



Pacific International
Securities Inc.

Mining
Research

New Polaris-Taku

886087
104K/12E 104K003 March 2003

*TGS -> Polaris
Taku*

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Gold Forecast 2003

US\$350 to US\$370 per ounce

Featured Companies:

Canarc Resource Corp. (T-CCM)

Excerpt from:

A Review of Gold Reserves and Resources of Non-Producing Companies

Leverage to Gold - A Step Down the Food Chain

- The gold price has been in an upward, albeit volatile trend, over the past 24 months. Improving supply/demand fundamentals, critical macro economic conditions and tenuous geopolitical stability have all combined to support the up trending gold price.
- Our current forecast is for bullion prices to average between US\$350 to US\$370 per ounce in 2003. We also believe conditions exist that could move bullion to levels above US\$400 per ounce within the next 24 months. On the downside we believe good support exists in the US\$310 to US\$325 per ounce range.
- The S&P/TSX Canadian Gold Index, a measure of the performance of the large cap gold producers, after solidly outperforming throughout 2001 and H2, 2002 has trended sideways (bias negative) over the last 9 months.
- In a maturing gold market investors typically began to diversify from more liquid, larger cap gold companies, into smaller cap companies that offer better leverage to the up trending bullion price or simply better growth potential.
- We have expanded the leverage principal and have reviewed small cap companies that hold gold assets that are not in production (the "Non-Producers"). The idea is that there is greater leverage with companies that have assets that are un-economic, or still developing, because the viability of the operation increases as the price of bullion rises or the company's resource ounces grow.

Pricing as of March 14, 2003

The reader is referred to our Disclosure Fact Sheet at the end of the report.



Canarc Resource Corp. (T-CCM)

Recommendation: BUY; Target: \$0.80

Risk: SPECULATIVE

Business:	Gold Expl. in Canada & Suriname
Price:	\$0.50
Target:	\$0.80
Average Daily Volume:	37,500
Shares Outstanding:	46.86 million
Shares Outstanding (FD):	55.64 million
Market Capitalization (FD):	\$27.82 million
Market Float:	44.00 million
Quoted Market Value:	\$22.00 million
Cash:	\$1.00 million
President, CEO:	Brad Cooke
Insiders:	4.0%

Gold Resource Summary

	All Projects	43-101
Gold equiv Reserves P & P (MM)		
Gold equiv Resources M & I (MM)	0.10	YES
Gold equiv Resources Inferred (MM)	1.30	NO
Total Gold equiv oz (MM)	1.40	NO
EV/Total Gold equiv oz (EV/oz)	\$20.58	
Peer group average (EV/oz)	\$24.50	
Other		

(All figures in C\$ unless otherwise noted)

Company Description

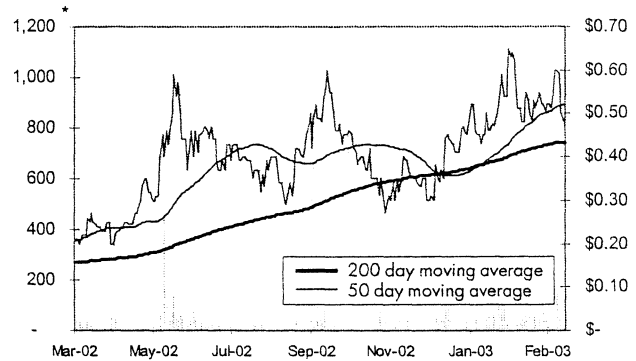
Canarc is a Western based mineral exploration company. Its key gold assets include the **New Polaris** deposit in BC, Canada, the **Benzdorp** gold project in Suriname and the **Bellavista** deposit located in Costa Rica (18% NPI after capital payback).

Highlights

The Polaris Taku mine closed in 1951 after producing some 230,000 ounces of gold. Canarc acquired the project in 1992 and subsequently conducted 41,000 m of drilling in 182 holes. The current resource totals 1.3 million ounces at a grade of 12.9 g/t gold (calculated in 1998, the estimate is not 43-101 compliant). Even though the location is remote, the geology is very permissive for finding additional ounces. It should be noted that its neighbour across the Tulsequah River, Redfern Resources, recently received its mine development permits a feat that could improve the overall potential of the area.

Canarc is now revising the geologic model for Polaris Taku and expects to generate a 43-101 compliant resource estimate in the near future. One glitch with the deposit is that the ounces are refractory. Metallurgical samples have recently been extracted with the idea of investigating both direct shipping of Au-As concentrates and bio-leaching using

* Enterprise Value (EV) = Fully diluted market capitalization plus cash minus debt.



*Volume in thousands

12 MONTH MOVING AVERAGE TREND: **UP** NEUTRAL DOWN

BacTech Environmental's process. On the positive side, the grade is excellent, so the costs of more involved types of processing could be absorbed.

Another reason we like the Company is the exploration potential of its project in Suriname called the **Benzdorp** (100%). Initial deep auger and pit sampling over the JQA prospect outlined an area 750 m by 250 m which graded about 1.0 g/t gold. Recent trenching expanded the JQA zone to 500 m by 1,500 m. Four of five trenches had both ends ending in mineralization. The best was TR97-02 which obtained 142 m grading 0.91 g/t gold. Benzdorp appears to be porphyry gold system similar to that mined at Cambior's Omai Mine in Guyana. Further work will concentrate on extending mineralization to the north and south. Drilling should begin in April with results in May/June.

Canarc will also benefit from its participation (18% NPI after capital payback) in the Bellavista Deposit in Costa Rica. Glencairn is in the final stages of assembling the finances for development and hopes to be producing gold next year.

Recommendation/Valuation

Canarc's enterprise value* per total gold equivalent resource ounce (EV/oz) at the New Polaris / Bellavista is \$20.58. While the Company may be fairly valued based on New Polaris and Bellavista interests we believe additional value exists with the blue sky potential at Benzdorp.

We are initiating a **BUY recommendation on Canarc Resource Corp. (Risk: SPECULATIVE)** with a **12-month target price of \$0.80**. Canarc shares are recommended to risk tolerant investors only.

TGS → Polaris
Taku

NEWS RELEASE SUMMARY

Engineering And Resource Studies Now Underway On New Polaris Gold Mine Project, B.C.

May 15, 2003 - Canarc Resource Corp. announced today that engineering and resource studies are now underway on the New Polaris gold mine project in northwestern British Columbia.

The purpose of the engineering study is to evaluate the various mine development alternatives and determine which options are the most economically viable. This work should allow the Board of Directors to make an informed decision on proceeding with a feasibility program and mine development.

Canarc Resource Corp. has retained the services of Mr. Bruce Bried, P.Eng. to conduct the engineering study. Mr. Bried has a wealth of experience and expertise in operating and managing high grade, underground gold mines. He spent 12 years as Chief Engineer and Mine Manager with Dickinson Mines Ltd., now Goldcorp, in Red Lake, ON, and 10 years with Homestake, as Mine Superintendent at the David Bell, ON, and Eskay Creek, BC, mines and General Manager at the Snip, BC and Lead, SD, mines.

Two Large New Gold Anomalies Found On Benzdorp Property, Suriname

May 6, 2003 - A recent geochemical sampling program by Canarc Resource Corp. has defined two large new gold anomalies on the Benzdorp property in southeastern Suriname.

The JQW anomaly lies a few hundred metres west of the main JQA prospect and measures 700 m long by 100 m to 300m wide, open to the north, east and south. A total of 42 soil samples range up to 12.82 gpt and average 190 ppb (excluding the high grade samples) above a background of less than 1 ppb gold.

The JQW and Roche Kreek anomalies both lie along a 10 km long north south-trending mineralized gold belt at Benzdorp that has historically produced over one million oz gold. Anomalous samples in both of these large new gold anomalies were actually found by Canarc's reconnaissance soil sampling program in 1996 but the follow up work was only recently completed.

VBS → Polaris
Taku

(2003)

Canarc continued from page 57

Barrick or Newmont to joint venture the project, or even to bid for the company." Says Cooke.

Canarc has one other major gold project and it is right in its' own backyard.

Its wholly owned New Polaris gold property is in northwestern British Columbia, about 60 km east of Juneau, Alaska, and 100 km south of Atlin, BC, on the west bank of the Tulsequah River. The old Polaris Taku mine was a high grade, underground gold mine that Canarc acquired in the early 1990s. Since then, the company has spent some \$20 million on an exploration program that has defined what is, at about 1.3 million ounces, the largest undeveloped gold resource in western Canada, according to Cooke.

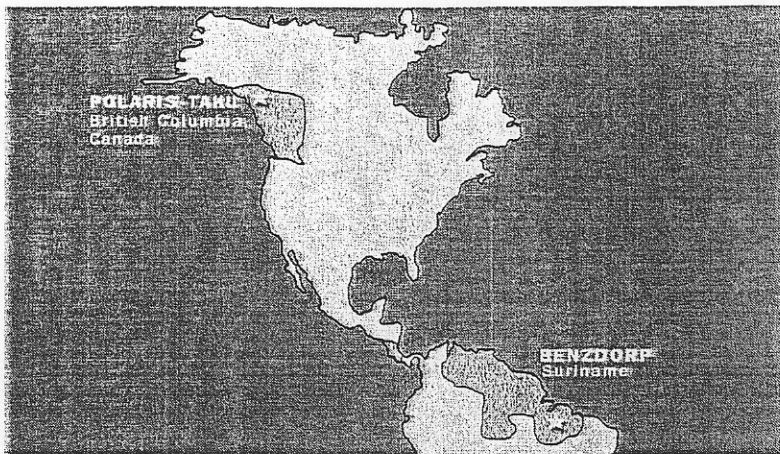
It also has an interest in a small placer mine in Suriname that currently produces about 10,000 ounces a year. Canarc has no obligation to put more money into it but, according to Cooke, it is only profitable above \$300 US gold. The company also has a minority interest in the Bellavista gold project in Costa Rica, a fully permitted mining operation currently on hold because the majority owner, Wheaton River Minerals, isn't interested in developing a small mine.

Canarc was in the middle of a feasibility program on the new Polaris project when the market for gold companies collapsed.

"We lost our opportunity to complete the financing for the feasibility program, so we basically shut the project down."

"However, having already invested almost \$19 million there, we would have to say that it is not only the largest asset in the company, it is also a bona fide gold mine project albeit at slightly higher prices. We've always seen US \$350 per oz as the trigger price for Polaris." Says Cooke.

With the changing gold market, Canarc is going back to try and reduce that trigger price to the point where it becomes profitable to mine to about \$325 US, the current market price for gold. To do that, Canarc aims to reduce construction costs by about \$10 million to \$15 million and operating costs by about \$25 an ounce.



"So New Polaris is slowly coming back on to the front burner," says Cooke.

Cooke believes Canarc has weathered the latest mining downturn and is in excellent shape and has a uniquely balanced property portfolio.

"I think Canarc is somewhat unique in the realm of junior gold companies," says Cooke, "in that we can offer investors either small scale production cash flow, or a large development opportunity, or a huge exploration play, depending on what project you look at. We stand out from the crowd because we have all three. We have the small placer mine, in Suriname, a development opportunity at New Polaris, and this exciting exploration play at Benzdorp.

"This package of assets is not very common in junior companies. They normally choose to be just a producer, like Wheaton River, or just a developer, like Gabriel, or just an exploration play, like most juniors."

"Our approach has always been a portfolio approach to try and reduce risk to our stockholders." Cooke points out that both Barrick and Echo Bay

maintain minority shareholdings in Canarc and almost half the stock is owned by a small group of American investors.

Describing himself as "moderately bullish," Cooke believes Canarc is "ready for a new phase in the gold market. At the current share price, Canarc is only valued at \$10 US per resource oz at New Polaris, so the upside potential of Benzdorp is effectively free for investors."

"I think if you look at the next three years, the combination of attractive fundamentals and technicals on the gold bullion price coupled with the fact that Canarc is now finally going back to work on Benzdorp, after a five-year holiday, adds up to a pretty attractive investment opportunity."

Some might say that patience and persistence are their own reward, but with a new gold cycle reviving the interest of investors in gold companies everyone hopes that Canarc and investors alike will both be suitably rewarded for demonstrating patience and persistence.



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Canarc Resource Corp. is a growth-oriented gold exploration and mining company listed on the Toronto Stock Exchange. Our principal asset is the 1.3 million oz New Polaris high grade gold mine property located in northwestern British Columbia.

In 2002, Canarc's main focus will be exploring the potential for a major new gold discovery at the strategic Benzdorp project in Suriname. Extensive mineralisation has been found in a large gold porphyry system flanked by high grade veins and the target size here is up to 20 million oz.

Canarc is strong financially and our major shareholders include Barrick Gold and Echo Bay Mines. At the current share price, Canarc is trading at only US \$10 per oz and therefore offers substantial upside potential for prudent investors.

For more information, please contact us at 604 685-9700

CEOcast

WHERE WALL STREET LISTENS

TSX:CCM



Bradford J. Cooke
President & CEO

Canarc Resource Corp. is a growth-oriented gold exploration and mining company listed on the Toronto Stock Exchange (symbol CCM) and OTC Bulletin Board (symbol CRCUF). The Company is focused on building shareholder value through the discovery and development of gold and silver mines in North, Central and South America. The Company's New Polaris and Benzdorp projects in particular offer investors multi-million ounce gold potential. Management has a wealth of mining experience and a track record of success. Canarc is strong financially and major shareholders include Barrick Gold and Echo Bay Mines.



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TGS → Polaris
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(2003)

CEO: *Could you begin with an overview of the company and then we'll get into some of the ways that you can capitalize on surging gold prices?*

CCM: I am a professional geologist by background and training and Canarc is a company I founded some 15 years ago. We have over the years enjoyed some good success in the exploration and development of gold mining projects, and our share price was much higher during the last gold market in the mid 1990's. It's only been in the last 12 months that gold has come back into favor with investors, and so we are once again seeing some profound gains both in the senior gold shares and in junior companies such as Canarc.

CEO: *Let's start with the company itself. Junior companies do best when they tend to have some diversification, as you do. Could you give an overview of some of your key properties.*

CCM: Canarc is somewhat unique in the sphere of junior gold mining companies in that we are not just a junior producer. We have one small operating gold mine in South America but we also have two large development minesites in Central and North America. Our main asset, for instance, is a 1.3 million ounce gold deposit called New Polaris in northern B.C. We also have a retained interest in the 0.5 million ounce Bellavista Gold Mine project in Costa Rica. Last, but not least we're also a very aggressive exploration company. We have a new find in South America called Benzdorp, which is looking bigger and better every time we do work on that gold discovery. So Canarc is not just a producer or a developer or an explorer. We are in fact all three and we believe that not only delivers superior rewards to our stockholders, it also protects their downside.

CEO: *Let's start if we could with the interest that you have in the producing mine in South America. Where is it located and why is it so appealing?*

CCM: Well, the Sara Kreek Gold Mine is the first mine we've put into production. It's a small open pit placer mining operation in the Republic of Suriname. That's in the northern part of South America. We do about 10,000 ounces per year of gold nuggets and dust. The mine operates at about break even below \$300 gold. Fortunately, with the move above \$300 gold in the last year, the mine is now looking quite nice. It is, however, small and will probably remain small. Therefore, our main focus in recent years turned to our development and exploration assets.

CEO: *Those assets reside, particularly the gold ones, in both North and Central America. Let's start if we could with your plays in North America. What makes them so attractive?*

CCM: Well, I think the New Polaris property must be considered our main asset. It's a 1.3 million ounce gold deposit that we discovered by drilling below and beyond an old mine thought to be mined out. We started in 1990 when there were no reserves at the mine and now with a 1.3 million ounce resource still open for expansion, we view Polaris as one of the principal growth opportunities for our stockholders. It's a tangible asset that creates real value for the existing share price, and of course as we develop the New Polaris mine, it should give shareholders good returns going forward.

CEO: *There have been some developments in the area which significantly increased and improved the infrastructure. What implications does that have for the economics of the New Polaris project?*

CCM: There's been a couple of breakthroughs in recent months and more anticipated over the next few months. In December, a major copper mine development immediately adjacent to our New Polaris Gold Mine project received its final permitting from the government of British Columbia to go ahead. Obviously, a fully permitted copper project adjacent to our gold project makes our own permitting a little lot easier. Secondly, we are in the middle of new metallurgical tests and engineering work that should significantly reduce our anticipated capital and operating costs to build and operate the New Polaris mine. If we achieve those cost breakthroughs over the next few months, then I think you can see New Polaris taking a large step forward towards development.

CEO: *As you look at the opportunities now, of course the Bellavista property is your most advanced gold deposit, but New Polaris is your largest asset. Who else is in this particular area and what have you learned from their activities?*

CCM: That copper project I mentioned is owned by a company called Redcorp. We've learned is that patience is a virtue when it comes to permitting. We let Redcorp. lead the way in terms of permitting their project because once they finished, then it makes our job easier. With regard to our Bellavista asset in Costa Rica, we have a minority carried interest there. The senior partner is a company called Glencairn out of Toronto. They've just secured their bank financing to build the mine, and so our retained interest will certainly increase in value as that mine is built and brought into operation over the next 2 years.

Tulsequah Chief

CEO: Given the current increase in prices, how might this impact the pace of activities at New Polaris and do you need to raise capital in order to accelerate things?

CCM: We're fortunate in that we have a strong positive working capital position and we don't have debt. We do expect the company will go to the capital markets for a small financing over the next few months in order to keep drilling at the Benzdorp discovery. It may be that we'll find a financing partner for New Polaris and not have to raise any additional funds for that project. So while work on New Polaris is ongoing, I think you'll see Canarc spend more time and money on the Benzdorp discovery because of the greater potential impact it could have on the shares.

CEO: Of course, another play for the company is the Sara Kreek Gold Mine. Where is this located and what is the opportunity here?

CCM: Well, Sara Kreek, as I mentioned, is our operating gold mine in the Republic of Suriname and we don't expect it will grow much beyond the current size. There are some other development opportunities there but they're small. It is in the same country as this Benzdorp discovery and it's there that I feel shareholders will find significant new value over the next 12 to 18 months. Canarc recently launched a trenching program on our main prospect there. We've already spent \$2 million exploring this huge property. It measures almost 1,300 square kilometers. It's about 350,000 acres and it is the largest historic gold producing region in this part of the continent. There's over a million ounces of historic gold production recorded from the Benzdorp property. One of the source areas for the historic gold production is our discovery area where the target size is anywhere from 2 to 20 million ounces in size, that's the potential, and so Canarc's trenching program currently underway and our drilling program proposed for 2003 should give us a good assessment of the overall size of this discovery.

CEO: You plan to conduct a \$200,000 trenching program on the prospect over the next month. How might this help you determine drilling targets?

CCM: This trenching program, which will spill into February, should help determine the overall surface area of the gold mineralization. Right now, we know it's covering about 800 meters in length by approximately 200 meters in width, and the trenching should assess whether we can double the length to 1.5 kilometers and double the width to 400 meters. Just to put that in perspective, the footprint of the known boundaries of mineralization would

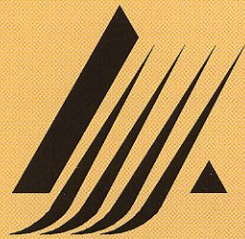
give us a 3 million ounce target to 250 meters in depth. If we can double the length and double the width, then that number would multiply by four. So that gives you a scale of opportunity at Benzdorp. The mineralization exposed in the trenches is still open in all directions. We have not yet been able to find the ore boundaries going north, east, south or west.

CEO: Of course when you get into junior plays and you get into countries outside of North America it raises certain legal risks. What implications does the legal structure in Suriname have for Benzdorp, and Canarc in particular, and how might you benefit from Cambior's announced commitment?

CCM: We're fortunate in that the Republic of Suriname has embraced foreign investment for mining with open arms in the last 2 years, to the extent that Cambior, one of North America's larger gold producers, has now committed \$100 million to develop the first modern gold mine in Suriname called Gross Rosebel and construction on that mine starts this month. It is tangible evidence that the Republic of Suriname is open for business. We believe the Benzdorp project ultimately has significantly larger potential than Gross Rosebel, but obviously it's not as far along in development. We will probably need a couple of years of drilling and engineering and development there to play catch up with Benzdorp. Nonetheless, the legal risks in Suriname are fortunately minimized by the fact that they follow the Dutch legal code. It was an old Dutch colony, so legally it's similar to working in Europe.

CEO: What should investors now look for in the coming quarters in terms of key developments for the company?

CCM: Over the next four quarters, shareholders and investors should look for Canarc to make significant gains on both the Benzdorp and New Polaris projects. At Benzdorp, the trenching program should release assay results throughout the first quarter. We do expect the first drilling program to get underway in the first quarter and continue throughout the year. Look for periodic releases on drill discoveries. Moving over to the New Polaris project, the metallurgical testing and scoping studies now underway to reduce the anticipated capital and operating costs of that mine should be completed the end of the second quarter which would give us a benchmark study suitable for seeking either a partner or financing. Last but not least, look for a production decision on the Bellavista mine and an attractive new acquisition.



CANARC

RESOURCE CORP.

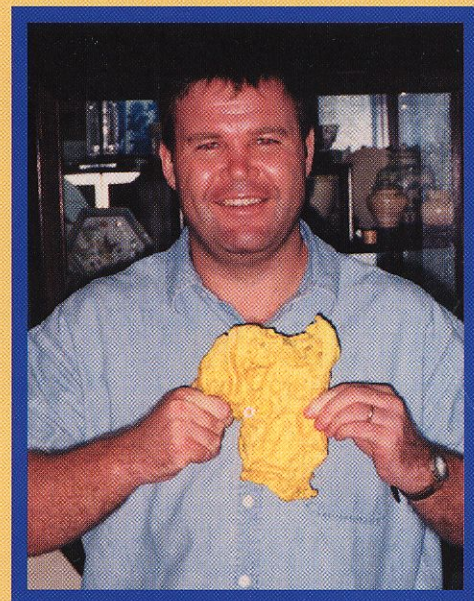
TGS → Polaris
Taku

CORPORATE PROFILE

Canarc Resource Corp. is a growth-oriented gold exploration and mining company listed on the Toronto Stock Exchange (symbol CCM) and OTC Bulletin Board (symbol CRCUF). The Company is focused on building shareholder value through the discovery and development of gold and silver mines in North, Central and South America. Our New Polaris and Benzdorp projects in particular offer investors multi-million ounce gold potential. Management has a wealth of mining experience and a track record of success. Canarc is strong financially and major shareholders include Barrick Gold and Echo Bay Mines.

HIGHLIGHTS

- Canarc Resource Corp. is a growth-oriented gold exploration and mining company listed on the Toronto Stock Exchange (symbol CCM) and the OTC Market (symbol CRCUF).
- The Company owns interests in one small producing gold mine in South America, two large gold deposits ready for development in North and Central America, and a strategic exploration project which has the potential for a major new mineral discovery.
- Canarc's principal asset is the 1.3 million oz. gold resource on its New Polaris property (100% Canarc) located in northwestern British Columbia. A high grade, past producing underground mine, New Polaris is one of the largest gold deposits in Western Canada. Development of the neighbouring Tulsequah Chief base metal mine and road should significantly enhance the economics for advancing the New Polaris project.
- Our next major gold discovery may be on the Benzdorp property in Suriname, where several gold prospects have been found and are now ready for trenching and drilling. The target here is a large gold porphyry system with the potential for several million ounces. Benzdorp will be Canarc's main focus in 2002.
- The Sara Kreek gold mine is a small open-pit placer operation (80% Canarc) in the Republic of Suriname. Production is approximately 10,000 oz. per year and the mine operates on a break-even basis at current gold prices. A second, small, high grade, open-pit lode mine at Sara Kreek with an estimated US\$90 operating cost per oz. also is planned, subject to financing.
- The most advanced development stage project is the Bellavista gold deposit (18% carried interest after payback) in Costa Rica. Wheaton River Minerals, the operator, has identified a 550,000 oz. higher grade, proven mineable reserve that is amenable to open-pit, heap leach production with a low US\$179 per oz. operating cost.
- With 44.8 million shares issued, trading at C\$ 0.40 per share, Canarc is undervalued compared to other junior gold companies and offers substantial upside potential for prudent investors.



20 lb gold nugget from Sara Kreek, Suriname

INTRODUCTION

Canarc Resource Corp. is somewhat unique in the realm of junior gold companies. Most junior mining companies offer investors either production cash flow or a development opportunity or an exploration play. Canarc stands out from the crowd in that it has all three: annual income albeit minor, the largest undeveloped gold deposit in western Canada, and one of the most exciting exploration projects in South America.

Benzdorp Project

Canarc's most exciting project in South America is its Benzdorp property in Suriname. Canarc holds an option to earn a 100% interest in Benzdorp from Grassalco, a crown corporation, subject to a royalty interest.

Benzdorp is the largest historic gold region in Suriname, with more than 1 million oz. production from placer mining of alluvial deposits alone. The property consists of two exploitation and four exploration concessions totaling 138,000 hectares approximately 280 kilometers southeast of the capital city Paramaribo.

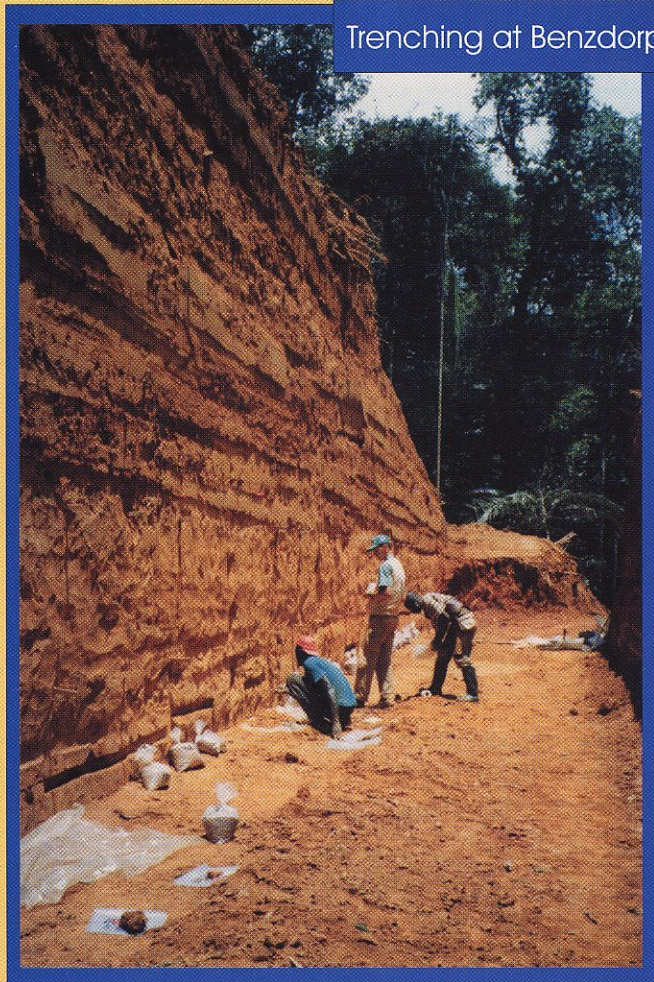
Canarc has spent US\$2 million exploring the Benzdorp property. Several large and/or high grade gold prospects were discovered within a semi-continuous, gold mineralized belt 20 kilometers long in the eastern-most 5% of the property.

Virtually every creek draining this mineralized belt has been mined for gold. Canarc has now confirmed twelve gold soil anomalies, indicating the presence of multiple large lode gold source areas within volcanic, sedimentary and intrusive rocks adjacent to major crustal structures dissecting the favourable Guyana Shield greenstone belt at Benzdorp.

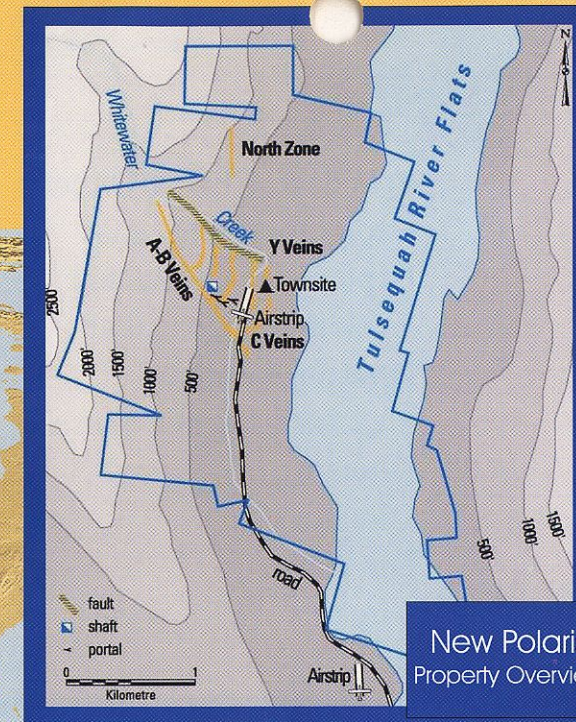
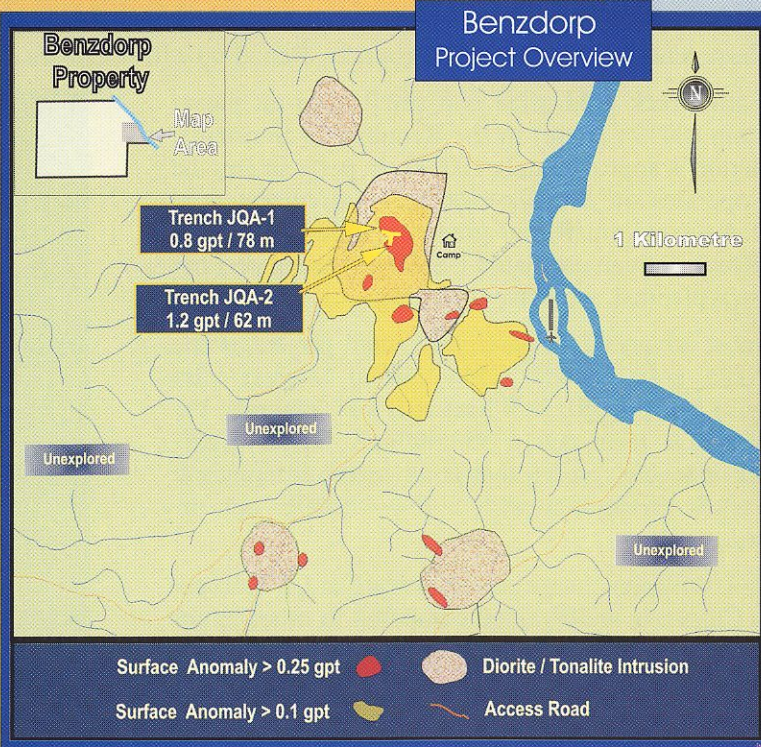
The first drill target, JQA grades 0.5 to 1.5 grams per tonne gold over an area 750m long x 250m wide. This zone is still open in all directions and could in fact extend to 1 km x 1 km. The exploration target here is a porphyry gold deposit containing 2.5 to 10+ million oz down to 250 meters in depth.

In 1997, Placer Dome Ltd. agreed to joint venture Benzdorp with Canarc by paying US\$20 million cash over 5 years and carrying all costs of exploration, development and construction to earn a 60% interest. Unfortunately, Canarc was unable to secure its title to the property at that time and Placer relinquished its option in 1998.

Canarc plans to add significant new value to the project by trenching and drilling the JQA and other targets in order to further develop the huge potential of Benzdorp.



Trenching at Benzdorp



New Polaris Property Overview

New Polaris Property

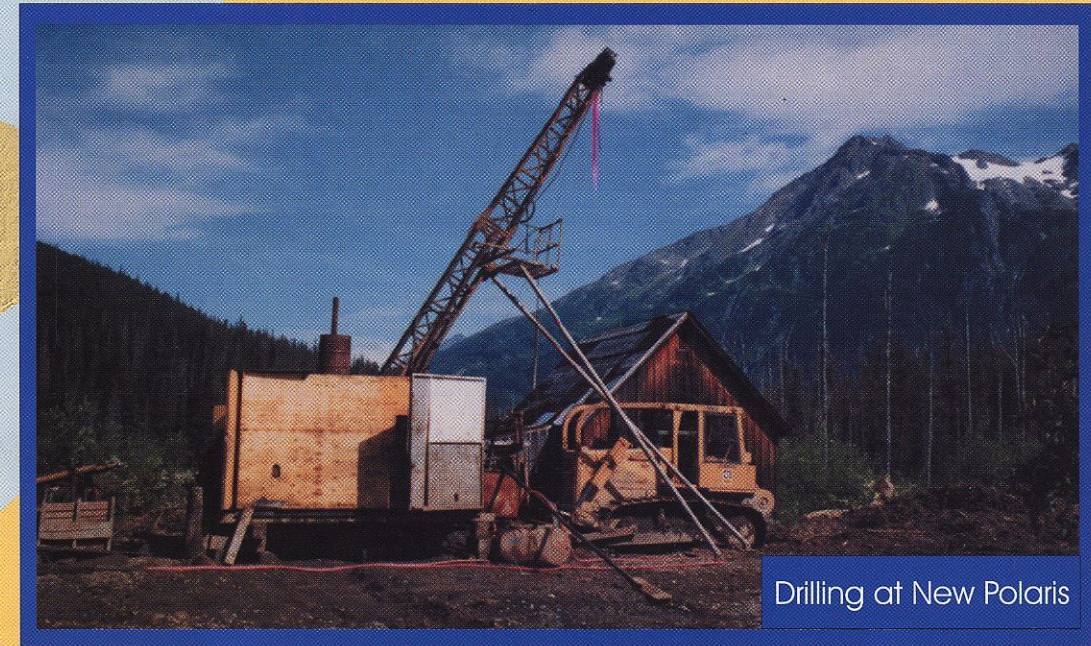
Canarc's main asset is its 100 percent ownership of the New Polaris gold property in northwestern British Columbia. New Polaris is located approximately 60 km east of Juneau, Alaska and 100 km south of Atlin, B.C. on the west bank of the Tulsequah River.

From 1938 to 1942 and again from 1946 to 1951 the Polaris Taku gold mine produced a total of 231,000 oz. gold from 759,000 tons of ore at an average recovered grade of 0.33 oz. per ton gold.

Since 1990 Canarc has invested approximately US\$12 million in acquisition and exploration costs at New Polaris, including 135,000 feet of diamond drilling in 182 drill holes, to significantly increase the geological resource below and beyond the old workings to 1.3 million oz. gold, open in all directions.

In July, 1997 Canarc intersected its best hole ever in its underground drill program at New Polaris. Drill hole PT97-44 returned 0.42 oz. per ton gold over a 112.2 ft. core length including 44.1 ft. grading 0.68 oz. per ton gold.

Canarc is currently conducting additional metallurgical and engineering studies to optimize the process flow-sheet in order to reduce capital costs and enhance project economics.



Drilling at New Polaris

Other Assets

The Sara Kreek gold mine in the Republic of Suriname produces 10,000 oz. gold per year on a break-even basis at current gold prices. Canarc owns an 80% interest in this 22,500 hectare property, which has produced 500,000 oz. of gold over the past 100 years, including a 20 Troy lb. nugget in 1997. Canarc owns an 18.3% carried interest (after payback) in the 556,000 oz. Bellavista gold deposit in Costa Rica. Partner Wheaton River Minerals has completed a positive feasibility study for an open-pit, heap leach gold mine producing about 60,000 oz's. per year for 7 years at a low total operating cost of US\$179 per oz. Wheaton River also pays Canarc an annual pre-production royalty of US\$117,750.

CONCLUSION

Canarc Resource Corp. has a strong track record for growth. Our management team has been involved in several mineral discoveries. Pre-feasibility work at New Polaris continues to enhance project economics. Exploration drilling to expand the gold discovery at Benzdorp has the potential to create extraordinary gains for Canarc shareholders in 2002-2003.

MANAGEMENT TEAM

Bradford Cooke, M.Sc., P.Geo.	President, CEO & Director
James Moors, B.Sc., P.Geo.	Exploration Geologist
Godfrey Walton, M.Sc., P.Geo.	Exploration Consultant
Richard Williams, M.Sc.	Exploration Consultant
Gregg Wilson	Investor Relations
Stewart Lockwood, LLB, MBA	Secretary, Legal Counsel
Chris Theodoropoulos, LLB	Director
Derek Bullock, P.Eng.	Director
Stephen Peck, B.S. Econ.	Director
Leonard Harris, P.Eng.	Director

INVESTOR INFORMATION

CCM TSE CRCUF OTC.BB

Shares issued:	44,800,000
Stock Options:	5,800,000
Fully Diluted:	50,600,000
Recent Price Range:	CA \$0.40 per share
Market Capitalization:	CA\$18 million
Market Capitalization per Resource oz.:	US\$8 per oz.

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