

**AMARC RESOURCES LTD.  
(the "Company")**

**15th Floor, 1040 West Georgia Street  
Vancouver, British Columbia V6E 4H1  
Telephone No.: (604) 684-6365 Fax No.: (604) 681-2741**

**National Instrument Form 51-102F6V  
STATEMENT OF EXECUTIVE COMPENSATION**

**as at March 31, 2017 (except as otherwise indicated)**

This Statement of Executive Compensation (the "Statement") should be read in conjunction with the Annual Financial Statements of the Amarc Resources Ltd. (the "Company") for the Company's financial year ended March 31, 2017 and with the Information Circular of the Company dated September 15, 2016, both of which are publicly available on SEDAR at [www.sedar.com](http://www.sedar.com).

In this Statement, references to "the Company", "Amarc", "we" and "our" refer to Amarc Resources Ltd. "Common Shares" means common shares without par value in the capital of the Company.

All monetary amounts herein are expressed in Canadian Dollars ("\$") unless otherwise stated.

The Board of Directors of the Company (the "Board") determines the compensation for directors and executives. See *Compensation Discussion and Analysis*, the *NEO Summary Compensation Table* and the *Director Compensation* below, for details of compensation paid to management of the Company during the fiscal year ended March 31, 2017.

## **BOARD OF DIRECTORS**

At March 31, 2017, there were six members of the Board, namely: Robert Dickinson (Chairman of the Board and holder of more than 10% of the Common Shares), Ronald W. Thiessen (Chief Executive Officer), Scott Cousens (provides capital finance and investor communications services), Rene Carrier (audit committee Chairman), Barry Coughlan (member of the audit committee) and Jeffrey Mason (member of the audit committee). On June 30, 2017, the Company announced that it had appointed the President of the Company, Dr. Diane Nicolson to its Board.

## **NAMED EXECUTIVE OFFICER**

In this section "Named Executive Officer" ("NEO") means the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO") and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total compensation was more than \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

Ronald W. Thiessen (CEO), Dr. Diane Nicolson (President), and Luqman Khan (CFO) are the NEOs of the Company for the purposes of the following disclosure.

## **COMPENSATION DISCUSSION AND ANALYSIS**

The Board has not appointed a compensation committee, so the responsibilities relating to executive and director compensation, including: reviewing and recommending director compensation, overseeing the Company's base compensation structure and equity-based compensation program, recommending compensation of the Company's officers and employees, evaluating performance of officers generally and in light of annual goals

and objectives, are performed by the plenary Board. No compensation consultants have been retained by the Company.

Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the Company's share option plan. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long-term shareholder value. As the benefits of such compensation, if any, are not realized by officers until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Company and the shareholders is extremely limited. Furthermore, the short-term component of the executive compensation (base salary) represents a relatively small part of the total compensation. As a result, it is unlikely that an officer would take inappropriate or excessive risks at the expense of the Company or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the small size of the Company and the current level of the Company's activity, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular meetings of the Board during which financial and other information of the Company are reviewed. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

## **REPORT ON EXECUTIVE COMPENSATION**

This report on executive compensation has been authorized by the Board, which assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company's senior management. Ordinarily, the Board determines the type and amount of compensation for the Company's executive officers. In addition, the Board reviews the methodology utilized by the Company for setting salaries of employees throughout the organization.

Dr. Nicolson works on the Company's activities substantially on a full-time basis. The remaining NEOs do not serve the Company solely on a full-time basis, and, consequently, compensation paid to them is allocated based on the estimated amount of time spent on their work for the Company.

### **Philosophy and Objectives**

The compensation program for the Company's senior management is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining talented, qualified and effective executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company has employed a combination of base salary, bonus compensation and equity participation through its share option plan.

### **Base Salary**

In the Board's view, paying base salaries, which are competitive in the markets in which the Company operates, is a first step to attracting and retaining talented, qualified and effective executives. The NEOs are paid a salary in order to ensure that the compensation package offered by the Company is in line with that offered by other companies in our industry, and as an immediate means of rewarding the NEO for efforts expended on behalf of the Company.

The salary to be paid to a particular NEO is determined by gathering competitive salary information paid by comparable companies within the industry from a variety of sources, including surveys conducted by independent consultants and national and international list publications such as the Mercer Mining Industry Salary Survey and the Hays Group Global Mining Compensation Review. Payment of a cash salary fits within the objective of the compensation program since it rewards each NEO for performance of his or her duties and responsibilities. Compensation of the CEO is required to be approved annually by the Board. Base salary and bonus levels are determined taking into account independent market survey data.

Messrs. Cousens, Dickinson and Thiessen are directors of HDSI and do not serve the Company solely on a full-time basis. Dr. Nicolson and Mr. Khan are employees of HDSI. The compensation amounts shown in the compensation tables herein reflect the amounts paid by the Company directly to HDSI in respect of these individuals. Their compensation from the Company for time spent providing services is allocated based on time incurred on the Company's business.

### **Executive Compensation-Related Fees**

The Company obtained salary and bonus information through its affiliation with HDSI, and the receipt of such information was part of the overall services rendered by HDSI to the Company. No compensation was paid directly to HDSI or any compensation consultants in respect of executive compensation studies for the Company's two most recently completed financial years.

### **All Other Fees**

There were no other fees paid to any consultants or advisors relating to executive compensation.

### **Bonus Compensation**

The Board considers performance, shareholder benefits achieved, competitive factors and other matters in awarding bonuses, including if sufficient cash resources are available for the granting of bonuses.

### **Risk & Hedging Policy**

The Company considered the implications of the risks associated with the Company's compensation policies and practices and concluded that, given the nature of the Company's business and the role of the Board in overseeing the Company's executive compensation practices, the compensation policies and practices do not serve to encourage any NEO or individual at a principal business unit or division to take inappropriate or excessive risks, and no risks were identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

The Company has adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors has purchased such financial instruments.

### **Equity Participation – Option-Based Awards**

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's share option plan. Share options are granted to senior executives taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. Options are generally granted to senior executives, which vest on terms established by the Board.

The only equity compensation plan which the Company has in place is the share option plan dated for reference September 15, 2010, as amended July 19, 2011 and November 25, 2011 (the "Plan"). The Plan was last

approved by shareholders on September 15, 2016 and was established to provide incentive to qualified parties to increase their proprietary interest in the Company thereby encouraging their continuing association with the Company. The Plan is administered by the Board and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company. The Plan also provides that the number of Common Shares issuable under the Plan, together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of issued and outstanding Common Shares. All options expire on a date not later than 10 years after the date of grant of such option. As at March 31, 2017 and September 27, 2017, there were no options outstanding.

### **Compensation Governance**

Given the evolving nature of the Company's business, the Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

At least annually, the Board reviews the grants of share options to directors, management, employees and consultants.

The Black-Scholes method is used to value stock options. The share price on the date of grant is used to value share units. Stock options provide employees with the opportunity to participate in the growth of the Company's share price.

### **Compensation of the CEO**

The compensation of the CEO is required to be approved by the Board. Base salary and bonus levels are determined taking into account independent market survey data.

The Board reviews any grants of share options to the CEO and any other member of the executive or senior management team annually.

As noted above under the heading "Bonus Compensation", incentives that may be paid to the CEO and any other member of the executive or senior management team are determined in respect of the performance of the individuals and management.

### **Actions, Decisions or Policies Made After March 31, 2017**

Given the evolving nature of the Company's business, the Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

## SUMMARY COMPENSATION TABLE

Compensation paid to the NEOs during the Company's three most recently completed financial years ended March 31, 2017, 2016 and 2015 is set out below and expressed in Canadian dollars unless otherwise noted:

Name and principal position	Fiscal Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans (\$)	Long-term incentive plans (\$)			
Ronald Thiessen <sup>(1)</sup>	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	49,905	Nil	Nil	Nil	Nil	Nil	Nil	49,905
	2015	66,530	Nil	Nil	Nil	Nil	Nil	Nil	66,530
Diane Nicolson <sup>(1)</sup>	2017	156,000	Nil	Nil	Nil	Nil	Nil	Nil	156,000
	2016	179,809	Nil	Nil	Nil	Nil	Nil	Nil	179,809
	2015	192,333	Nil	Nil	Nil	Nil	Nil	Nil	192,333
Luqman Khan <sup>(1)(2)</sup>	2017	23,000	Nil	Nil	Nil	Nil	Nil	Nil	23,000
	2016	N/A	Nil	Nil	Nil	Nil	Nil	Nil	N/A
	2015	N/A	Nil	Nil	Nil	Nil	Nil	Nil	N/A
Paul Mann <sup>(1)(2)</sup>	2017	N/A	Nil	Nil	Nil	Nil	Nil	Nil	N/A
	2016	26,362	Nil	Nil	Nil	Nil	Nil	Nil	26,362
	2015	45,858	Nil	Nil	Nil	Nil	Nil	Nil	45,858

Notes:

- (1) Pursuant to the Corporate Services Agreement with HDSI, compensation for Messrs. Thiessen and Khan and Dr. Nicolson, was allocated to the Company on the basis of time spent in respect of the Company's business.
- (2) Mr. Mann ceased to be the CFO on April 8, 2016 and Luqman Khan was appointed as CFO on the same date.

## INCENTIVE PLAN AWARDS

There were no outstanding share-based or option-based awards outstanding at March 31, 2017 and there were no incentive plan awards vested or earned during the year ended March 31, 2017.

## PENSION PLAN BENEFITS

The Company has no pension or deferred compensation plans for its directors, officers or employees.

## TERMINATION AND CHANGE OF CONTROL BENEFITS

Except as described herein, there is no written employment contract between the Company and any NEO. Dr. Nicolson and Mr. Khan are employed by HDSI and are seconded to the Company.

There are no compensatory plan(s) or arrangement(s), with respect to the NEOs resulting from the resignation, retirement or any other termination of employment of the officer's employment or from a change of the NEO's responsibilities following a change in control.

**DIRECTOR COMPENSATION**

There was no compensation paid to the directors, excluding a director who is also a NEO as set out in disclosure above, for the Company's most recently completed financial year ended March 31, 2017.

**Incentive Plan Awards**

There were no outstanding share-based or option-based awards outstanding at March 31, 2017 and there were no incentive plan awards vested or earned during the year ended March 31, 2017.

**DATED** at Vancouver, British Columbia, September 27, 2017.

**BY ORDER OF THE BOARD OF DIRECTORS**

*"Ronald W. Thiessen"*

**Ronald W. Thiessen**  
**Chief Executive Officer**