



**CANARC**  
**RESOURCE CORP.**

***New Polaris Gold Mine***

# CAUTION – Forward Looking Statements

Certain statements contained herein regarding the Company and its operations constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995. All statements that are not historical facts, including without limitation statements regarding future estimates, plans, objectives, assumptions or expectations of future performance, are “forward-looking statements”. We caution you that such “forward looking statements” involve known and unknown risks and uncertainties that could cause actual results and future events to differ materially from those anticipated in such statements. Such risks and uncertainties include fluctuations in precious metal prices, unpredictable results of exploration activities, uncertainties inherent in the estimation of mineral reserves and resources, fluctuations in the costs of goods and services, problems associated with exploration and mining operations, changes in legal, social or political conditions in the jurisdictions where the Company operates, lack of appropriate funding and other risk factors, as discussed in the Company’s filings with Canadian and American Securities regulatory agencies. Resource and production goals and forecasts may be based on data insufficient to support them. James Moors, P.Geo. is the Qualified Persons for the Company as required by NI 43-101. The Company expressly disclaims any obligation to update any forward-looking statements. We seek Safe Harbour.

# Canarc Overview

-  **Canarc Resource Corp.:** A growth-oriented gold exploration company focused on acquiring, exploring, developing and mining gold deposits in North America
-  **Main Asset:** The 1.15 million oz New Polaris gold mine project in north-western British Columbia, Canada
-  **Goal:** To secure a financial or operating partner to advance the New Polaris gold mine project through mine development, infill drilling, environmental studies, bankable feasibility and government permitting over the next two years

# New Polaris Overview

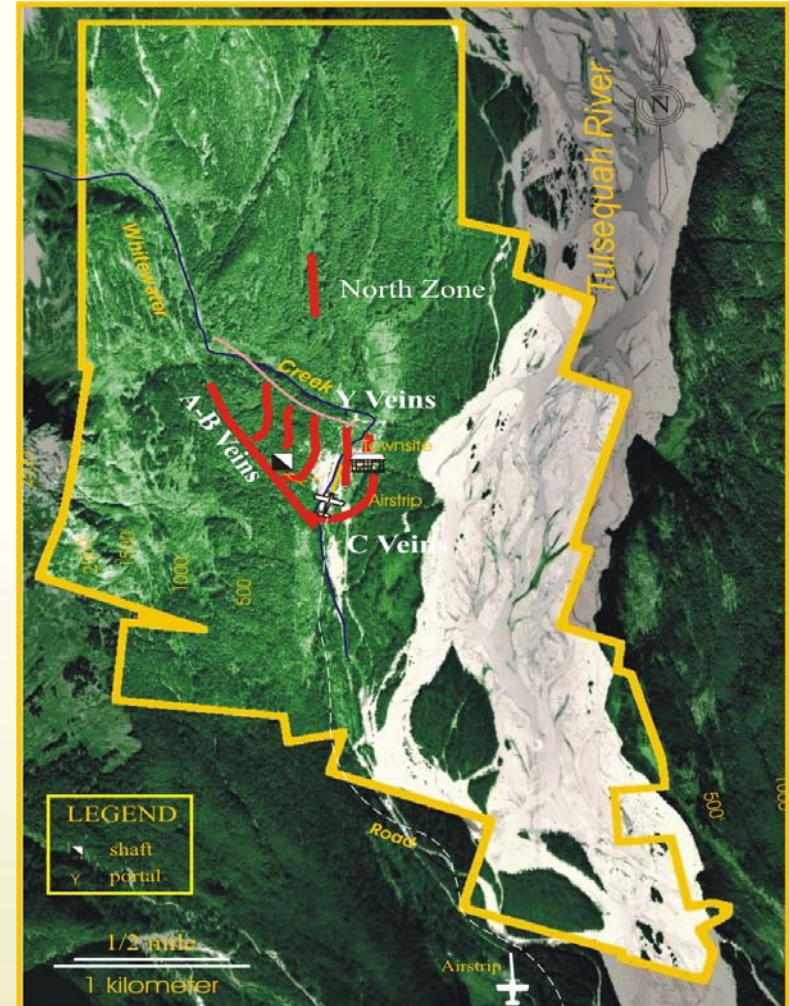
-  **100% owned** : Subject to a 15% NPI royalty, which can be reduced to 10% for 100,000 Canarc shares
-  **NI 43-101 Resource:** 1.15 million oz gold grading 12.3 gpt fully diluted at a 6 gpt cutoff grade, open for expansion
-  **Geological Potential:** Over 3 million oz gold potential to +1500 meter depths, mineralization is remarkably similar to portions of the Red Lake Camp in Ontario (+30 million oz)
-  **Robust Economics:** 70,000 oz per year over minimum 8 year mine-life generates Cdn\$468 million cash-flow at US\$1200 gold, after-tax NPV(5%) = Cdn\$228 million, IRR = 48%

# Advanced Gold Project Ready For Development







**Western Canada's Next High Grade Gold Mine?**

# Location and Access



New Polaris is located in north-western B.C., 60 km from Juneau, Alaska

# New Polaris Highlights

-  Located in north-western B.C., 100 km south of Atlin and 60 Km north-east of Juneau, AK, at +40 ft asl
-  Consists of 61 crown grants and 1 claim totaling 1200 hectares, a 240 m deep internal shaft, 3 adits and 18 km underground workings
-  Current access by small aircraft for personnel and supplies; heavy equipment, bulk supplies and gold concentrates can be barged on the Taku River; construction of new road to Atlin commences in 2012
-  Over \$29 million invested since 1990, existing infrastructure includes 35 man winterized camp, surface and underground equipment, 500 m airstrip

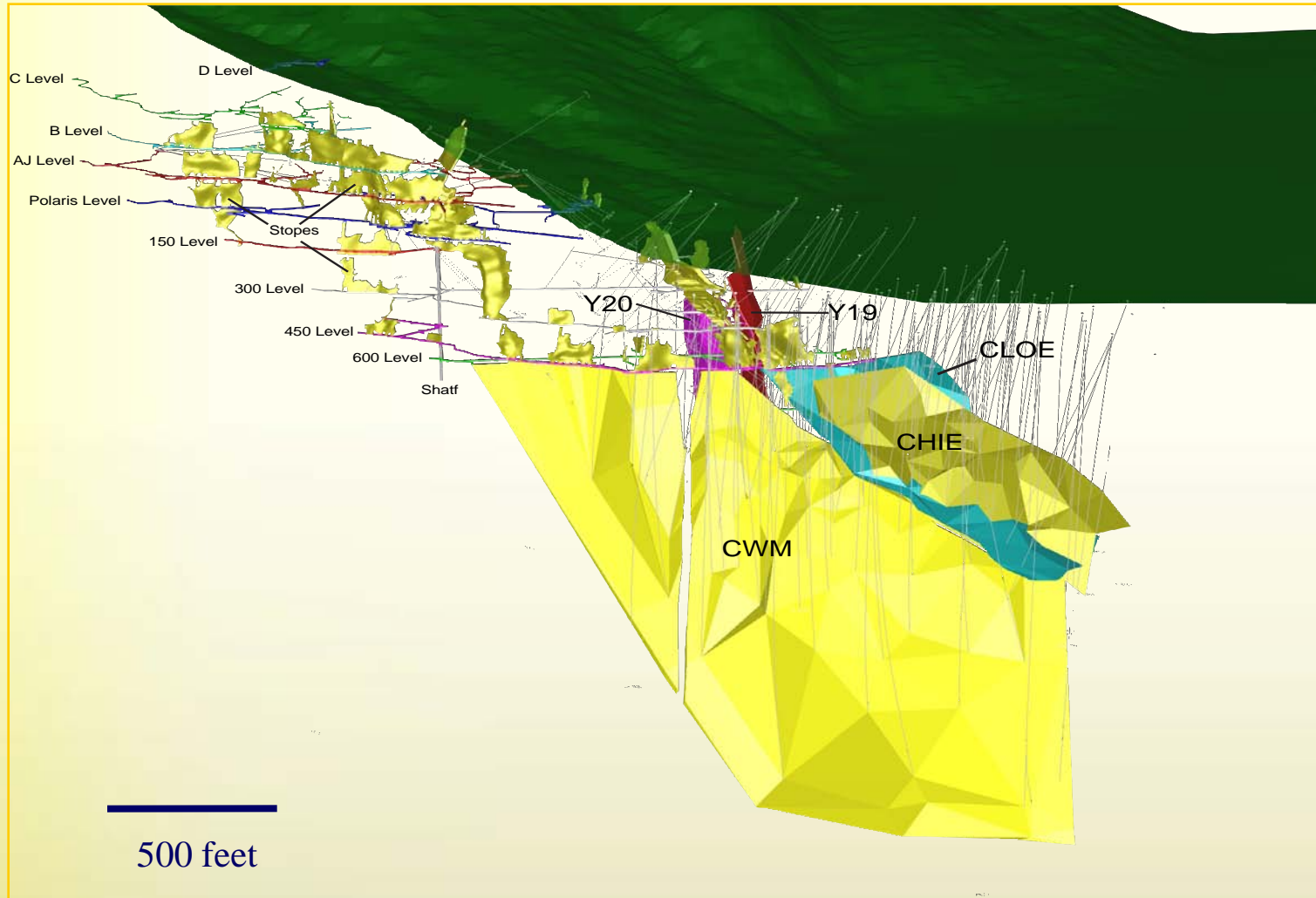
# New Polaris Overview

-  **Extensive Database:** Extensive old mine data and maps; 1,056 drill holes and 31,514 samples
-  **Neighbouring Property:** Chieftan Minerals plans to commence construction of their fully permitted 2000 tpd underground poly-metallic Tulsequah Chief mine in 2012
-  **Neighbouring Infrastructure:** 4500 foot airstrip, road to barge landing, right to build 165 km road to Atlin, BC

# Production and Resources

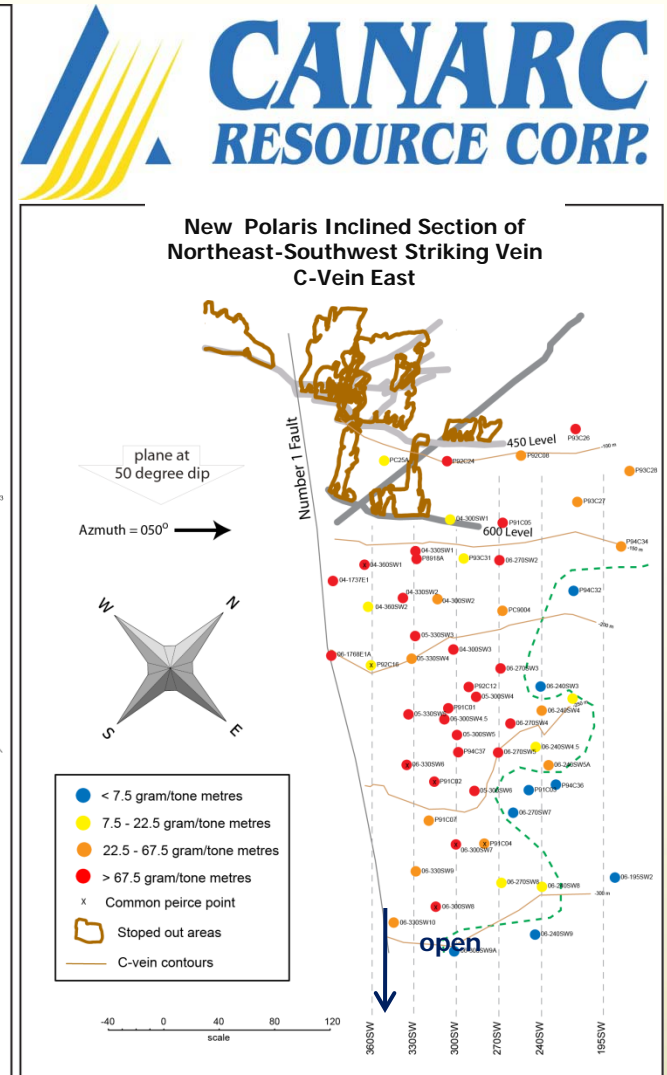
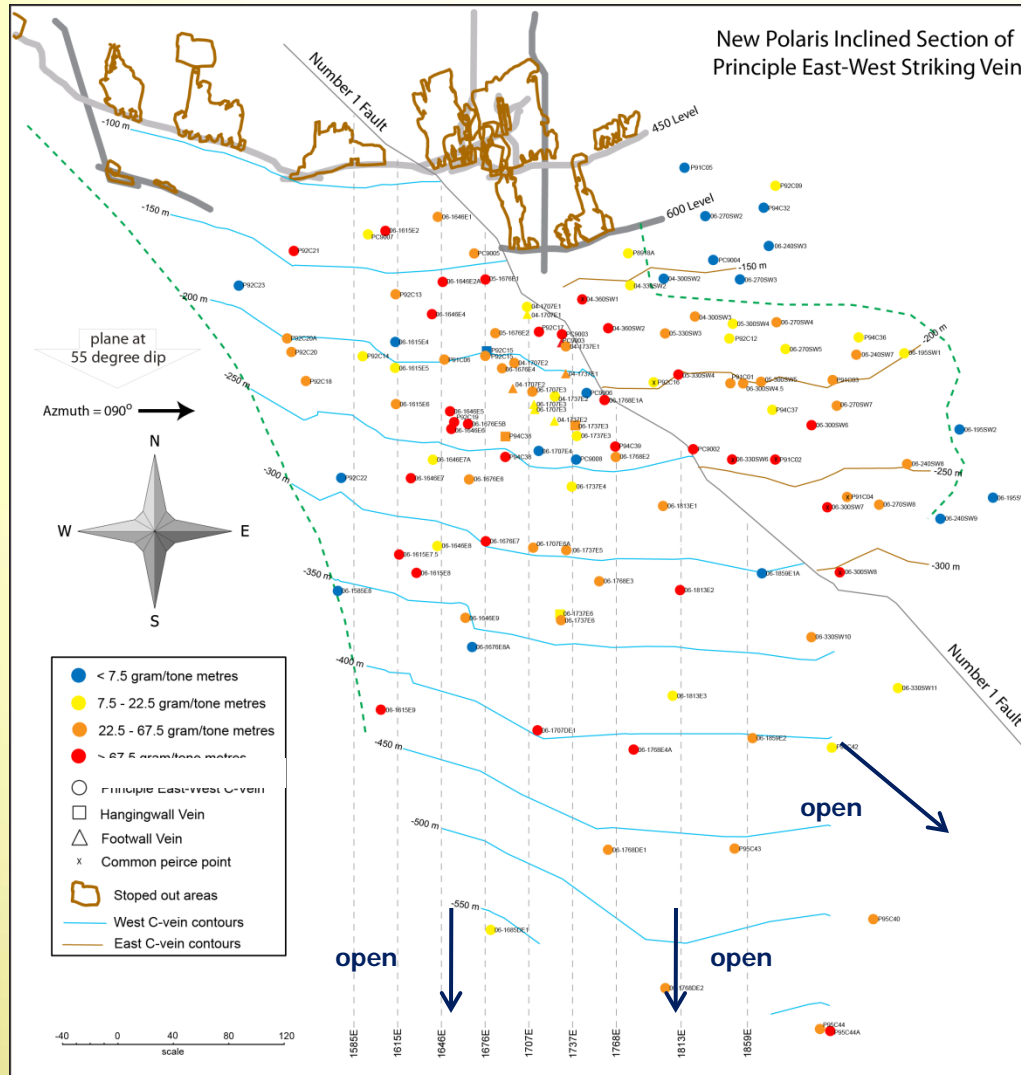
-  **PAST PRODUCTION:** *1938-1942, 1946-1951*  
**231,000 oz gold** at recovered grade of 0.30 opt (10.3 gpt )
-  **NI 43-101 RESOURCE:** *2007*  
**519,000 oz gold** measured and indicated in 1,288,000 tonnes grading 12.5 gpt  
**636,000 oz gold** inferred in 1,628,000 tonnes grading 12.2 gpt
-  **GEOLOGICAL POTENTIAL:**  
**Over 3 million oz gold potential** if mineralization continues to +5000 foot depths, similar to the Red Lake Camp in Ontario (25 million oz)
-  **PROPOSED MINE:**  
**70,000 oz per year payable gold**, over a minimum 8 year mine-life

# 3D Model



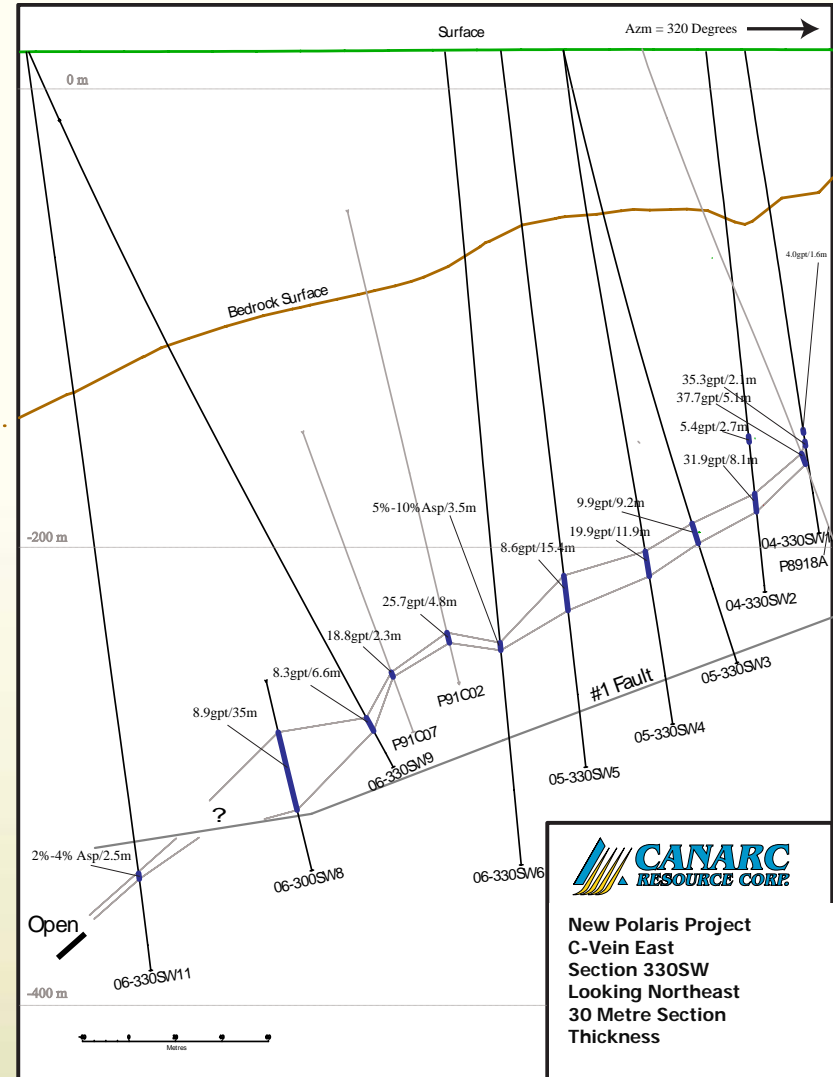
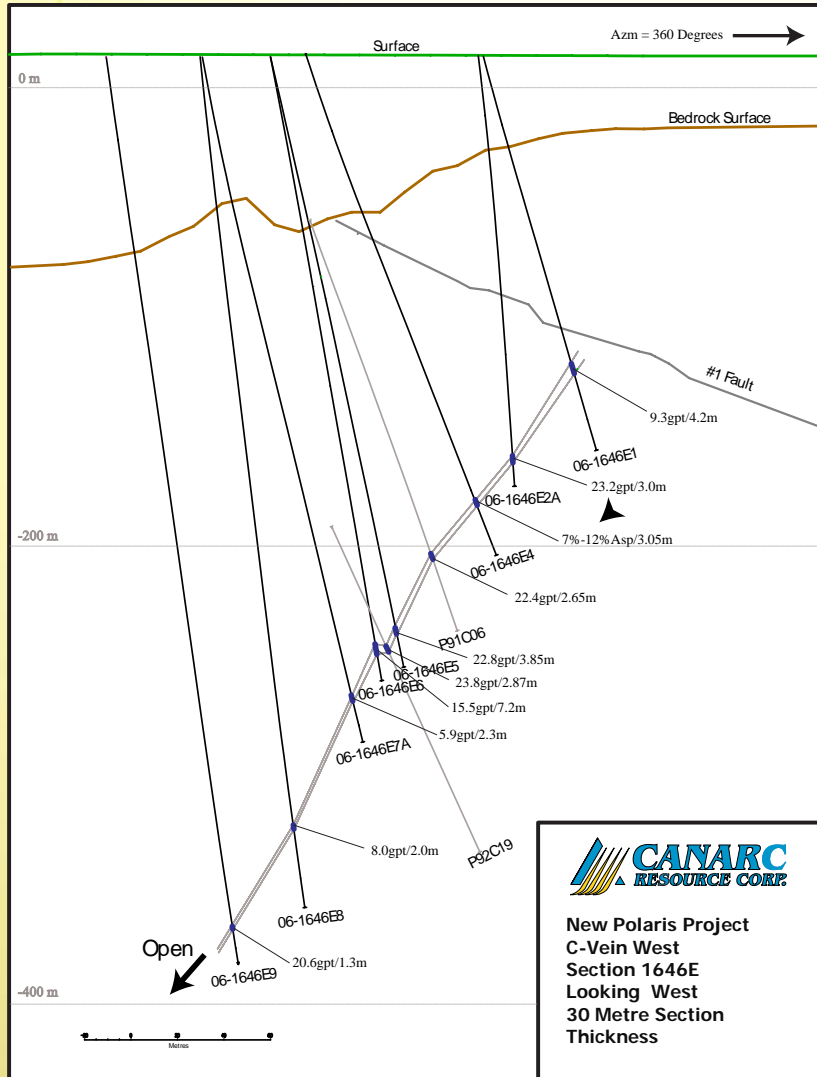
**Over 220 drill holes in C veins down dip of previously mined deposit**

# C Vein Long Sections






**C vein mineralization plunges to south-east, wide open to depth**

# C Vein Cross-Section

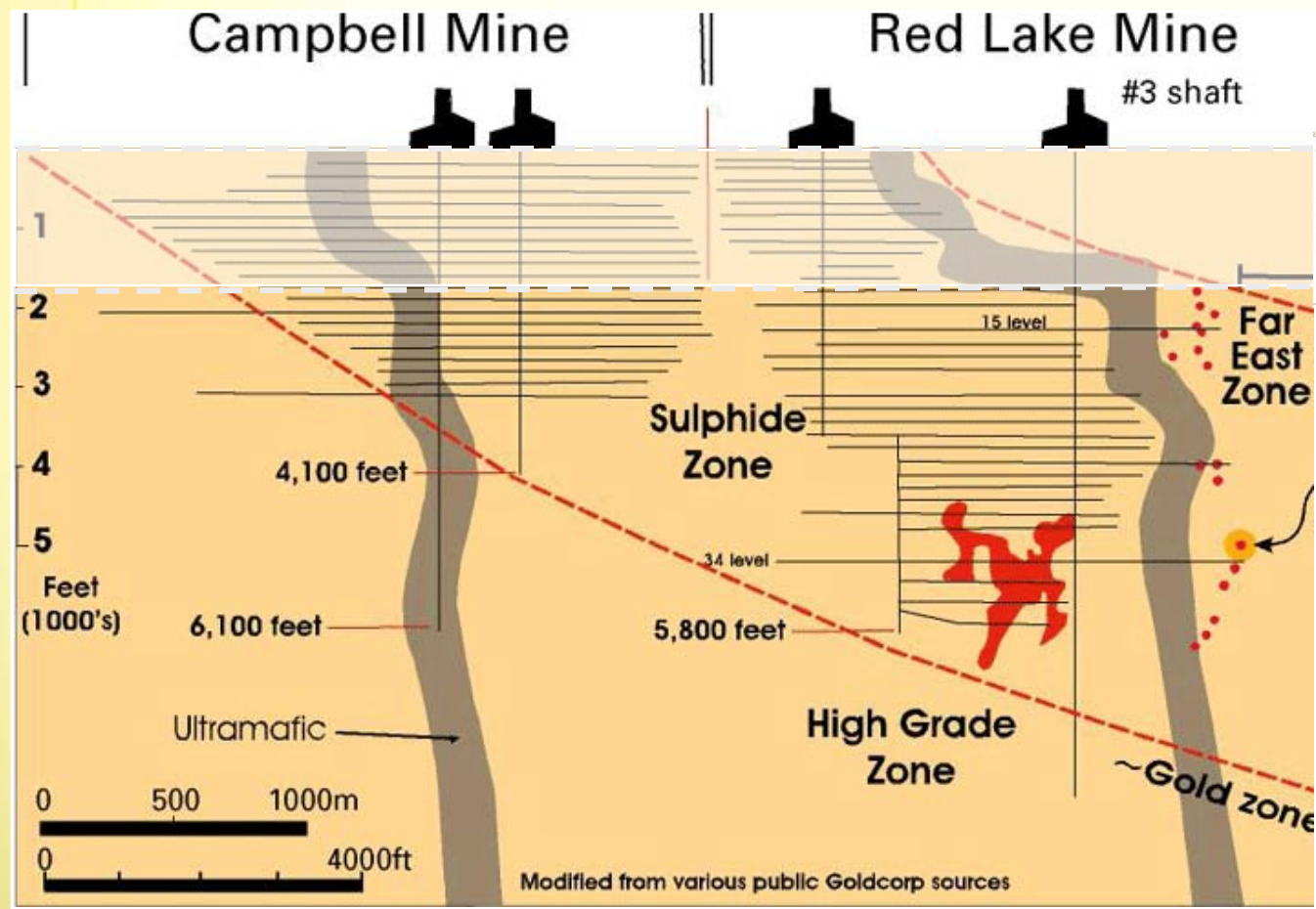


**Consistently high grades over mineable widths, open to depth**

# Resource Expansion Opportunities

-  **C Vein Potential:** Current resource defined to 400 m depth, Deep drill intercepts to 700 m not in the resource, wide open at depth
-  **Y Vein Potential:** Limited part of current resource, numerous high grade drill intercepts, needs additional drilling to define geometry and expand resource
-  **A-B Vein Potential:** Some ore still remaining in old mine workings, not in the resource

# Scale Comparison



**New Polaris  
Limit of Mining**

**Area of  
Long Section**


**New Polaris  
Limit of Drilling**

**Orogenic (mesothermal) vein deposits like Red Lake and New Polaris typically extend to great depths**

# New Polaris Development Plan

- 70,000 oz per year high grade underground gold mine
- 3 year development/permitting schedule to production
- Cdn\$25 million feasibility program to drive new decline, develop 2-3 years reserves, complete infill drilling, final metallurgy, mine planning, environmental studies, permitting process and feasibility study
- Cdn\$70 million capital cost to build 600 tpd flotation plant, camp and related surface infrastructure
- US\$481 per oz cash operating cost excluding offsite costs

# Experienced Management Team

-  **Bradford Cooke, M.Sc., P.Geo. – Chairman and CEO**
-  **Garry Biles. P.Eng., – President, and COO**
-  **Philip Yee, C.A., – Vice President Finance, and CFO**
-  **James Moors, B.Sc., P.Geo. – Vice President, Exploration**
-  **Gregg Wilson, M.SCI.–Vice President, Investor Relations**
-  **Bruce Bried, P.Eng., – Director**
-  **Leonard Harris, B.Sc., P.Eng. – Director**
-  **Derek Bullock, B.Sc., P.Eng. – Director**
-  **William Price, - Director**

**Management and Directors have over 200 years experience in the mining industry**

# Conclusions

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- **New Polaris gold mine project now ready for development, permitting and feasibility**
- **Three year time-frame to production of 70,000 oz per year, high grade, underground gold mine**
- **Low capital and operating costs result in robust economics with excellent leverage to gold prices**
- **Canarc is now seeking a financial or operating partner for New Polaris**