



CANARC
GOLD | SILVER

CANARC RESOURCE CORP.

A Well-Funded Company - Focused on Advanced Gold-Silver Assets in the Americas

Sep 2016

Cautionary Note



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. Mr. Garry Biles, Canarc President & COO is the Qualified Person 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.

Investor Highlights



Well Funded for Growth

- Canarc is a gold-silver oriented company well funded for growth, with over \$12 million in cash equivalents and no debts

Targeting Acquisitions of Gold and Silver Projects

- Focused on acquiring and optioning advanced gold and silver assets with resources and good potential in Canada, US & Mexico

Experienced Management & Board

- Senior Management and Board with extensive mine operating experience and good track record

Advanced High Grade Gold Project

- 100% owned Polaris High Grade Gold Mine, located in NW British Columbia, Canada, with a Historical Investments of \$30M

NEW

Option on Established Gold Resources

- Option to earn up to 75% interest in bulk tonnage open pit gold deposit with established resources and historical investments of \$15M located in central British Columbia, Canada

Emerging New Gold Discovery

- New Near Surface gold discovery, located in BC, ready for additional exploration

Experienced Management



Bradford Cooke, M.Sc., P.Geo. – Chairman and Founder - Professional geologist with over 40 years experience in the mining industry, specializing in corporate strategies and the financing, acquisition, discovery and development of precious metal mines. **Founder & CEO of Endeavour Silver.**

Catalin Chiloflisch, B.Com. – CEO - Professional economist with over 25 years of experience in mining, mergers and acquisitions, corporate finance and business development. Helped raise over \$250 million in joint venture, equity and debt financings for mineral resource projects since 2010.

Garry Biles, P.Eng. – President, and COO - Professional engineer with more than 40 years experience, including 16 years as General Manager of 4 producing gold mines.

Joey Wilkins, P.Geo. – Consulting Geologist - Professional geologist with 30 years experience in the mining sector, specializing in exploration and evaluation of precious metal deposits.

Philip Yee, C.A. –CFO - Professional accountant with over 25 years of experience in corporate management, regulatory reporting, accounting, auditing and taxation.

Investor Information



Trading Symbols: TSX:CCM OTCQX:CRCUF

Shares Outstanding: 215 million

Fully Diluted: 267 million

Trading Range: \$0.04 to \$0.15

Current Market Cap: \$22 million

Cash Equivalent on Hand*: \$12 million

1 Year Share Price Performance



New Polaris - An Advanced Gold Mine Project



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Over \$30 million invested since 1990. Infrastructure includes 30 man winterized camp, surface and underground equipment

1500 ft (450 m) airstrip



Extensive Database: 1,056 drill holes, 31,514 samples



Ready For Advancing Towards Feasibility and Production

New Polaris PEA Highlights



Scheduled Resources	2.2 million tonnes (dilluted 20%) at a 7 gpt cutoff	
Grade	11.3 grams per tonne (diluted 20%)	
Production Rate	600 tonnes per day	
Recoveries	91% gold into concentrated	
Output	72,000 oz gold into concentrate	
Minelife	10 years	
Gold Price	US\$ 1200 per oz	
Exchange Rate	US\$ 1.00 = CAS\$ 1.00	
Capital Cost	CAS\$ 101 million	
Cash Cost	US\$ 481 (excluding off-sites)	
	Pre Tax	After Tax
Cash Flow (LoM)	CAS\$ 280.8 million	CAS\$ 188.1 million
NPV (5%)	CAS\$ 197.2 million	CAS\$ 129.8 million
NPV (8%)	CAS\$ 160.0 million	CAS\$ 103.7 million
NPV (10%)	CAS\$ 139.2 million	CAS\$ 89.0 million
Internal Rate of Return	38.10%	31.40%
Payback Period	2.4 years	2.5 years

* Details of the PEA technical Report dated April 10 2011 are available on [ww.Sedar.com](http://www.Sedar.com)

New Polaris – NI 43-101 Resources



MEASURED PLUS INDICATED UNDILUTED RESOURCE						
Cutoff Grade		Mineralized Tonnage		Average Grade		Contained Gold
<u>(g/tonne)</u>	<u>(oz/ton)*</u>	<u>(tonnes)</u>	<u>(tons)</u>	<u>(g/tonne)</u>	<u>(oz/ton)</u>	<u>Au (oz)</u>
2	0.058	1,670,000	1,840,861	10.62	0.310	570,000
4	0.117	1,510,000	1,664,491	11.42	0.333	555,000
6	0.175	1,288,000	1,419,778	12.54	0.366	519,000
8	0.233	1,009,000	1,112,233	14.08	0.411	457,000

INFERRED UNDILUTED RESOURCE						
Cutoff Grade		Mineralized Tonnage		Average Grade		Contained Gold
<u>(g/tonne)</u>	<u>(oz/ton)*</u>	<u>(tonnes)</u>	<u>(tons)</u>	<u>(g/tonne)</u>	<u>(oz/ton)</u>	<u>Au (oz)</u>
2	0.058	2,060,000	2,270,763	10.5	0.307	697,000
4	0.117	1,925,000	2,121,951	11.0	0.322	683,000
6	0.175	1,628,000	1,794,564	12.2	0.354	636,000
8	0.233	1,340,000	1,477,098	13.3	0.387	571,000

* Details of the gold resource can be found in NI 43-101 Technical Report, dated March 14 2007 available on SEDAR. The resource is calculated using a cut-off grade of 6.0 g/t.

New Polaris - Development Plan



- **Production Target:** 100,000 oz per year
- **Development:** 3+ year development schedule to production
- **Feasibility:** Cdn\$10 million permitting & feasibility program to include 20,000 meters of infill diamond drilling to upgrade resources to a level suitable for feasibility study use, environmental studies, government permitting and feasibility study
- **Capital:** Approx. US\$90 million capital cost to build 600 tpd flotation plant, camp and related surface infrastructure
- **Operating Costs:** US\$481 per oz excluding offsite costs (based on 600tpd PEA)



FG Gold – Large Gold Project with Resources



Over \$15 million of prior third party exploration expenditures invested on the property

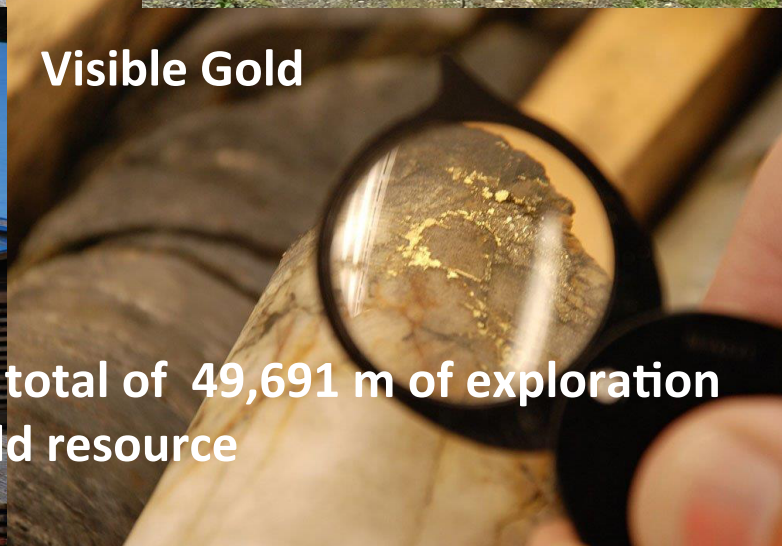
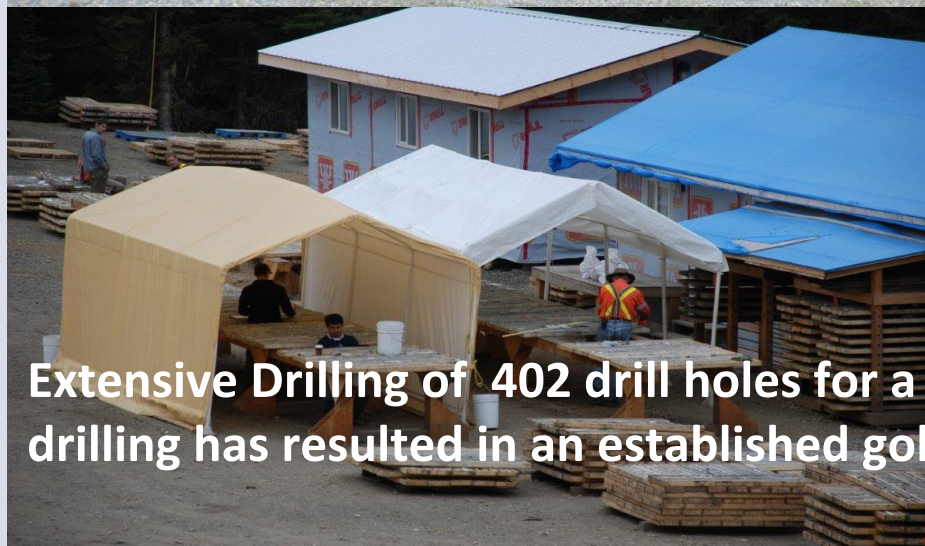


Road Accessible



Visible Gold

Extensive Drilling of 402 drill holes for a total of 49,691 m of exploration drilling has resulted in an established gold resource



Canarc has an option to earn up to 75% Interest in FG Gold Project

FG Gold- Overview

- ♦ FG Gold is located approximately 100 kilometers east of Williams Lake within established Cariboo Gold Mining District of British Columbia
- ♦ The Property consists of 33 contiguous mineral claims totalling 10,400 hectares.
- ♦ The Property is easily accessible by paved and all weather logging roads
- ♦ Exercise of the Option could add substantial additional gold resources to Canarc at an attractive cost and diversifies Canarc's portfolio of BC gold properties (complete option details are available on Canarc website under news release dated August 25, 2016).
- ♦ Recent geophysical and geochemical work has identified several other prospective targets with potential for a significant increase in resources.
- ♦ Past laboratory flotation testing has yielded excellent recoveries.



FG Gold Resources Reported by Eureka



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- Eureka Resources Inc. reports a NI 43-101 Resource as follows:

FG RESOURCE ESTIMATES

79

Au

Zone	Zone	Class	Tonnes > Cut-off 0.5 g/t	Au (g/t)	Au (grams)	Au (ounces)
Main	Main	Measured	5,600,000	0.812	4,500,000	145,000
Main	Main	Indicated	9,570,000	0.755	7,200,000	231,000
Main	Main	M+I	15,170,000	0.776	11,700,000	376,000
Main	Main	Inferred	8,270,000	0.670	5,500,000	177,000
NW	NW	Inferred	19,180,000	0.740	14,200,000	457,000
SE	SE	Inferred	43,000	0.632	27,000	900
Total	Total	Inferred	27,493,000	0.718	19,727,000	634,900

- 43-101 Technical Report July 27, 2015

* Details of the gold resource can be found in "NI 43-101 Technical Report, Frasergold Exploration Project, Cariboo Mining Division, dated July 27, 2015" available on SEDAR or at the Eureka's website (eurekaresourcesinc.com). The resource is calculated using a cut-off grade of 0.5 g/t. This resource is an historical estimate and a qualified Canarc person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. A more detailed review of the data used in the resource estimate is needed to verify the historical estimate as current mineral resources or mineral reserves. As a result the historical estimate is not being treated as a current mineral resource.

Windfall Hills Gold Project-Overview



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Large Property: 5000 hectares

Good Location: 39 miles (65 km) south of Burns Lake, BC by road and 54 miles (90 km) northwest of New Gold's Blackwater 10 million+ ounce discovery

Exploration Data: Historic soil and rock geochemistry and IP geophysics identified drill targets but main target never drilled.

New Targets: In 2011 Canarc defined multi-element geochemical anomaly (Au-Ag-As-Sb) and extended trend to northwest.

Highlights of the 2014 Drill Program

Hole #	From m	To m	Length m	Ag gpt	Au gpt	AuEq gpt
WH-14-01	1	7	6	1.9	0.96	0.99
Incl	3	5	2	2.5	1.19	1.23
WH-14-02	217	221	4	58	0.27	1.24
Incl	217	219	2	88	0.34	1.80
WH-14-03	11	39	28	39	0.89	1.54
and	137	143	6	19	0.66	0.96
Incl	137	139	2	22	1.28	1.63



Windfall Hills - Advantages



Favorable Geology: Attractive exploration property covering gold mineralization and geological setting similar to the recent 10+ M oz Blackwater gold discovery of New Gold.

Large Anomalies: Historic rock sampling, hand trenching and minor drilling define large prospective area

New Targets: High priority drill targets marked by multi-element geochemical and IP resistivity geophysical anomalies.

Drill-Ready: Road-accessible means Canarc can “hit the ground running” to test new targets with drilling.

Strong Potential: To make new gold discoveries.

Road Accessible: The Project can be accessed by road.



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