

**Form 45-106F1**  
**Report of Exempt Distribution**

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution.

**Issuer information**

**Item 1:** State the full name of the issuer of the security distributed and the address and telephone number of its head office. If the issuer of the security distributed is an investment fund, state the name of the fund as the issuer, and provide the full name of the manager of the investment fund and the address and telephone number of the head office of the manager. Include the former name of the issuer if its name has changed since last report. If an underwriter is completing this form, also state the full name of the underwriter and the address and telephone number of the head office of the underwriter.

**PACIFIC ARC RESOURCES LTD.**  
Suite 1518, 1030 West Georgia Street  
Vancouver, BC  
V6E 2Y3

Telephone Number: (604) 689-2646

**Item 2:** State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

Yes, the issuer is a reporting issuer in British Columbia and Alberta.

**Item 3:** Indicate the industry of the issuer by checking the appropriate box next to one of the industries listed below.

- |   |   |
|---|---|
| <input type="checkbox"/> Bio-tech                       | <b>Mining</b>   |
| <input type="checkbox"/> Financial Services             | <input checked="" type="checkbox"/> exploration/development |
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production                         |
| <input type="checkbox"/> mortgage investment companies  | <input type="checkbox"/> Oil and gas                        |
| <input type="checkbox"/> Forestry                       | <input type="checkbox"/> Real estate                        |
| <input type="checkbox"/> Hi-tech                        | <input type="checkbox"/> Utilities                          |
| <input type="checkbox"/> Industrial                     | <input type="checkbox"/> Other (describe)                   |
- 

**Details of distribution**

**Item 4:** Complete Schedule I to this report. Schedule I is designed to assist in completing the remainder of this report.

State the distribution date. If the report is being filed for securities distributed on more than one distribution date, state all distribution dates.

April 12, 2011

**Item 5:** For each security distributed:

- (a) describe the type of security,
- (i) **Flow-through Shares (“FT Shares”); and**

- (ii) **Brokered Units (the “Brokered Units”), each Brokered Unit consisting of one (1) non flow-through common share and one (1) transferable share purchase warrant; and**
  - (iii) **Non-Brokered Units (the “Non-Brokered Units”), each Non-Brokered Unit consisting of one (1) non flow-through common share and one (1) non-transferable share purchase warrant;**
- (b) state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and
- (i) **1,000,000 FT Shares;**
  - (ii) **500,000 Brokered Units, consisting of 500,000 non-flow through common shares and 500,000 transferable share purchase warrants, each warrant entitling the holder to purchase one (1) additional common share at a price of \$0.50 on or before April 12, 2012, and thereafter at a price of \$0.60 until April 12, 2013; and**
  - (iii) **1,500,000 Non-Brokered Units, consisting of 1,500,000 non-flow through common shares and 1,500,000 non-transferable share purchase warrants, each warrant entitling the holder to purchase one (1) additional common share at a price of \$0.50 on or before April 12, 2012, and thereafter at a price of \$0.60 until April 12, 2013**
- (c) state the exemption(s) relied on.

**National Instrument 45-106, Part 2, Division 1, Section 2.3(1) and Section 2.5(1) and B.C. Instrument 72-503.**

**Item 6:** Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table, securities issued as payment for commissions or finder’s fees disclosed under item 8, below.

<b>Each jurisdiction where purchasers reside</b>	<b>Number of purchasers</b>	<b>Price per security (Canadian \$)<sup>1</sup></b>	<b>Total dollar value raised from purchasers in the jurisdiction (Canadian \$)</b>
British Columbia	8	\$0.40 per Brokered and Non-Brokered Unit	\$ 420,000
Alberta	1	\$0.40 per Brokered and Non-Brokered Unit	\$ 60,000
Ontario	1	\$0.45 per FT Shares	\$ 450,000
	3	\$0.40 per Brokered and Non-Brokered Unit	\$ 270,000
International	1	\$0.40 per Unit	\$ 50,000
<b>Total number of Purchasers</b>	<b>14</b>		
<b>Total dollar value of distribution in all jurisdictions (Canadian \$)</b>			<b><u>\$1,250,000</u></b>

**Note 1:** If securities are issued at different prices list the highest and lowest price the securities were sold for.

### Commissions and finder's fees

**Item 7:** Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

If the securities being issued as compensation are or include convertible securities, such as warrants or options, please add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Compensation paid or to be paid (cash and/or securities)				
	Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
		Number and type of securities issued	Price per security	Exemption relied on and date of distribution	
BayFront Capital Partners Ltd. 1510 - 141 Adelaide Street West Toronto, ON M5H 3L5	\$45,500	105,000 Broker Warrants <sup>(1)</sup>	N/A	NI 45-106, Part 2, Division 1, Section 2.3(1) April 12, 2011	\$45,500
Matthew Johansen 24309 105A Avenue Maple Ridge, BC V2W 2E5	\$7,000	N/A	N/A	N/A	\$7,000
C3 Energy Inc. #505-1027 Davie Street Vancouver, BC, V6E 4L2	\$5,600	N/A	N/A	N/A	\$5,600
Voelpel Gold Medal Investments Ltd. #503 - 2033 Comox Street Vancouver, BC V6G 1S1	\$2,800	N/A	N/A	N/A	\$2,800
PI Financial Corp. 1900-666 Burrard Street Vancouver, BC V6C 3N1	\$25,900	N/A	N/A	N/A	\$25,900
(i) Each Broker Warrant entitles the holder to purchase one common share in the capital of the issuer at a price of \$0.40 per common share on or before April 12, 2013.					

**Item 8:** If a distribution is made in Ontario, please include the attached "Authorization of Indirect Collection of Personal Information for Distributions in Ontario". The "Authorization of Indirect Collection of Personal Information for Distributions in Ontario" is only required to be filed with the Ontario Securities Commission.

**Certificate**

On behalf of the issuer, I certify that the statements made in this report are true.

Date: April 14, 2011

**PACIFIC ARC RESOURCES LTD.**

Name of issuer (please print)

**Sonny Chew, Director (604) 689-2646**

Print name, title and telephone number of person signing

*s/ "Sonny Chew"*

\_\_\_\_\_  
Signature

**Item 9:** State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

Not applicable

**IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.**

## **Notice - Collection and use of personal information**

The personal information required under this form is collected on behalf of and used by the securities regulatory authorities or, where applicable, the regulators under the authority granted in securities legislation for the purposes of the administration and enforcement of the securities legislation.

If you have any questions about the collection and use of this information, contact the securities regulatory authority or, where applicable, the regulator in the jurisdiction(s) where the form is filed, at the address(es) listed at the end of this report.

## **Authorization of Indirect Collection of Personal Information for Distributions in Ontario**

The attached Schedule I contains personal information of purchasers and details of the distribution(s). The issuer hereby confirms that each purchaser listed in Schedule I of this report who is resident in Ontario

- (a) has been notified by the issuer
  - (i) of the delivery to the Ontario Securities Commission of the information pertaining to the person as set out in Schedule I,
  - (ii) that this information is being collected indirectly by the Ontario Securities Commission under the authority granted to it in securities legislation,
  - (iii) that this information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario, and
  - (iv) of the title, business address and business telephone number of the public official in Ontario, as set out in this report, who can answer questions about the Ontario Securities Commission's indirect collection of the information, and
- (b) has authorized the indirect collection of the information by the Ontario Securities Commission.