



October 22, 2018

Dear Fellow Shareholder:

On behalf of Amarc's Board of Directors, and in anticipation of the upcoming Annual General Meeting ("AGM"), I am pleased to provide an update on our recent activities. Additional information can be found within the Company's year-end financial statements, which are available at www.sedar.com or www.amarcresources.com. Also find enclosed proxy materials containing information pertinent to the business to be addressed at the AGM, along with a description of the Company, its Directors and related matters. Should you have questions concerning the proxy materials, please contact me at 1-800-667-2114 or by email at info@hdimining.com.

At Amarc, we are focused on the discovery and development of a new generation of copper mines in British Columbia ("BC"). We have combined strong projects, financing, timely permitting and successful management to create a solid platform to reach that goal. Each of Amarc's projects is a district play with a number of high-quality exploration targets clustered in a region, often focused on an outstanding deposit discovery, so increasing the potential to host significant new bulk tonnage copper mines.

BC is ranked as one of the top jurisdictions in the world for mining investment, based on an assessment of Investment Risk by the Mining Journal in 2018. BC's status as an excellent jurisdiction in which to invest resource capital in the quest for new mines is reflected by significant investments by senior miners over the past several years, including Thompson Creek Minerals' ("TCM") purchase of the Mt Milligan Mine in late 2016, Centerra Gold's subsequent purchase of TCM as well as AuRico Metals with its Kemess Underground development project and Kemess East advanced exploration play in 2017, and Coeur Mining's purchase of the Silvertip Mine in 2017. In addition, several of the world's main copper producers are actively exploring the province's copper belts.

Base metal prices have improved over the past two years on the back of a period of sustained global growth, and although there has been some downward pressure in reaction to increasing interest rates and trade protectionism in 2018, experts predict that the demand for base metals will increase over the longer term. According to a recent report by the International Copper Study Group, infrastructure development in major countries such as China and India and the global trend towards cleaner energy will continue to support growth in copper demand. And, as copper is essential to both new economic activity and technological development, this growth in copper demand is expected to be sustainable over the long term.

Utilizing our in-house experience and expertise, and our association with Hunter Dickinson Inc. ("HDI") with its proven global success in the discovery and development of porphyry copper deposits, we identified and assembled our strong portfolio of high-quality projects. Amarc's 100% owned IKE, JOY and DUKE copper districts in BC represent opportunities for discovery and development of significant new porphyry copper deposits – the kind of deposits that provide sizeable mines to meet the longer term copper demand. Each of the IKE, JOY and DUKE copper districts is proximal to industrial infrastructure, power, rail and highways - key elements for their development. As such, Amarc is well-positioned to both discover and develop the new deposits that will meet the growing need for copper.

Over HDI's 30-year history it has discovered and developed 12 projects globally that have been or are currently being mined, and two others that are fully permitted for mine construction - with more to come. This successful track record began in BC with previous projects including some of the province's most important copper mine



projects such as Mount Milligan, Kemess South, Kemess North, Gibraltar and New Prosperity. The team is characterized by its commitment and drive: both Bob Dickinson, Executive Chairman of Amarc's Board and co-founder of HDI and Mark Rebagliati, Chief Geologist of Amarc, are inductees of the Canadian Mining Hall of Fame as a recognition of their success in discovering and developing porphyry copper deposits.

Amarc's 2018 field season began in early spring with a successful, self-funded drill program at DUKE, which is located proximal to the former porphyry copper mines at Bell and Granisle operated by Noranda. Results from Amarc's initial core drilling programs at DUKE clearly indicate the presence of an important new BC porphyry copper-molybdenum-silver-gold deposit, with copper equivalent grades comparable to those currently being mined and processed at operating mines in BC. Notably the discovery zone lies within an extensive geophysical induced polarization anomaly and a single wildcat hole drilled this year, one km north of all other Amarc holes at DUKE, to test potential extensions to the mineralized system intersected substantial lengths of moderate to low grade copper and molybdenum mineralization, indicating the very extensive nature of the DUKE porphyry copper system. In addition, we have also staked the surrounding 288 km² porphyry copper district, which is host to multiple additional porphyry copper exploration targets.

At IKE and JOY, we have partnered with Hudbay Minerals Inc. ("Hudbay"), a first-class mine builder and operator, with operations in the Americas. These partnerships provide for significant expenditures, allowing for the efficient advancement of each project from exploration to development. Hudbay has funded comprehensive exploration programs at IKE and JOY during the 2017 and 2018 summer field seasons.

The IKE porphyry copper discovery, located proximal to the historical mining community of Gold Bridge, has the geological earmarks of important copper-molybdenum-silver producers like Morenci and Sierrita in Arizona, and Valley in BC. Geophysical surveys, talus geochemical sampling and earlier drilling of 21 core holes, within only a portion of the IKE system, have delineated an extensive copper-molybdenum-silver mineralized system. The \$1.6 million 2018 drill program was designed to further assess the copper-molybdenum-silver grade distribution of the IKE deposit discovery. Five core holes targeted the giant IKE porphyry mineralized system, which extends 3½ km east-west and 2 km north-south.

Amarc considers the extensive JOY project claim holdings to be significantly underexplored and to host potential for the discovery of important scale, porphyry gold-copper deposits. The tenure covers the northern extension to the prolific Kemess porphyry gold-copper district, host to the former Kemess South Mine and the government-approved Kemess Underground project recently purchased by Centerra Gold for \$310 million. Data from the \$2 million 2018 program of surface and airborne surveys at JOY is still being received and integrated with Amarc's previous and historical data. A number of compelling gold-copper deposit targets are emerging for drill testing. In fact, Hudbay recently provided an additional \$500,000 of funding to commence testing one of several newly identified sulphide systems for the presence of a major gold-copper deposit. Drill testing of the other compelling deposit targets is planned for next season.

Watch for new results on IKE and JOY once data from the recently completed drilling and other surveys has been received and compiled.

All of Amarc's work programs are carefully planned to achieve high levels of environmental and social performance. We believe that this commitment to high performance in all areas of our work assists us to acquire high quality projects and make exciting discoveries, as well as systematically advancing their development.

We are committed to working shoulder to shoulder with stakeholders to achieve responsible development of Amarc's projects and to contribute to the sustainable development of the communities in which we work. Amarc



management and project teams work to engage meaningfully with First Nations, governments and stakeholders, incorporating feedback into our plans, resulting in the responsible development of our projects. We also work to establish comprehensive partnership discussions and progressive agreements with local First Nations. These efforts include the provision of jobs, training programs, contract opportunities and capacity funding.

The upcoming Annual General Meeting provides us an occasion to discuss the work the Company has completed over the past year as well as the details of our plans moving forward. It is also an opportunity for me to thank each of you personally for your support over the past year.

The meeting will be held on November 22, 2018 at 2:00 PM (Pacific Time) at the Company's head office on the 15th floor - 1040 West Georgia St., Vancouver, BC, Canada.

I look forward to speaking with you then. If you are unable to attend, please ensure that you complete and return your proxy.

Yours truly,

Diane Nicolson

Dr. Diane Nicolson
President

