 million ounces of gold and 7.7 million ounces of silver.

Inferred Mineral Resources at various cut-off grades are summarized in the table below.

NEWTON GOLD PROJECT – INFERRED MINERAL RESOURCES

Cut-Off Grade	Size	Grade		Contained Metal	
(g/t Au)	Tonnage (000 t)	Gold (g/t)	Silver (g/t)	Gold (000 oz)	Silver (000 oz)
0.20	147,069	0.38	1.9	1,818	8,833
0.25	111,460	0.44	2.1	1,571	7,694
0.30	85,239	0.49	2.4	1,334	6,495
0.35	65,384	0.54	2.7	1,130	5,635
0.40	49,502	0.59	2.9	938	4,596

Notes:

1. CIM definitions were followed for this mineral resource estimate. An "Inferred Mineral Resource" is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.
2. Inferred Mineral Resources were estimated using a long-term gold price of US$1,750 per ounce, a long-term silver price of US$25 per ounce, and a US$/C$ 1.00 exchange rate.
3. Bulk density is 2.71 tonnes per cubic metre.
4. Numbers may not add due to rounding.
5. The Effective Date of the Mineral Resource is July 4, 2012; the Effective Date being defined as the date when Roscoe Postle Associates Inc. was in receipt of full data which informed the resource.

The Newton Inferred Mineral Resources was prepared using geostatistical methods by technical staff at Hunter Dickinson Inc. ("HDI") and audited by geological and mining consultants at Roscoe Postle Associates Inc. under the direction of Reno Pressacco, P. Geo., an independent Qualified Person. Sample preparation and analysis of drill core samples from Newton were completed at the ISO 9001:2008 accredited and ISO-IEC 17025:2005 accredited Acme Analytical Laboratories (Vancouver) Ltd. A technical report providing further details of the estimate has been filed on www.sedar.com.

The current Newton resource extends over an area of approximately 800 metres by 800 metres and to a depth of 560 metres, and is open to expansion to the northwest, west and to depth. It is located within the southeast segment of an extensive seven square kilometre sulphide system that is characterized by widespread gold enrichment indicating good potential for the development of substantial additional resources. This large, fertile mineral system extends well beyond the limits of the current resource and is largely concealed under shallow cover.

Newton exhibits key characteristics that typify significant hydrothermal gold deposits. The deposit lies within a large, gold-enriched epithermal system that formed approximately 72 million years ago contemporaneously with felsic volcanic and intrusive rocks, which were emplaced into a structurally-active graben environment. Gold, silver and associated base metal mineralization was precipitated with extensive zones of strong quartz-sericite alteration. The alteration types, metal associations and geological setting at Newton are nearly identical to those which characterize several major intrusion-related epithermal gold deposits in BC – including the important Blackwater-Davidson, and Snowfields deposits.

Exploration and resource expansion potential are clearly indicated at Newton by the large scale of the hydrothermal system, the structurally- and magmatically-active nature of the geological setting at the time of mineralization, the intensity of the hydrothermal alteration and the strong, widespread metal anomalies that have been confirmed by widely-spaced wildcat drilling. In addition, the Newton deposit occupies only one portion of an extensive IP geophysics chargeability anomaly. It is important to note that, beyond the currently delineated Newton resource, anomalous concentrations of metals have been intersected in almost all exploration holes drilled on the property. Large portions of the system remain untested or have been tested only by widely-spaced reconnaissance drilling.

Amarc's Newton property is located some 100 kilometres west of the City of Williams Lake, BC, in a region characterized by gently rolling hills and other characteristics favorable for project development. The district is well served by existing transportation and power infrastructure and a skilled workforce, which support a number of operating mines, as well as late-stage mineral development and exploration projects.

Amarc has undertaken significant consultation with local First Nations. All parties worked together in a diligent manner in order to develop a positive work relationship.

Newton Property Agreement

Amarc holds a 100% interest in the Newton Property. Newton Gold Corp. holds a 5% net profits interest. In addition, the mineral claims defined in an underlying agreement are subject to a 2% NSR, which royalty may be purchased by Amarc for $2,000,000 at any time. Advance royalty payments of $25,000 per annum commenced on January 1, 2011.

Market Trends

Copper prices have been volatile over the last five years. Throughout 2010 to early 2011, copper prices were on an uptrend trading as high as US$4.63/lb in January 2011. Since then, copper prices have declined, trading as low as US$2.38/lb in 2015. The average price of copper over the last five years was US$3.42/lb.

Molybdenum prices were variable from 2010 to 2013 and then began an uptrend that extended through the end of June 2014. Prices have weakened since that time. The average price over the past five years was US$12.45/lb.

In response to the global economic uncertainty that began in mid-2008, gold prices increased in 2009 and generally continued to do so until August 2011, where prices reached as high as $1,912/oz. From August 2011 to September 2012, gold prices traded within a range of approximately US$1,500/oz and US$1,900/oz. Since then, gold prices have declined, with prices reaching as low as US$1,130/oz during 2014. The average price of gold over the last five years was US$1,404/oz.

Silver prices increased significantly from September 2010 to April 2011 as prices reached a high of almost US$50/oz. Since then, silver prices have declined, with prices reaching as low as US$14.16/oz during July 2015. The average price of silver over the last five years was US$25/oz.

Average annual prices for copper, gold and silver are shown in the table below:

		Average metal price (US$)		
Calendar year	Copper	Molybdenum	Gold	Silver
2010	3.42/lb	15.87/lb	1,228/oz	20.19/oz
2011	4.00/lb	15.41/lb	1,572/oz	35.12/oz
2012	3.61/lb	12.81/lb	1,670/oz	31.17/oz
2013	3.34/lb	10.40/lb	1,397/oz	23.82/oz
2014	3.11/lb	11.59/lb	1,264/oz	19.09/oz
2015 (to the date of this MD&A)	2.69/lb	7.82/lb	1,201/oz	16.47/oz

1.3 SELECTED ANNUAL INFORMATION

The following selected annual information is from the Company's annual financial statements which have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC") effective for the respective reporting years of the Company and are expressed in Canadian Dollars. The Company's audited financial statements are publicly available on SEDAR at www.sedar.com.

Statements of Financial Position

	As at March 31,		
($ 000's)	2015	2014	2013
Current assets	$ 1,521	$ 4,945	$ 6,093
Non-current assets	234	361	1,551
Total assets	$ 1,755	$ 5,306	$ 7,644
Current liabilities	$ 1,279	$ 105	$ 460
Shareholders' equity	476	5,201	7,184
Total liabilities and shareholders' equity	$ 1,755	$ 5,306	$ 7,644

Statements of Comprehensive Loss

	Years ended March 31,		
($ 000's, except per share amounts and number of shares)	2015	2014	2013
Expenses (income):			
Exploration and evaluation	$ 3,278	$ 1,095	$ 8,422
Administration	1,478	1,306	1,823
Share-based payments	–	103	434
Other items (i)	128	(349)	(253)
Net loss for the year	4,884	2,155	10,426
Other comprehensive loss (income) (ii)	34	(64)	55
Comprehensive loss for the year	$ 4,918	$ 2,091	$ 10,481
Basic and diluted loss per share	$ 0.04	$ 0.02	$ 0.08
Weighted average number of common shares outstanding (millions)	139.4	138.6	138.6

(i) Includes interest income, interest expense, financing charges, flow-through share premium, gain on termination of joint venture, gain on disposition of available-for-sale financial assets, impairment of available-for-sale financial assets, mineral property interests written off, and foreign exchange loss.

(ii) Includes revaluation of available-for-sale financial assets, change in fair value of available-for-sale financial assets transferred to profit or loss upon disposition, and impairment of available-for-sale financial assets transferred to profit or loss

1.4 SUMMARY OF QUARTERLY RESULTS

These amounts are expressed in thousands of Canadian Dollars, except per share amounts and the weighted average number of common shares outstanding. Minor differences are due to rounding.

Summary of Quarterly Results

	Fiscal Quarter Ended							
($ 000's)	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	Jun 30, 2013
Exploration and evaluation (i)	$ 244	$ 675	$ 2,172	$ 187	$ 130	$ 291	$ 330	$ 343
Administration	415	377	398	288	387	271	311	337
Share-based payments	–	–	–	–	–	–	49	54
Other items (ii)	8	171	(22)	(29)	(305)	(62)	32	(13)
Net loss	667	1,223	2,548	446	212	500	722	721
Other comprehensive loss (income)(iii)	–	10	3	21	(8)	(10)	(47)	2
Comprehensive loss	$ 667	$ 1,233	$ 2,551	$ 467	$ 204	$ 490	$ 675	$ 723
Basic and diluted loss per share	$ 0.01	$ 0.01	$ 0.02	$ 0.00	$ 0.00	$ 0.00	$ 0.01	$ 0.01
Weighted average number of common shares outstanding (millions)	141.1	138.8	138.8	138.7	138.7	138.6	138.6	138.6

(i) Includes refunds receivable under the British Columbia Mineral Exploration Tax Credit program.

(ii) Includes interest income, interest expense, financing charges, gain on termination of joint venture, gain on disposition of available-for-sale financial assets, foreign exchange loss, impairment of available-for-sale financial assets, and mineral property interests written off.

(iii) Includes revaluation of available-for-sale financial assets, change in fair value of available-for-sale financial assets transferred to profit or loss upon disposition, and impairment of available-for-sale financial assets transferred to profit or loss.

With the exception of the September 2014 quarter, exploration and evaluation ("E&E") expenses were low as part of the Company's cash conservation efforts. During the September 2014 quarter, the Company was focused primarily on the IKE project's drilling program.

Administration expenses generally coincide with the level of E&E activity. However, certain administrative costs are incurred regardless of the level of E&E activity and therefore, the fluctuations in these costs will not always trend with those for E&E expenses.

Expenses for share-based payments typically fluctuate based on the timing of share purchase option grants and the vesting periods associated with these grants.

1.5 RESULTS OF OPERATIONS

Results for the Year Ended March 31, 2015 vs. 2014

The Company recorded a net loss of $4,884,000 during the year ended March 31, 2015 ("2015") compared to a net loss of $2,155,000 during the year ended March 31, 2014 ("2014"). The increase in net loss was mainly due to an increase in exploration and evaluation expenses during 2015.

	Year ended March 31,		
	2015 ($ 000's)	2014 ($ 000's)	Discussion
Exploration and evaluation	$ 3,278	$ 1,095	Exploration activity during 2015 was focused primarily on the IKE project, a large portion of which related to its drilling program. Throughout most of 2014, the Company focused its exploration activities on several projects, including Silver Vista, Galaxie, and ZNT. During the last quarter of 2014, the Company shifted its focus towards the IKE project.
Administration	1,478	1,306	During 2015, administration expenses increased resulting from the increased level of activity surrounding the IKE project.
Share-based payments	–	103	The variation in share-based payments expense is due to the timing of option grants.
Interest income	(38)	(69)	The decrease during 2015 was due to lower average cash balances on hand compared to 2014.
Interest expense on loan payable to director	16	–	Interest incurred on loan provided by a director.
Interest expense on debenture	–	23	The 2014 amount relates to Amarc's portion of interest expense on a debenture held by the Galaxie Joint Venture.
Financing charges	188	–	Fees on loan provided by a director.
Gain on termination of joint venture	–	(285)	During 2014, the Company recognized its proportionate share (40%) of the gain realized on the termination of the Galaxie Joint Venture.

	Year ended March 31,		
	2015 ($ 000's)	2014 ($ 000's)	Discussion
Gain on disposition of AFS financial assets	(38)	(69)	The Company disposed of certain marketable securities during 2015 and 2014.
Impairment of AFS financial assets	–	48	During 2014, the Company recognized an impairment write-down on certain marketable securities.

Exploration and Evaluation Expenses

The following tables provide a breakdown of exploration costs incurred during the years ended March 31, 2015 and 2014:

	Year ended March 31, 2015					
($ 000's)	Galore	Granite	IKE	Newton	General exploration and other	Total
Assays and analysis	$ 5	$ 1	$ 125	$ –	$ 1	$ 132
Drilling	–	–	727	–	–	727
Equipment rental	–	–	31	–	–	31
Geological	56	44	769	–	52	921
Geological – METC	–	–	–	–	(881)	(881)
Helicopter	25	26	893	–	3	947
Property costs and assessments	25	400	103	25	2	555
Site activities	–	–	189	2	–	191
Socioeconomic	4	1	447	–	53	505
Travel and accommodation	2	1	147	–	–	150
Total	$ 117	$ 473	$ 3,431	$ 27	$ (770)	$ 3,278

	Year ended March 31, 2014							
($ 000's)	Blackwater	Newton	Galaxie	ZNT	Silver Vista	Ike	General exploration and other	Total
Assays and analysis	$ –	$ –	$ 2	$ –	$ 25	$ 14	$ 12	$ 53
Drilling	–	–	–	–	–	–	–	–
Equipment rental	–	3	–	–	6	–	–	9
Geological	5	39	13	5	81	55	177	375
Geological – METC	–	–	–	–	–	–	(123)	(123)
Helicopter	–	–	–	–	56	–	9	65
Property costs and assessments	1	25	187	228	–	80	–	521
Site activities	–	28	–	–	67	–	1	96
Socioeconomic	32	17	–	11	5	8	2	75
Travel	–	7	–	–	12	–	5	24
Total	$ 38	$ 119	$ 202	$ 244	$ 252	$ 157	$ 83	$ 1,095

Administration Expenses

The following table provides a breakdown of administration expenses incurred during the years ended March 31, 2015 and 2014:

	Year ended March 31,	
($ 000's)	2015	2014
Depreciation	$ –	$ 1
Legal, accounting and audit	62	45
Office and administration	1,294	1,104
Shareholder communication	67	102
Travel and accommodation	23	23
Trust and regulatory	32	31
Total	$ 1,478	$ 1,306

1.6 LIQUIDITY

Historically, the Company's sole source of funding has been provided from the issuance of equity securities for cash, primarily through private placements to sophisticated investors and institutions. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding to finance the Company's ongoing operations.

As at March 31, 2015, the Company had working capital of approximately $0.2 million compared to working capital of $4.8 million as at March 31, 2014. The decrease in working capital since March 31, 2014 was mainly due to the continued funding of the Company's exploration programs for its various properties, as well as ongoing operating expenses. The Company will need to obtain financing within the next twelve months to continue its operating objectives.

The Company has no long-term debt, capital lease obligations, operating leases or any other long-term obligations.

The Company will continue to advance its exploration projects by finding the appropriate balance between advancing the projects and preserving its cash.

Development of any of the Company's mineral properties will require additional equity and possibly debt financing. As the Company is an exploration stage company, it does not have revenues from operations and, except for interest income from its cash and cash equivalents, the Company relies on equity funding for its continuing financial liquidity.

A summary of the Company's cash flows is as follows:

	Year ended March 31,	
($ 000's)	2015	2014
Net cash used in operating activities	$ (5,345)	$ (1,191)
Net cash provided by investing activities	78	137
Net cash provided by (used in) financing activities	984	(43)
Net decrease in cash and cash equivalents	$ (4,283)	$ (1,097)

Operating activities: Cash used in operating activities was attributable primarily to the Company's ongoing exploration and administrative activities during both 2015 and 2014.

Investing activities: The Company received proceeds from the disposition of certain marketable securities as well as interest on funds held with financial institutions during both 2015 and 2014.

Financing activities: The Company received a loan from a director and made interest payments on the loan during 2015. During 2014, the Galaxie Joint Venture made principal and interest payments on its debenture, of which the Company recognized its then-40% share.

1.7 CAPITAL RESOURCES

The Company has no lines of credit or other sources of financing which have been arranged or utilized.

The Company has no "Purchase Obligations" defined as any agreement to purchase goods or services that is enforceable and legally binding on the Company that specifies all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction.

1.8 OFF-BALANCE SHEET ARRANGEMENTS

None.

1.9 TRANSACTIONS WITH RELATED PARTIES

The required quantitative disclosure is provided in the accompanying Financial Statements, which are publicly available on SEDAR at www.sedar.com.

Hunter Dickinson Inc.

Description of the Relationship

Hunter Dickinson Inc. ("HDI") and its wholly owned subsidiary Hunter Dickinson Services Inc. ("HDSI") are private companies established by a group of mining professionals engaged in advancing mineral properties for a number of publicly-listed exploration companies, one of which is the Company.

The following directors or officers of the Company also have a role within HDSI:

Individual	Role within the Company	Role within HDSI
Scott Cousens	Director	Director
Robert Dickinson	Director	Director
Paul Mann	Chief Financial Officer	Employee
Diane Nicolson	President	Employee
Ronald Thiessen	Director, Chief Executive Officer	Director
Trevor Thomas	Corporate Secretary	Employee

Business Purpose of the Related Party Transactions

HDSI provides technical, geological, corporate communications, regulatory compliance, and administrative and management services to the Company, on an as-needed and as-requested basis from the Company.

HDSI also incurs third party costs on behalf of the Company. Such third party costs include, for example, directors and officers insurance, travel, conferences, and technology services.

As a result of this relationship, the Company has ready access to a range of diverse and specialized expertise on a regular basis, without having to engage or hire full-time experts. The Company benefits from the economies of scale created by HDSI which itself serves several clients. The Company is also able to eliminate many of its fixed costs, including rent, technology, and other infrastructure which would otherwise be incurred for maintaining its corporate offices.

Measurement Basis Used

The Company procures services from HDSI pursuant to an agreement dated July 2, 2010. Services from HDSI are provided on a non-exclusive basis as required and as requested by the Company. The Company is not obligated to acquire any minimum amount of services from HDSI. The fees for services from HDSI are determined based on a charge-out rate for each employee performing the service and for the time spent by the employee. Such charge-out rates are agreed and set annually in advance.

Third party costs are billed at cost, without markup.

Ongoing Contractual or Other Commitments Resulting from the Related Party Relationship

There are no ongoing contractual or other commitments resulting from the Company's transactions with HDSI, other than the payment for services already rendered and billed. The agreement may be terminated upon 60 days' notice by either the Company or HDSI.

Transactions with HDSI during the Period

This disclosure is provided in note 11(b) of the accompanying Financial Statements.

Amounts Due to or from HDSI at the End of the Reporting Period

This disclosure is provided in note 11(b) of the accompanying Financial Statements.

1.10 FOURTH QUARTER

The following financial data has been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and is expressed in Canadian Dollars unless otherwise stated.

Results for the Three Months Ended March 31, 2015 vs. 2014

The Company recorded a net loss of $667,000 during the three months ended March 31, 2015 ("2015 Quarter") compared to a net loss of $212,000 during the three months ended March 31, 2014 ("2014 Quarter"). During the 2014 Quarter, the Company recognized a gain on the termination of the Galaxie Joint Venture of $285,000, which makes up a large portion of variance of net loss between the two quarters.

	Three months ended March 31,		
	2015 ($ 000's)	2014 ($ 000's)	Discussion
Exploration and evaluation	$ 244	$ 130	Exploration activity during the 2015 and 2014 quarters was focused primarily on the IKE project. The exploration program was at a more advanced stage during the 2015 Quarter than during the 2014 Quarter.
Administration	415	387	During the 2015 Quarter, there was an increase in administration expenses corresponding to the level of activity surrounding the IKE project.

	Three months ended March 31,		
	2015 ($ 000's)	2014 ($ 000's)	Discussion
Interest income	(4)	(19)	The decrease during the 2015 Quarter was due to lower average cash balances on hand compared to the 2014 Quarter.
Interest expense on loan payable to director	12	–	Interest incurred on loan provided by a director.
Gain on termination of joint venture	–	(285)	During the 2014 Quarter, the Company recognized its proportionate share (40%) of the gain realized on the termination of the Galaxie Joint Venture.

<u>Exploration and Evaluation Expenses</u>

The following tables provide a breakdown of exploration costs incurred during the three months ended March 31, 2015 and 2014:

	Three months ended March 31, 2015				
($ 000's)	Galore	Granite	IKE	General exploration and other	Total
Assays and analysis (i)	$ –	$ –	$ (5)	$ (2)	$ (7)
Geological	12	25	45	3	85
Geological – METC	–	–	–	(9)	(9)
Property costs and assessments (i)	–	–	6	2	8
Site activities	–	–	4	–	4
Socioeconomic	–	–	159	–	159
Travel and accommodation	–	–	4	–	4
Total	$ 12	$ 25	$ 213	$ (6)	$ 244

(i) Claim staking expenses of $7,898 were reclassified to Property Costs and Assessments during the 2015 Quarter resulting in a credit balance to Assays and Analysis

	Three months ended March 31, 2014		
($ 000's)	IKE	General exploration and other	Total
Assays and analysis	$ 14	$ –	$ 14
Geological	55	(19)	36
Geological – METC	–	(18)	(18)
Property costs and assessments	80	1	81
Site activities	–	6	6
Socioeconomic	8	3	11
Travel and accommodation	–	–	–
Total	$ 157	$ (27)	$ 130

Administration Expenses

The following table provides a breakdown of administration expenses incurred during the three months ended March 31, 2015 and 2014:

	Three months ended March 31,	
($ 000's)	2015	2014
Legal, accounting and audit	$ 38	$ 29
Office and administration	327	337
Shareholder communication	29	4
Travel and accommodation	13	8
Trust and regulatory	8	9
Total	$ 415	$ 387

1.11 PROPOSED TRANSACTIONS

There are no proposed transactions requiring disclosure under this section.

1.12 CRITICAL ACCOUNTING ESTIMATES

Not required. The Company is a venture issuer.

1.13 CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The required disclosure is provided in the accompanying Financial Statements, which are publicly available on SEDAR at www.sedar.com.

1.14 FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The carrying amounts of cash and cash equivalents, amounts receivable, available-for-sale marketable securities, accounts payable and accrued liabilities, balance due to a related party, and loan payable to director approximate their fair values due to their short-term nature.

1.15 OTHER MD&A REQUIREMENTS

Additional information relating to the Company is available on SEDAR at www.sedar.com.

1.15.1 ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

(a)	capitalized or expensed exploration and development costs	See 1.5 Results of Operations above.
(b)	expensed research and development costs	Not applicable.
(c)	deferred development costs	Not applicable.
(d)	general and administration expenses	See 1.5 Results of Operations above.
(e)	any material costs, whether capitalized, deferred or expensed, not referred to in (a) through (d)	None.

1.15.2 DISCLOSURE OF OUTSTANDING SHARE DATA

The following table details the share capital structure as of the date of this MD&A:

Number of common shares outstanding	141,424,061
Number of share purchase options outstanding	3,051,300

1.15.3 DISCLOSURE CONTROLS AND PROCEDURES

The Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures. Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this report, the Company's disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarized and reported within the appropriate time periods and is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

1.15.4 INTERNAL CONTROLS OVER FINANCIAL REPORTING PROCEDURES

The Company's management, including the Chief Executive Officer and the Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting. Under the supervision of the Chief Executive Officer and Chief Financial Officer, the Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

There has been no change in the design of the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting during the period covered by this Management's Discussion and Analysis.

The Company's management assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2015. In making the assessment, it used the criteria set forth in the Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on their assessment, management has concluded that, as of March 31, 2015, the Company's internal control over financial reporting was effective based on those criteria.

1.15.5 LIMITATIONS OF CONTROLS AND PROCEDURES

The Company's management, including its Chief Executive Officer and Chief Financial Officer, believe that any system of disclosure controls and procedures or internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Furthermore, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty and breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of controls. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

1.16 RISK FACTORS

The risk factors associated with the principal business of the Company are discussed below. Briefly, these include the highly speculative nature of the mining industry characterized by the requirement for large capital investment from an early stage and a very small probability of finding economic mineral deposits. In addition to the general risks of mining, there are country-specific risks associated with operations, including political, social, and legal risk.

Due to the nature of the Company's business and the present stage of exploration and development of its projects, the Company may be subject to significant risks. Readers should carefully consider all such risks set out in the discussion below. The Company's actual exploration and operating results may be very different from those expected as at the date of this MD&A.

Exploration and Mining Risks

Resource exploration, development, and operations are highly speculative, characterized by a number of significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. The Company will rely on consultants and others for exploration, development, construction and operating expertise. Substantial expenditures are required to establish mineral resources and mineral reserves through drilling, to develop metallurgical processes to extract the metal from mineral resources, and in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are:

- the particular attributes of the deposit, such as size, grade and proximity to infrastructure;
- metal prices, which may be volatile, and are highly cyclical; and
- government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection.

The exact effect of these factors cannot accurately be predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

The Company will carefully evaluate the political and economic environment in considering any properties for acquisition. There can be no assurance that additional significant restrictions will not be placed on the Company's projects and any other properties the Company may acquire, or its operations. Such restrictions may have a material adverse effect on the Company's business and results of operation.

First Nations

Our properties are located within First Nations asserted traditional territories, and the exploration and development of these properties may affect, or be perceived to affect, asserted aboriginal rights and title, which has the potential to manifest permitting delays or opposition by First Nations communities.

The Company is working to establish positive relationships with First Nations. As part of this process the Company may enter into agreements commensurate with the stage of activity, with First Nations in relation to current and future exploration and any potential future production. This could reduce expected earnings.

Future Profits/Losses and Production Revenues/Expenses

The Company has no history of operations and expects that its losses will continue for the foreseeable future. No deposit that has been shown to be economic has yet been found on the Company's projects. There can be no assurance that the Company will be able to acquire any additional properties. There can be no assurance that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years as needed consultants, personnel and equipment associated with advancing exploration, development and commercial production of the Company's projects and any other properties the Company may acquire are added. The amounts and timing of expenditures will depend on:

- the progress of ongoing exploration and development;
- the results of consultants' analyses and recommendations;
- the rate at which operating losses are incurred;
- the execution of any joint venture agreements with strategic partners; and
- the acquisition of additional properties and other factors, many of which are beyond the Company's control.

The Company does not expect to receive revenues from operations in the foreseeable future, if at all. The Company expects to incur losses unless and until such time as the projects the Company advances, or any other properties the Company may acquire, enter into commercial production and generate sufficient revenues to fund its continuing operations.

The development of mineral properties will require the commitment of substantial resources to conduct the time-consuming exploration and development of the properties. There can be no assurance that the Company will generate any revenues or achieve profitability. There can be no assurance that the underlying assumed levels of expenses will prove to be accurate.

Additional Funding Requirements

The Company has limited working capital at March 31, 2015.

Further exploration on, and development of, the Company's projects will require additional resources and funding. The Company currently does not have sufficient funds to fully develop these projects.

In addition, a positive production decision, if achieved, would require significant funding for project engineering and construction. Accordingly, the continuing development of the Company's properties will depend upon the Company's ability to obtain financing through debt financing, equity financing, the joint venturing of projects, or other means.

There is no assurance that the Company will be successful in obtaining the required financing for these or other purposes, including for general working capital.

Competitors in the Mining Industry

The mining industry is competitive in all of its phases, including financing, technical resources, personnel and property acquisition. It requires significant capital, technical resources, personnel and operational experience to effectively compete in the mining industry. Because of the high costs associated with exploration, the expertise required to analyze a project's potential and the capital required to develop a mine, larger companies with significant resources may have a competitive advantage over Amarc. Amarc faces strong competition from other mining companies, some with greater financial resources, operational experience and technical capabilities than those that Amarc possesses. As a result of this competition, Amarc may be unable to maintain or acquire financing, personnel, technical resources or attractive mining properties on terms Amarc considers acceptable or at all.

Risks That Are Not Insurable

Hazards such as unusual or unexpected geological formations and other conditions are involved in mineral exploration and development. Amarc may become subject to liability for pollution, cave-ins or hazards against which it cannot insure. The payment of such liabilities could result in increases in Amarc's operating expenses which could, in turn, have a material adverse effect on Amarc's financial position and its results of operations. Although Amarc maintains liability insurance in an amount which it considers adequate, the nature of these risks is such that the liabilities might exceed policy limits, the liabilities and hazards might not be insurable against, or Amarc might elect not to insure itself against such liabilities due to high premium costs or other reasons. In these events, Amarc could incur significant liabilities and costs that could materially increase Amarc's operating expenses.

Environmental Matters

All of the Company's operations will be subject to environmental regulations, which can make operations more expensive or potentially prohibit them altogether.

The Company may be subject to the risks and liabilities associated with potential pollution of the environment and the disposal of waste products that could occur as a result of its activities.

To the extent the Company is subject to environmental liabilities, the payment of such liabilities or the costs that it may incur to remedy environmental pollution would reduce funds otherwise available to it and could have a material adverse effect on the Company. If the Company is unable to fully remedy an environmental problem, it might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect on the Company.

All of the Company's activities are or will be subject to regulation under one or more environmental laws and regulations. Many of the regulations require the Company to obtain permits for its activities. The Company must update and review its permits from time to time, and is subject to environmental impact analyses and public review processes prior to approval of the additional activities. It is possible that future changes in applicable laws, regulations and permits or changes in their enforcement or regulatory interpretation could have a significant impact on some portion of the Company's business, causing those activities to become economically unattractive at that time.

Market for Securities and Volatility of Share Price

There can be no assurance that an active trading market in the Company's securities will be established or sustained. The market price for the Company's securities is subject to wide fluctuations. Factors such as announcements of exploration results, as well as market conditions in the industry, may have a significant adverse impact on the market price of the securities of the Company. Shares of the Company are suitable only for those who can afford to lose their entire investment. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Conflicts of Interest

Certain of the Company's directors and officers may serve as directors or officers of other companies or companies providing services to the Company or they may have significant shareholdings in other companies. Situations may arise where these directors and/or officers of the Company may be in competition with the Company. Any conflicts of interest will be subject to and governed by the law applicable to directors' and officers' conflicts of interest. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with applicable laws, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company.

Payment of Dividends Unlikely

There is no assurance that the Company will pay dividends on its shares in the near future. The Company will likely require all its funds to further the development of its business.

Lack of Revenues; History of Operating Losses

The Company does not have any operational history or earnings and has incurred net losses and negative cash flow from its operations since incorporation. Although the Company will hope to eventually generate revenues, significant operating losses are to be anticipated for at least the next several years and possibly longer. To the extent that such expenses do not result in the creation of appropriate revenues, the Company's business may be materially adversely affected. It is not possible to forecast how the business of the Company will develop.

General Economic Conditions

Market conditions and unexpected volatility or illiquidity in financial markets may adversely affect the prospects of the Company and the value of its shares.

Reliance on Key Personnel

The Company will be dependent on the continued services of its senior management team, and its ability to retain other key personnel. The loss of such key personnel could have a material adverse effect on the Company. There can be no assurance that any of the Company's employees will remain with the Company or that, in the future, the employees will not organize competitive businesses or accept employment with companies competitive with the Company.

Furthermore, as part of the Company's growth strategy, it must continue to hire highly qualified individuals. There can be no assurance that the Company will be able to attract, assimilate or retain qualified personnel in the future, which would adversely affect its business.