Amarc Resources Ltd.

CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED JUNE 30, 2009

(Expressed in Canadian Dollars)

(Unaudited)

These financial statements have not been reviewed by the Company's auditors

AMARC RESOURCES LTD.

Consolidated Balance Sheets

(Expressed in Canadian Dollars)

	June 30, 2009 (unaudited)	March 31, 2009
ASSETS		
Current assets		
Cash and equivalents	$ 2,795,123	$ 2,971,352
Amounts receivable and prepaid expenses	160,953	266,454
Availiable-for-sale securities (note 4)	26,001	–
Balance due from related parties (note 8)	41,193	134,815
	3,023,270	3,372,621
Equipment (note 5)	48,534	54,091
Mineral property interests (note 6)	3	4
	$ 3,071,807	**$ 3,426,716**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	$ 54,916	$ 33,339
Balance due to a related party (note 8)	12,156	–
	67,072	33,339
Shareholders' equity		
Share capital (note 7)	31,247,065	31,247,065
Contributed surplus (note 7(e))	1,746,899	1,713,992
Deficit	(29,989,229)	(29,567,680)
	3,004,735	3,393,377
Nature and continuance of operations (note 1)		
Commitments (note 7(b))		
	$ 3,071,807	**$ 3,426,716**

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

Approved by the Board of Directors

/s/ Robert A. Dickinson

Robert A. Dickinson
Director

/s/ Rene G. Carrier

Rene G. Carrier
Director

AMARC RESOURCES LTD.

Consolidated Statements of Operations and Comprehensive Loss

(Unaudited - Expressed in Canadian Dollars)

	Three months ended June 30	
	2009	2008
Expenses		
Amortization	$ 5,557	$ 4,353
Conference and travel	5,624	18,130
Exploration (schedule)	196,170	1,264,466
Legal, accounting, and audit	5,762	7,947
Management and consulting	–	12,036
Office and administration	41,268	54,548
Salaries and benefits	106,186	76,060
Shareholder communication	18,166	61,217
Stock-based compensation (note (7)(c))	32,907	–
Trust and filing	834	1,470
	412,474	1,500,227
Other items		
Foreign exchange loss	12,730	4,894
Interest income and other	(3,655)	(35,952)
	9,075	(31,058)
Loss and comprehensive loss for the period	$ 421,549	$ 1,469,169
Basic and diluted loss per share	$ 0.01	$ 0.02
Weighted average number of common shares outstanding	72,739,473	67,739,473

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

AMARC RESOURCES LTD.

Consolidated Statements of Shareholders' Equity

(Expressed in Canadian Dollars)

	Three months ended June 30, 2009 *(unaudited)*			Year ended March 31, 2009		
Share capital	Number of shares			Number of shares		
Balance at beginning of the period	72,739,473	$	31,247,065	67,739,473	$	30,747,065
Private placement at $0.10 per share (note 7(b))	–		–	5,000,000		500,000
Balance at end of the period	72,739,473	$	31,247,065	72,739,473	$	31,247,065
Contributed surplus						
Balance at beginning of the period		$	1,713,992		$	1,469,931
Stock-based compensation			32,907			244,061
Balance at end of the period		$	1,746,899		$	1,713,992
Deficit						
Balance at beginning of the period		$	(29,567,680)		$	(24,458,520)
Loss and comprehensive loss for the period			(421,549)			(5,109,160)
Balance at end of the period		$	(29,989,229)		$	(29,567,680)
Total Shareholders' Equity		$	3,004,735		$	3,393,377

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

AMARC RESOURCES LTD.

Consolidated Statements of Cash Flows

(Unaudited - Expressed in Canadian Dollars)

	Three months ended June 30	
Cash provided by (used in)	**2009**	**2008**
Operating activities		
Loss for the period	$ (421,549)	$ (1,469,169)
Items not involving cash		
Amortization	5,557	4,353
Stock-based compensation	32,907	–
Common shares received included in exploration expenses (note 4(a))	(26,000)	–
Changes in non-cash working capital items:		
Amounts receivable and prepaids	105,501	(108,846)
Balances receivable from and payable to related parties	105,778	165,664
Accounts payable and accrued liabilities	21,577	107,096
Cash used in operating activities	(176,229)	(1,300,902)
Investing activities		
Purchase of equipment	–	(74,097)
Cash used in investing activities	–	(74,097)
Increase (decrease) in cash and equivalents	**(176,229)**	**(1,374,999)**
Cash and equivalents, beginning of period	2,971,352	7,713,995
Cash and equivalents, end of period	**$ 2,795,123**	**$ 6,338,996**
Components of cash and equivalents are as follows:		
Cash	$ 266,058	$ 412,051
Commercial paper	–	943,655
Treasury bills	2,529,065	4,983,290
	$ 2,795,123	**$ 6,338,996**
Supplementary cash flow information:		
Interest paid	$ –	$ –
Interest received	$ 3,655	$ 36,594
Income taxes paid	$ –	$ –

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

AMARC RESOURCES LTD.

Consolidated Schedules of Exploration Expenses

(Unaudited - Expressed in Canadian Dollars)

British Columbia, Canada Properties	Three months ended June 30	
	2009	**2008**
Assays and analysis	$ 20,451	$ 54,024
Drilling	–	28,000
Engineering	–	6,245
Equipment rental	1,196	38,635
Environmental	6,835	4,576
Freight	284	1,963
Geological	69,917	818,114
Graphics	2,795	12,492
Helicopter	–	75,158
Property fees and assessments	70,608	18,410
Site activities	8,926	146,328
Socioeconomic	13,298	2,730
Travel and accommodation	1,860	57,791
Incurred during period	**196,170**	**1,264,466**
Cumulative expenditures, beginning of period	17,449,574	17,449,574
Cumulative expenditures, end of period	**$ 17,645,744**	**$ 18,714,040**

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Amarc Resources Ltd. (the "Company") 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.

Operating results for the three months ended June 30, 2009 are not necessarily indicative of the results that may be expected for the full fiscal year ending March 31, 2010.

These interim consolidated financial statements have been prepared using Canadian generally accepted accounting principles assuming a going concern. The Company has incurred losses since inception and its ability to continue as a going concern depends upon its capacity to develop profitable operations and to continue to raise adequate financing. These interim consolidated financial statements do not reflect adjustments, which could be material, to the carrying values of assets and liabilities which may be required should the Company be unable to continue as a going concern.

2. BASIS OF PRESENTATION AND PRINCIPLES OF CONSOLIDATION

These interim consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles and are presented in Canadian dollars. They do not include all the disclosures as required for annual financial statements under generally accepted accounting principles. However, these interim consolidated financial statements follow the same accounting policies and methods of application as the Company's most recent annual financial statements. These interim consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended March 31, 2008, which are available on SEDAR at www.sedar.com.

These interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Compania Minera Amarc SA de CV and Amarc Exploraciones Mineras SA de CV, both of which are incorporated in Mexico. Also included are the accounts of the Precious Exploration Limited Partnership, which is subject to the Company's control and primary beneficial ownership.

All material intercompany balances and transactions have been eliminated.

3. CHANGES IN ACCOUNTING POLICIES

(i) International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011, although early adoption may be permitted. Due to the Company's March 31 fiscal year, the transition date for the Company is April 1, 2011. Therefore, the IFRS adoption will require the restatement for comparative purposes of amounts reported by the Company for the year ended March 31, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

(ii) Business Combinations/Consolidated Financial Statements/Non-Controlling Interests

The AcSB adopted CICA sections 1582 "Business Combinations", 1601 "Consolidated Financial Statements", and 1602 "Non-Controlling Interests" which superseded current sections 1581 "Business Combinations" and 1600 "Consolidated Financial Statements". These new sections replace existing guidance on business combinations and consolidated financial statements to harmonize Canadian accounting for business combinations with IFRS. These Sections will be applied prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Earlier adoption is permitted. If an entity applies these sections before January 1, 2011, it is required to disclose that fact and apply each of the new sections concurrently. The Company is currently evaluating the impact of the adoption of these changes on its consolidated financial statements.

4. AVAILABLE-FOR-SALE SECURITIES

As at June 30, 2009, the Company held the following available-for-sale financial assets:

a) 100,000 common shares of Serengeti Resources Inc. ("Serengeti"), a Canadian public company listed on the TSX Venture Exchange ("TSX-V"). The Company has recorded the shares of Serengeti at their estimated fair market value of $26,000. The Company estimates fair market value of these available-for-sale securities using quoted market price of the securities at period end. Unrealized gains and losses due to period end revaluations to fair market value are recorded as other comprehensive income or loss. As at June 30, 2009, unrealized gain or loss on these securities was $nil.

(Unaudited – Expressed in Canadian Dollars, unless otherwise stated)

b) 250,000 common shares of Tulox Resources Inc ("Tulox"), an inactive British Columbia company. Pursuant to the Tulox property option agreement, the Company received these securities, and other consideration, for granting Tulox an option to earn a mineral property interest in the Tulox property (note 6(a)(i)). Available-for-sale equity instruments that do not have a quoted market price in an active market are recorded at cost. In a non-cash transaction, cost is determined with reference to the consideration given. The Company has concluded that the value of option to earn interest in Tulox property can not be reliably measured. Therefore, the Company has recorded these securities at a nominal value of $1.

As at March 31, 2009, there were no available-for-sale securities held by the Company.

5. EQUIPMENT

		Cost		Accumulated Amortization		Net Book Value
June 30, 2009						
Site equipment	$	44,057	$	15,788	$	28,269
Computers		30,607		10,342		20,265
Total	$	74,664	$	26,130	$	48,534
March 31, 2009						
Site equipment	$	44,057	$	12,526	$	31,531
Computers		30,607		8,047		22,560
Total	$	74,664	$	20,573	$	54,091

6. MINERAL PROPERTY INTERESTS

The Company has recorded the following interests in royalties, in currently non-producing properties, at a nominal value:

		June 30 2009		March 31 2009
British Columbia, Canada				
Iskut (note (6)(a)(iv))	$	–	$	1
Witch (note (6)(a)(ix))		1		1
Other				
Ana, Yukon Territory (note (6)(b))		1		1
Mann Lake, Saskatchewan (note (6)(b))		1		1
Total	$	3	$	4

(a) British Columbia, Canada

(i) Tulox Property

The Tulox property (the "Property") is located in the Cariboo region of British Columbia and was acquired by the Company in stages by staking between 2005 to 2007.

In April 2009, the Company entered into an agreement with Tulox Resources Inc. ("Tulox") (formerly named Sitec Ventures Corp.), an unrelated British Columbia company, whereby Tulox may acquire a 50% interest in the Property for consideration of 1,600,000 Tulox common shares and by incurring $1,000,000 in expenditures on the Property. Tulox may acquire a 100% interest for additional consideration of 1,100,000 of its common shares and by incurring a further $1,000,000 in expenditures on the Property. The agreement is subject to certain conditions including regulatory approval. Under the agreement, the Company will receive a 3% net smelter returns ("NSR") royalty following the commencement of commercial production on the Property. In addition, the Company receives a "back-in right" whereby the Company can acquire a 60% interest in the Property by agreeing, within 90 days of the completion of a pre-feasibility study, to fund a further $10,000,000 of exploration expenditures on the Property. However, upon exercise of the "back-in right", the Company's entitlement to NSR will reduce to 1.2% from 3%.

During the period ended June 30, 2009, pursuant to the Tulox property agreement, the Company received 250,000 common shares of Tulox Resources Inc. (note 5(b)), which the Company recorded at a nominal value of $1.

(ii) Pond Property

Effective August 1, 2008, the Company entered into an agreement with a private arm's-length company for an exclusive option whereby the Company may acquire, over up to a four year period, the right to earn an undivided 100% interest in the Pond property, subject to a 2% NSR, which the Company may acquire for $2,000,000. Consideration for acquiring the 100% undivided interest in the Pond property is to consist of staged payments totaling $215,000 and the incurring of expenditures totaling $225,000 on the property, prior to August 2012.

The Pond agreement was terminated subsequent to June 30, 2009.

(iii) Bodine Property

In November 2006, the Company reached an option agreement with an arm's length party to acquire a 100% undivided interest in the Bodine property ("Bodine"). The Bodine property is located approximately 110 kilometers northeast of Smithers, in the Omineca Mining Division in central British Columbia. At June 30, 2009, the Bodine Property covered approximately 220 square kilometers.

The Company can acquire its interest in Bodine by making staged cash payments totaling $225,000 and expending $2,000,000 on the property over four years. Bodine is subject to a 3% NSR, 2% of which may be purchased at the Company's sole discretion for $2,000,000 with the remaining 1% subject to a right of first refusal in favor of the Company. Annual advance royalty payments of $50,000 will be payable beginning from the fifth year of the agreement to the fifteenth year of the agreement.

Effective June 5, 2009, the Company reached an agreement (the "Falkirk Agreement") with Falkirk Resources Corp. ("Falkirk") pursuant to which Falkirk has the right to earn a 50% interest in the Big Time property by (a) issuing 200,000 shares to Amarc and (b) funding $900,000 in exploration expenditures on or before December 31, 2009. Amarc will act as the operator. On exercise of the option by Falkirk, the two parties will enter into a joint venture agreement. The Falkirk Agreement is subject to the underlying Bodine Property Agreement.

(iv) Iskut Properties

The Company previously registered for acquisition a total of 5,175 hectares in five properties in the Iskut River area of northwestern British Columbia in 2005 and 2006. These properties comprised the AA, MEZ, TRI A, Copper 152 and Copper 246 properties.

The AA Agreement with an arm's length party, whereby the Company retained a 1.5% net smelter royalty interest in the AA property, has lapsed.

(v) Sitlika Properties

The Company acquired by staking 100% interests in several mineral properties located in the Omineca, Cariboo and Clinton Mining Divisions of British Columbia, ranging in location from approximately 110 kilometers northeast of Smithers to approximately 35 kilometers southwest of Williams Lake. As of June 30, 2009, these properties included the Aspira, Huge East, Megamine, and Polymet claims.

(vi) Pinchi Properties

As at June 30, 2009, the Company held a 100% interest in approximately 10 square kilometers of mineral claims located in Omineca Mining Division of British Columbia.

(vii) Carbonate Zinc Properties

As at June 30, 2009, the Company held a 100% interest in mineral claims comprising approximately 105 square kilometers along a belt located approximately 130 kilometers north-northwest of McKenzie, BC.

Subsequent to June 30, 2009, the remaining claims relating to the Carbonate Zinc properties were allowed to lapse.

(viii) Rapid Property

In April 2008, the Company acquired, by staking, claims known as the Rapid Property, which covers approximately 13 square kilometers and is located 27 kilometers northeast of the Aspira Property (part of the Sitlika Properties) and 36 kilometers northwest of the town of Fort St. James.

(ix) Other Properties

During the year ended March 31, 2007, the Company sold a 100% interest in three of the Chona claims, which were part of the Witch property, for proceeds of $500, subject to a 2.5% NSR. The purchaser may acquire this royalty from the Company for the sum of $1,000,000 per one-percent of the royalty. This royalty has been recorded at a nominal value of $1.

(b) Yukon Territory and Saskatchewan

The Company has a 5% net profits interest ("NPI") in the 46 mineral claims comprising the Ana Property in the Yukon, and a 2.5% NPI in a mineral lease comprising the Mann Lake Property in Saskatchewan. These net profit interests have been recorded at a nominal value of $1 each. The Company has neither active exploration programs nor does it plan to undertake any new programs on these properties at the present time.

7. SHARE CAPITAL

(a) Authorized share capital

The Company's authorized share capital consists of an unlimited number of common shares without par value.

(b) Issued and outstanding common shares

At June 30, 2009, the Company had 72,739,473 (March 31, 2009 – 72,739,473) common shares issued and outstanding.

In December 2008, the Company arranged a private placement of 5,000,000 units (the "Units") at a price of $0.10 per Unit. Each Unit consisted of one flow-through common share and one non-flow-through warrant. Each warrant is exercisable to purchase one additional common share at a price of $0.10 for a 24 month period. In accordance with the terms of flow-through share agreements, the Company is obligated to spend the proceeds from the flow-through shares on eligible exploration activities by December 31, 2009. Effective December 31, 2008, the Company renounced to the investors the eligible exploration expenses to be incurred with the proceeds from this flow-through share issuance. As of June 30, 2009, approximately $175,000 of the proceeds from this flow-through share issuance remained to be spent.

(Unaudited – Expressed in Canadian Dollars, unless otherwise stated)

(c) Share purchase option compensation plan

The Company has a share purchase option compensation plan approved by the shareholders that allows the Company to grant up to 10% of the issued and outstanding shares of the Company at any one time, typically vesting over up to two years, subject to regulatory terms and approval, to its directors, employees, officers, and consultants. 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 have a maximum term of five years and terminate 90 days following the termination of the optionee's employment, except in the case of retirement or death.

The continuity of share purchase options for the three months ended June 30, 2009 was:

Expiry date	Exercise price	March 31 2009	Granted	Exercised	Expired/ Cancelled	June 30 2009
July 19, 2011	$ 0.70	1,713,600	–	–	(29,936)	1,683,664
April 28, 2012	$ 0.70	–	70,000	–	–	70,000
Total		1,713,600	70,000	–	(29,936)	1,753,664
Weighted average exercise price		$ 0.70	$ 0.70	$ –	$ 0.70	$ 0.70

The continuity of share purchase options for the year ended March 31, 2009 was:

Expiry date	Exercise price	March 31 2008	Granted	Exercised	Expired/ Cancelled	March 31 2009
July 19, 2011	$ 0.70	–	1,828,200	–	(114,600)	1,713,600
Weighted average exercise price		$ –	$ 0.70	$ –	$ 0.70	$ 0.70

As at June 30, 2009, 1,027,384 options were vested (March 31, 2009 – 528,360).

(Unaudited – Expressed in Canadian Dollars, unless otherwise stated)

Using an option pricing model with the assumptions noted below, the estimated fair value of all options granted or vesting during the three months ended June 30, 2009, and which have been reflected in the consolidated statements of operations, is as follows:

	Three months ended June 30	
	2009	2008
Exploration:		
Engineering	$ 2,076	$ –
Environmental, socioeconomic and land	376	–
Geological	6,258	–
Exploration	8,710	–
Operations and administration	24,197	–
Total compensation cost recognized in operations, credited to contributed surplus	$ 32,907	$ –

The assumptions used to estimate the fair value of options vesting during the respective periods were as follows:

	Three month ended June 30	
	2009	2008
Risk-free interest rate	2.43%	–
Expected life	2.4 years	–
Vesting period	9 to 24 months	–
Expected volatility	84%	–
Expected dividend yield	$nil	–
Weighted average fair value	$0.16	–

(d) *Share purchase warrants*

The continuity of share purchase warrants (each warrant redeemable for one common share) for the three months ended June 30, 2009 was:

Expiry date	Exercise Price	March 31 2009	Issued	Exercised	Expired/ Cancelled	June 30 2009
February 9, 2011	$ 0.10	5,000,000	–	–	–	5,000,000
Exercise price		$ 0.10	–	–	–	$ 0.10

The continuity of share purchase warrants (each warrant redeemable for one common share) for the year ended March 31, 2009 was:

(Unaudited – Expressed in Canadian Dollars, unless otherwise stated)

Expiry date	Exercise Price	March 31 2008	Issued	Exercised	Expired/ Cancelled	March 31 2009
January 17, 2009	$ 0.55	5,700,000	–	–	5,700,000	–
February 9, 2011	$ 0.10	–	5,000,000	–	–	5,000,000
Total		5,700,000	5,000,000	–	5,700,000	5,000,000
Weighted average exercise price		$ 0.55	$ 0.10	$ –	$ 0.55	$ 0.10

(e) *Contributed surplus*

The components of contributed surplus were:

	June 30 2009	March 31 2009
Fair value of warrants	$ 982,110	$ 982,110
Cumulative stock-based compensation	1,169,885	1,136,978
Contributed surplus transferred to share capital relating to options exercised	(405,096)	(405,096)
Total	$ 1,746,899	$ 1,713,992

(Unaudited – Expressed in Canadian Dollars, unless otherwise stated)

8. RELATED PARTY BALANCES AND TRANSACTIONS

Balances receivable	June 30 2009	March 31 2009
Hunter Dickinson Services Inc. (a)	$ –	$ 90,140
Farallon Minera Mexicana (b)	41,193	44,675
	$ 41,193	$ 34,815

Balances payable	June 30 2009	March 31 2009
Hunter Dickinson Services Inc. (a)	$ 12,156	$ –

Transactions	Three month ended June 30	
	2009	2008
Services rendered and expenses reimbursed:		
Hunter Dickinson Services Inc. (a)	$ 291,175	$ 865,830

(a) Hunter Dickinson Services Inc. ("HDSI") is a private company owned equally by several public companies, one of which is the Company. HDSI has certain directors in common with the Company and provides geological, corporate development, administrative and management services to, and incurs third party costs on behalf of, the Company and its subsidiaries on a full cost recovery basis.

(b) Farallon Minera Mexicana S.A. de C.V. ("FMM") is a subsidiary of Farallon Resources Ltd., a publicly traded company which has a director in common with the Company. During the year ended March 31, 2009, the Company sold some used equipment to FMM at market value, for US$30,800.

Amarc Resources Ltd.

THREE MONTHS ENDED JUNE 30, 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS

1.1 Date

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited consolidated financial statements of Amarc Resources Ltd. ("Amarc", or the "Company") for the period ended June 30, 2009 and the audited consolidated financial statements for the year ended March 31, 2009, which are publicly available on SEDAR at www.sedar.com.

This MD&A is prepared as of August 24, 2009. All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified.

We are continuing to actively monitor the effects of the current economic and credit conditions on our business and reviewing our discretionary capital spending, projects, and operating costs and implementing appropriate cash management strategies.

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects 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. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, 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.

1.2 Overview

Amarc is actively working to make a major mineral deposit discovery with the potential to deliver both substantial growth and value to the Company. In order to achieve its objective, the Company has assembled a capable and experienced mineral exploration team.

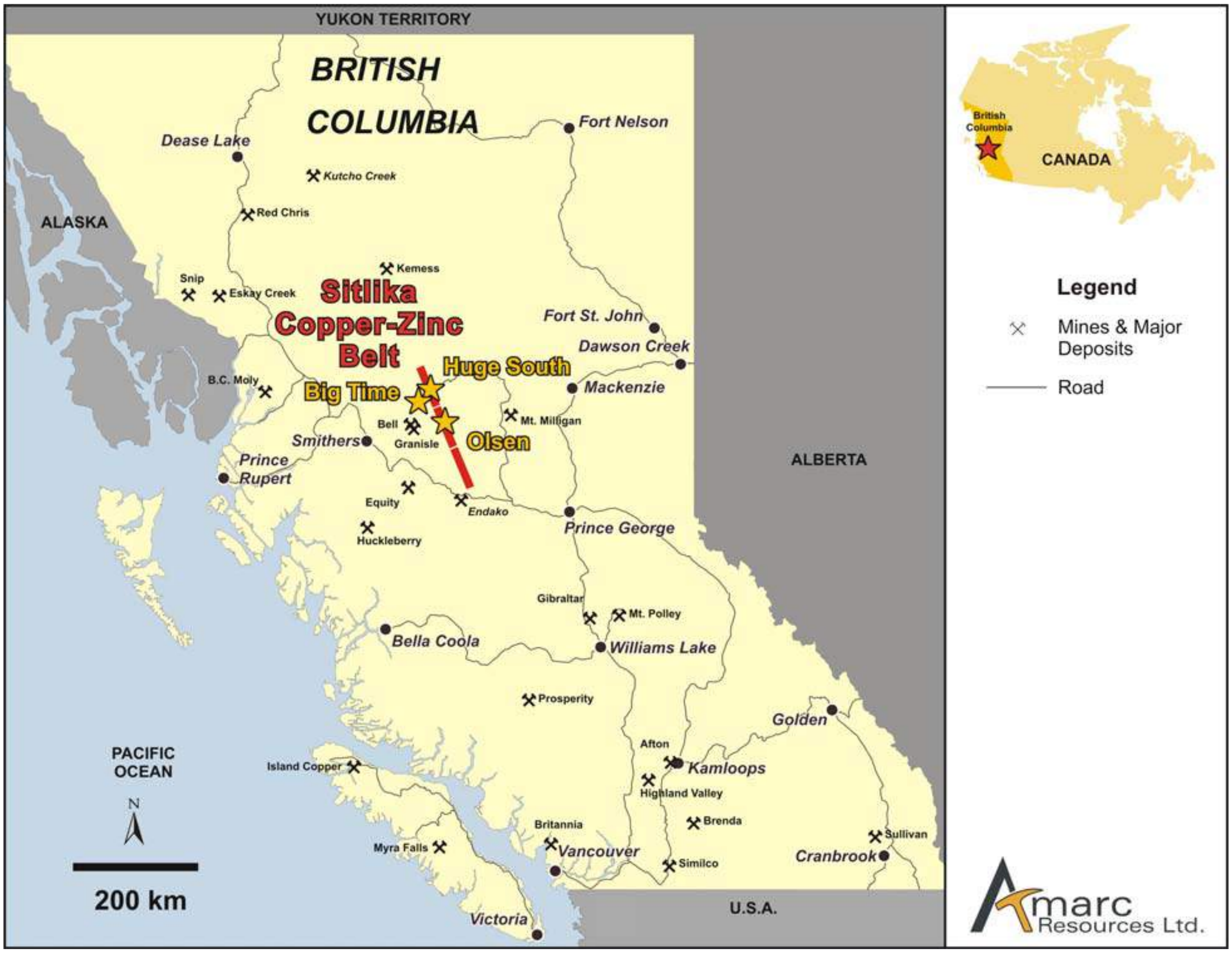
In recent times Amarc has focused its efforts in two areas: grassroots exploration in British Columbia ("BC") and property evaluations from favorable mining jurisdictions around the world.

The Company's BC-focused grassroots stage geological, geochemical and geophysical exploration programs over the past four years have primarily been directed towards discovering bulk tonnage gold-copper deposits and high-value base metals deposits. Positive results from Amarc's extensive 2007 BC regional programs in the underexplored and highly prospective Sitlika Zinc-Copper Belt were the focus of exploration activities in 2008. Selected targets are being advanced by the Company in 2009[1], and others are being offered for joint venture.

[1] Note that the dates in this discussion refer to the calendar rather than the fiscal year.

The Sitlika Copper-Zinc Belt

Located in central BC (see figure below), the Sitlika Belt extends for some 226 kilometers from the Endako – Vanderhoof area towards the northwest through one of the best endowed mineral districts in the province.



In December 2006 Amarc acquired, by staking and option agreement, exploration properties covering an area of approximately 1,100 square kilometers along the Sitlika Belt. Later staking increased the Company's tenure position to approximately 2,000 square kilometers. Following exploration programs that have resulted in targets being defined and prioritized, Amarc has reduced its land holdings to currently focus on approximately 217 square kilometers.

The Sitlika Belt is underlain by gossanous metasedimentary and metavolcanic rocks of the Sitlika assemblage. The area was the subject of a focused geological mapping initiative by the BC Ministry of Energy and Mines (Schiarizza and Payie, 1997), the results of which indicate that the Sitlika rocks have the potential to host volcanogenic massive sulphide ("VMS") deposits. In addition, the Sitlika rocks are considered to correlate with the Kutcho Creek Formation, located 250 kilometers to the north, which host the Kutcho Creek VMS deposits. The Kutcho deposits have reported measured and indicated resources of 10.4 million tonnes grading 2.1% copper, 2.9% zinc, 0.3 g/t gold and 32 g/t silver (Capstone Mining Corp.).

The Sitlika Belt is well-serviced by main-line forestry roads, crossing topography that is subdued in comparison with other areas of BC. It is also located proximal to the Yellowhead Highway and the Canadian National rail link, which connect the Belt to the bulk loading terminal port of Prince Rupert. High capacity electric transmission lines and a natural gas line are also proximal to the Belt. Other services, including hospitals and schools, are located in nearby communities such as Burns Lake.

As a result of positive exploration results from the 2007 and work early in the following season, $4.5 million was spent on the Sitlika Belt programs in 2008. Since 2007, approximately $10.4 million has been spent on the BC initiative, including approximately $7 million on the Sitlika Belt.

During the 2007 field season, the Company collected 1,586 stream sediment samples along the Sitlika Belt, identifying 17 priority areas with multiple zinc and/or copper dominated targets. Follow-up target definition work in 2007 included the collection of 7,517 soil samples, and completion of geological mapping and 75 line-kilometers of induced polarization ("IP") geophysical surveys.

Exploration work in the 2008 field season focused on targets definition in 17 priority areas identified in 2007, and included the collection of approximately 20,000 soils samples, 500 silt and rock geochemical samples, and the completion of 80 line-kilometers of IP, over 1,000 line-kilometers of helicopter-borne AeroTem II magnetic geophysical surveys and approximately 4,600 meters of diamond drilling. Three outstanding copper and/or zinc mineral deposit targets were indentified within the Bodine Project area – the Huge South, Olsen and Big Time plays.

The **Bodine Project** is located in the central part of the Sitlika Belt. Initial reconnaissance by Amarc geologists identified massive to semi-massive sulphide mineralization in outcrop. Channel samples returned encouraging grades of 1.79% and 1.37% copper over 2.9 meters and 2.4 meters, respectively.

The **Huge South** target is located within the Bodine Project area. It is hosted by a thick felsic volcanic pile that extends over at least eight kilometers and represents a classic environment for VMS type mineralization. The Huge South target was initially identified during the 2007 field season from approximately 196 silt geochemical samples and 232 stream bank soil geochemical samples. Target delineation soil geochemical sampling during the 2008 field season defined a strong copper-in-soil anomaly, extending over a length of almost five kilometers. The anomaly remains open to both the northwest and to the southeast. Anomalous gold and zinc concentrations are associated with the copper anomaly. Results from an initial 6 line-kilometers of IP show a northwest trending chargeability high that is broadly coincident with the significant copper-in-soil anomaly.

Further target definition work completed during the 2009 field season includes geological mapping, taking approximately 620 soil samples and running approximately 21 line-kilometers of IP. A review of these results, in combination with those from the 2008 field season, is in progress to define drill targets.

The prospective **Olsen** target was identified through geological mapping, grid soil sampling over an approximately 3-kilometer by 2-kilometer grid and approximately 4 line-kilometers of IP completed in 2008. The soil grid defined a significant zinc-copper anomaly over an area of approximately 1,100 meters long by 200 meters to 600 meters wide, which is spatially associated with mafic and felsic volcanic units that represent preferred stratigraphy for VMS mineralization. Zinc concentrations range from 150 ppm to 2,591 ppm and copper concentrations range from 90 ppm to 2,008 ppm. The IP over the southern 600 meters of the soil anomaly identified areas of strong response coincident with elevated zinc and copper concentrations.

Additional, target definition work completed during the 2009 field season includes 2.2 line-kilometers of IP. A review of these results in combination with those from the 2008 field season is in progress. Drilling is planned to follow in 2009.

The **Big Time** target, although located within the Bodine Project area, represents a variation of the typical Sitlika Belt geological environment and deposit type. At Big Time, the one-kilometer by one-kilometer, open-ended, multi-element anomaly has strong porphyry copper-molybdenum affinity with significant gold and silver concentrations. To test this high priority porphyry copper-molybdenum deposit target, additional definition work, including geological mapping, taking 520 soil samples and running approximately 12 line-kilometers of IP have been completed during the 2009 field season. A review of these results is in progress.

Bodine Property Agreement

In November 2006, Amarc reached an option agreement with an arm's length party to acquire a 100% undivided interest in the Bodine property. Amarc can acquire its interest in the Bodine property by making staged cash payments totaling $225,000 and expending $2,000,000 on the property over four years. The Company has paid $125,000 in property option payments for Bodine to date. The property is subject to a 3% net smelter royalty, 2% of which may be purchased at the Company's sole discretion for $2,000,000 with the remaining 1% subject to a right of first refusal in favor of the Company. Annual advance royalty payments of $50,000 will be required from the fifth year of the agreement to the fifteenth year of the agreement.

Falkirk Property Agreement

In July 2009, subsequent to the quarter end, Amarc reached an agreement with Falkirk Resources Corp. ("Falkirk") to explore the Big Time property. Under the terms of the agreement, Falkirk has the right to earn a 50% interest in the Big Time property by issuing 200,000 shares to Amarc and funding $900,000 in exploration expenditures before December 31, 2009. Amarc will act as the operator. On exercise of the option by Falkirk, the two parties will enter into a joint venture agreement. The agreement is subject to the underlying Bodine Property Agreement.

Pinchi Belt Gold Properties

Amarc currently holds a land position of approximately 10 square kilometers along the Pinchi Belt, located to the east of the Sitlika Copper-Zinc Belt.

The Pinchi properties are underlain by Paleozoic limestone, sedimentary and volcanic rocks that have been intruded by Mesozoic intrusive rocks. This geologic environment is prospective for bulk tonnage gold deposits.

The Company performed airborne and ground-based geophysical surveys and grid-based geochemical surveys during the 2007 field season. Four targets were followed-up in 2007. During the 2008 field season, approximately 1,200 soil geochemical samples were collected from the Grand and Grand North targets. Subsequent to a review of these results and those from the 2007 field season, the Company has decided to retain only the Grand and the Petite claims. Currently, no work is planned on either the Grand or Petite plays in 2009.

The costs incurred on the Pinchi program to date total approximately $474,000.

Carbonate Zinc Belt

The remaining claims relating to the Carbonate Zinc Belt properties were allowed to lapse in July 2009. No further work is planned along the Carbonate Zinc Belt.

The Rapid Property

In April 2008, Amarc staked the **Rapid Property,** which covered approximately 400 square kilometers of anomalous copper-zinc-silver geochemical values in stream sediments reported in a release by Geoscience BC. The land position has since been reduced to approximately 5 square kilometers.

The Rapid property is located 36 kilometers northwest of the town of Fort St. James. Access to the site is by a network of forestry roads.

An airborne magnetic geophysical survey carried out in the early part of the 2008 season was followed up by focused geological mapping, collection of 2,840 geochemical soil samples and completion of approximately 34 line-kilometers of IP. Currently, no further work is planned on these properties in 2009.

The cost of the programs to date is approximately $576,000.

Other BC Agreements

The Pond Property Agreement

The Pond Agreement, which was entered into with an arm's length party, was terminated as of August 1, 2009. No further work is planned on the property.

The Tulox Property Agreement

The **Tulox** property, located in the Cariboo region and comprising an area of 252 square kilometers, was acquired during 2005 to 2007. The Tulox property is underlain by Mesozoic volcanic and sedimentary rocks that have been intruded by Mesozoic intrusive rocks. These rocks have been overlain by Cenozoic volcanic and pyroclastic rocks. The Tulox property hosts gold and gold indicator element anomalies.

In April 2009, Amarc entered into an option agreement with Tulox Resources Inc. ("Tulox", formerly named Sitec Ventures Corp.), on its Tulox Property, subject to certain conditions. Tulox can acquire a 100% interest in the Tulox Property by making a cash payment of $10,000, expending $2,000,000 on the Tulox Property and issuing 2,700,000 common shares over four years. Tulox has made a $10,000 cash payment and issued 250,000 common shares to date. Upon preparation of a Preliminary Assessment or a Prefeasibility Study, Amarc may exercise a one-off Back-In Right to obtain 60% interest in the Tulox Property by completing an additional $10 million of Mineral Exploration Expenditures on the Property. The Tulox Property is subject to a 3% net smelter royalty, which is reduced to 1.2% in the event that the Back-In Right is exercised by Amarc.

Other Property Interests – BC, Yukon, Saskatchewan

The Chona Agreement with an arm's length party, through which the Company retained a 2.5% net smelter royalty in the Chona property, has lapsed. No further work is planned on the Chona property located in BC.

The **AA** Agreement with an arm's length party, through which the Company retained a 1.5% net smelter royalty interest in the AA property, has lapsed. No further work is planned on the AA property located in BC.

Amarc also has a 5% net profits interest ("NPI") in the 46 mineral claims that comprise the **Ana** Property in Yukon, and a 2.5% NPI in a mineral lease over the **Mann Lake** Property in Saskatchewan.

The Company has no plans to undertake any programs on these properties in 2009.

Market Trends

Copper prices had been on an overall upward trend between late 2003 and October 2008, but have decreased significantly since then as a result of uncertainties in global financial markets. In mid-2008, the copper market deficit, caused by strong demand growth and struggling production and a lack of new development projects, reached its peak. The average price in 2008 was US$3.15/lb, compared to an average price of US$3.22/lb in 2007. There was an unprecedented 70% drop in prices over the six months from July to December 2008.

Copper prices stabilized in January 2009, then began to increase. Prices have been in the US$2.00/lb range since early April. The average copper price in 2009 to August 24 is US$1.98/lb.

Zinc prices in 2008 ranged from a high $1.29/lb in March to a low of $0.50/lb in October, and averaged US$0.80/lb for the year. Prices stabilized in January 2009, and have averaged approximately US$0.63/lb to August 24, 2009.

Gold prices were volatile in late 2008, dropping below $800/oz for a two-week period in September, and again from mid-October through November. The average gold price for 2008 was US$871/oz. As global economic and other market conditions are uncertain, market experts have forecast strong gold prices through 2009. Prices in 2009 to August 24 have averaged approximately US$920/oz.

1.3 Selected Annual Information

Not required for interim MD&A.

1.4 Summary of Quarterly Results

Expressed in thousands of Canadian dollars, except per-share amounts. Small differences are due to rounding.

	June 30 2009	Mar 31 2009	Dec 31 2008	Sept 30 2008	June 30 2008	Mar 31 2008	Dec 31 2007	Sept 30 2007
Current assets	$ 3,023	$ 3,373	$ 2,025	$ 4,054	$ 6,697	$ 7,963	$ 5,991	$ 6,901
Other assets	49	54	60	65	90	20	22	22
Total assets	3,072	3,427	2,085	4,119	6,787	7,984	6,013	6,923
Current liabilities	67	34	132	1,040	498	225	40	383
Shareholders' equity	3,005	3,393	1,953	3,079	6,289	7,758	5,973	6,540
Total liabilities & shareholders' equity	3,072	3,427	2,085	4,119	6,787	7,984	6,013	6,923
Working capital	2,956	3,339	1,893	3,014	6,199	7,738	5,951	6,517
Expenses								
Amortization	6	6	6	6	4	1	1	1
Exploration	196	301	1,515	2,974	1,264	489	443	1,667
Tax credits received	–	(1,435)	–	–	–	–	–	–
Legal, accounting and audit	6	31	2	(4)	8	27	21	3
Management and consulting	–	2	17	28	12	–	18	7
Office and administration	41	35	39	50	55	49	37	44
Salaries and benefits	106	(97)	107	123	76	56	78	75
Shareholder communication	18	(78)	44	96	61	20	21	19
Travel and conference	6	9	8	18	18	86	5	4
Trust and filing	1	10	9	5	1	11	7	8
Subtotal	380	(1,217)	1, 747	3,297	1,500	741	631	1,827
Foreign exchange loss (gain)	13	(6)	(177)	(41)	5	(34)	1	83
Gain on disposal of equipment	–		–	(14)	–	–	–	–
Interest income	(4)	(232)	(9)	(32)	(36)	(50)	(64)	(93)
Tax related to flow-through financing	–	16	65	–	–	–	–	–
Subtotal	389	(1,440)	1,626	3,211	1,469	656	568	1,817
Stock-based compensation	33	39	11	194	–	–	–	–
Net loss (gain) for the period	**$ 422**	**$ (1,401)**	**$ 1,637**	**$ 3,405**	**$ 1,469**	**$ 656**	**$ 568**	**$ 1,817**
Basic and diluted net loss (profit) per share	$ 0.01	$ (0.02)	$ 0.02	$ 0.05	$ 0.02	$ 0.01	$ 0.01	$ 0.03
Weighted average number of common shares outstanding (thousands)	72,739	70,684	67,848	67,739	67,739	63,923	63,299	63,204

1.5 Results of Operations

The Company had a net loss of $421,549 for the first quarter of fiscal 2010 compared to net loss of $1,469,169 for the same period in fiscal 2009. The decrease in loss for the quarter was due primarily to decreased exploration expenditures in British Columbia compared to the previous season.

Exploration expenses for the first quarter of fiscal 2010, excluding stock-based compensation, decreased to $196,170, compared to $1,264,466 for the same period in the previous year. This decrease was due to decreased exploration programs being carried out in British Columbia. The major exploration expenditures during the period were assays and analysis (2010 – $20,451; 2009 – $54,024), geological (2010 – $69,917; 2009 – $818,114), property fees and assessments (2010 – $70,608; 2009 – $18,410), and socioeconomic (2010 – $13,298; 2009 – $2,730).

Administrative costs for the current period also decreased in line with the decrease in exploration activities. The major administrative costs during the period were salaries and benefits (2010 – $106,186; 2009 – $76,060), office and administration (2010 – $41,268; 2009 – $54,548), and shareholder communication (2010 – $18,166; 2009 – $61,217).

Stock-based compensation expense of $32,907 was charged to operations during the first quarter of fiscal 2010, compared to $nil for the same period of fiscal 2009.

Interest income decreased to $3,655 for the current period compared to $35,952 for the same period last year, due mainly to lower average interest rates and lower average cash balances on hand during the current period compared to same period of the prior year.

A foreign exchange loss of $12,730 was recorded during the current period, compared with a loss of $4,894 in the same period of the prior year, due to a decline in the value of the Company's US dollar assets, mainly held in cash and equivalents, against the Canadian dollar.

1.6 Liquidity

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company has issued common share capital in each of the past few years, pursuant to private placement financings and the exercise of warrants and options.

At June 30, 2009, the Company had working capital of approximately $3.0 million, compared to working capital of $3.3 million as at March 31, 2009. The decrease in working capital is due to the exploration and administrative expenditure incurred in the first quarter of fiscal 2010. The Company's current working capital is sufficient to fund its known commitments.

The Company will continue to advance its exploration projects, but in light of current market conditions will remain prudent and disciplined in its approach in doing so, by finding the right balance between advancing the projects and preserving its cash.

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

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.

1.7 Capital Resources

The Company has no lines of credit or other sources of financing which have been arranged but are as yet unused.

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 disclosure is provided in note 8 of the accompanying unaudited financial statements as at and for the period ended June 30, 2009.

1.10 Fourth Quarter

Not applicable.

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 note 3 of the accompanying unaudited financial statements as at and for the period ended June 30, 2009.

1.14 Financial Instruments and Other Instruments

The carrying amounts of cash and equivalents, amounts receivable, available-for-sale marketable securities, and accounts payable and accrued liabilities 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;

The required disclosure is presented as a schedule to the unaudited consolidated financial statements for the period ended June 30, 2009.

(b) expensed research and development costs;

Not applicable.

(c) deferred development costs;

Not applicable.

(d) general and administration expenses; and

The required disclosure is presented in the consolidated statements of operations.

(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 at August 24, 2009, the date of this MD&A. These figures may be subject to minor accounting adjustments prior to presentation in future consolidated financial statements.

	Expiry date	Exercise price	Number
Common shares			72,739,473
Warrants	February 9, 2011	$0.10	5,000,000
Options	July 19, 2011	$0.70	1,675,864
Options	April 28, 2012	$0.70	70,000

1.15.3 Internal Controls over Financial Reporting and Disclosure Controls

Internal Controls over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Disclosure Controls and Procedures

The Company has disclosure controls and procedures in place to provide reasonable assurance that any information required to be disclosed by the Company under securities legislation is recorded, processed, summarized and reported within the applicable time periods and to ensure that required information is gathered and communicated to the Company's management so that decisions can be made about timely disclosure of that information.