

AMARC RESOURCES LTD  
Form 20-F  
September 30, 2009

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 20-F**

[        ] REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) or 12(g) OF THE *SECURITIES EXCHANGE ACT OF 1934*

OR

[ x ] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE *SECURITIES EXCHANGE ACT OF 1934*

**For the fiscal year ended March 31, 2009**

OR

[        ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE *SECURITIES EXCHANGE ACT OF 1934*

OR

[        ] SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE *SECURITIES EXCHANGE ACT OF 1934*

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number **0-49869**

**AMARC RESOURCES LTD.**

(Exact name of Registrant specified in its charter)

**BRITISH COLUMBIA, CANADA**

(Jurisdiction of incorporation or organization)

**Suite 1020, 800 West Pender Street  
Vancouver, British Columbia, Canada, V6C 2V6**

(Address of principal executive offices)

**COMMON SHARES WITHOUT PAR VALUE**

(Title of Class)

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Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class: *Not applicable*

Name of each exchange on which registered: *Not applicable*

Securities registered or to be registered pursuant to Section 12(g) of the Act:

**Common shares, no par value**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

**72,739,473 common shares as of March 31, 2009**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

☐ Yes ☒ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

☐ Yes ☒ No

Indicate by check mark whether registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the *Securities Exchange Act of 1934* during the preceding 12 months (or for such shorter period that registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

☐ Yes ☒ No

Indicate by check mark whether registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 126-2 of the Exchange Act. (check one):

Large accelerated Filer ☐ Accelerated Filer ☐ Non-accelerated Filer ☒

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S.GAAP ☐ International Financial Reporting Standards as issued by ☐ Other ☒  
the International Accounting Standards Board

Indicate by check mark which financial statement item the registrant has elected to follow:

Item 17 ☒ Item 18 ☐

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If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 126-2 of the Exchange Act).

☐ Yes ☒ No

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**GENERAL**

In this Annual Report on Form 20-F, all references to "we", "Amarc" and the "Company" refer to Amarc Resources Ltd. and its consolidated subsidiaries.

The Company uses the Canadian dollar as its reporting currency. All references in this document to "dollars" or "\$" are expressed in Canadian dollars, unless otherwise indicated. See also [Item 3 "Key Information"](#) for more detailed currency and conversion information.

Except as noted, the information set forth in this Annual Report is as of September 11, 2009 and all information included in this document should only be considered correct as of such date.

**GLOSSARY OF TERMS**

Certain terms used herein are defined as follows:

<b>Epithermal Deposit</b>	Deposit of mineralization formed by natural processes in the earth at low temperature, 50-200° C often within structurally controlled veins. Low sulphidation deposits are developed near-to the surface of the earth, at depths of ~1 km to surficial hotspring settings, and are characterized by quartz veins, vein stockworks and breccias. Mineralization includes gold, silver, electrum, argentite and pyrite with lesser and variable amounts of other sulphide minerals.
<b>Induced Polarization Survey</b>	A geophysical survey used to identify a feature that appears to be different from the typical or background survey results when tested for levels of electro-conductivity; IP detects both chargeable, pyrite-bearing rock and non-conductive rock that has a high content of quartz.
<b>Magnetic Survey</b>	Magnetic surveys detect sulphide-bearing rocks by inducing magnetic fields, then identifying a feature that appears to be different from the typical or background survey results.

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<b>Mineral Reserve</b>	<p>Securities and Exchange Commission Industry Guide 7 <i>Description of Property by Issuers Engaged or to be Engaged in Significant Mining Operations</i> of the Securities and Exchange Commission defines a 'reserve' as that part of a mineral deposit which could be economically and legally extracted or produced at the time of the reserve determination. Reserves consist of:</p> <p>(1) <i>Proven (Measured) Reserves</i>. Reserves for which: (a) quantity is computed from dimensions revealed in outcrops, trenches, workings or drill holes; grade and/or quality are computed from the results of detailed sampling; and (b) the sites for inspection, sampling and measurement are spaced so closely and the geologic character is so well defined that size, shape, depth and mineral content of reserves are well-established.</p> <p>(2) <i>Probable (Indicated) Reserves</i>. Reserves for which quantity and grade and/or quality are computed from information similar to that used for proven (measured) reserves, but the sites for inspection, sampling and measurement are farther apart or are otherwise less adequately spaced. The degree of assurance, although lower than that for proven (measured) reserves, is high enough to assume continuity between points of observation.</p>
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<b>Mineral Resource</b>	<p>National Instrument 43-101 <i>Standards of Disclosure for Mineral Projects</i> of the Canadian Securities Administrators defines a "Mineral Resource" as a concentration or occurrence of natural, solid, inorganic or fossilized organic material in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge.</p> <p>Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories. An Inferred Mineral Resource has a lower level of confidence than that applied to an Indicated Mineral Resource. An Indicated Mineral Resource has a higher level of confidence than an Inferred Mineral Resource but has a lower level of confidence than a Measured Mineral Resource.</p> <p>(1) <i>Inferred Mineral Resource.</i> An 'Inferred Mineral Resource' is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.</p> <p>(2) <i>Indicated Mineral Resource.</i> An 'Indicated Mineral Resource' is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.</p> <p>(3) <i>Measured Mineral Resource.</i> A 'Measured Mineral Resource' is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.</p> <p>Industry Guide 7 "<i>Description of Property by Issuers Engaged or to be Engaged in Significant Mining Operations</i>" of the Securities and Exchange Commission does not define or recognize resources. As used in this Form 20-F, "resources" are as defined in National Instrument 43-101.</p>
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<b>Mineral Symbols</b>	As arsenic; Au gold; Ag silver; Cu copper; Fe iron; Hg mercury; Mo molybdenum; Na sodium; Ni nickel; O oxygen; Pd - palladium; Pt platinum; Pb lead; S sulphur; Sb antimony; Zn zinc.
<b>Net Smelter Return (NSR)</b>	Monies received for concentrate delivered to a smelter net of metallurgical recovery losses, transportation costs, smelter treatment-refining charges and penalty charges.
<b>Polymetallic</b>	Pertaining to more than one, or many, metals.
<b>Porphyry Deposit</b>	Mineral deposit characterized by widespread disseminated or veinlet- hosted sulphide mineralization, characterized by large tonnage and moderate to low grade.
<b>Pluton, sill, dyke</b>	A body of igneous rock that has been formed beneath the surface of the earth by consolidation of magma. A pluton is a rounded to irregularly- shaped plug-like body. A sill is a horizontal intrusion. A dyke cross cuts the country rocks.
<b>Quartz-feldspar Porphyry Dyke</b>	A quartz-feldspar porphyry dyke is a linear intrusion in which large quartz and feldspar crystals occur in a fine groundmass of quartz, feldspar and other minerals.
<b>Sulphide</b>	A compound of sulphur with another element, typically a metallic element or compound.
<b>Volcanogenic Massive Sulphide (VMS) deposit</b>	Mineral deposits, with a high content of sulphide minerals, formed by volcanic processes.
<b>Vein</b>	A tabular or sheet-like mineral deposit with identifiable walls, often filling a fracture or fissure.

### Currency and Measurement

All currency amounts in this Annual Report are stated in Canadian dollars unless otherwise indicated.

Conversion of metric units into imperial equivalents is as follows:

<u>Metric Units</u>	<u>Multiply by</u>	<u>Imperial Units</u>
hectares	2.471	= acres
meters	3.281	= feet
kilometers	0.621	= miles (5,280 feet)
grams	0.032	= ounces (troy)
tonnes	1.102	= tons (short) (2,000 lbs)
grams/tonne	0.029	= ounces (troy)/ton

## FORWARD LOOKING STATEMENTS

This Annual Report on Form 20-F contains statements that constitute "forward-looking statements" within the meaning of Section 27A of the *Securities Act of 1933* and Section 21E of the *Securities Exchange Act of 1934*. These statements appear in a number of different places in this Annual Report and can be identified by words such as "anticipates", "estimates", "projects", "expects", "intends", "believes", "plans", or their negatives or other comparable words. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. The statements, including the statements contained in [Item 3D "Risk Factors"](#), [Item 4B "Business Overview"](#), [Item 5 "Operating and Financial Review and Prospects"](#) and [Item 11 "Quantitative and Qualitative Disclosures About Market Risk"](#), are inherently subject to a variety of risks and uncertainties that could cause actual results, performance or achievements to differ significantly. Forward-looking statements include statements regarding the outlook for the Company's future operations, plans and timing for the Company's exploration programs, statements about future market conditions, supply and demand conditions, forecasts of future costs and expenditures, the outcome of legal proceedings, and other expectations, intentions and plans that are not historical facts. You are cautioned that any such forward-looking statements are not guarantees and may involve risks and uncertainties. The Company's actual results may differ materially from those in the forward-looking statements due to risks facing us or due to actual facts differing from the assumptions underlying the Company's predictions. Some of these risks and assumptions include:

- general economic and business conditions, including changes in interest rates;
- prices of natural resources, costs associated with mineral exploration and other economic conditions;
- natural phenomena;
- actions by government authorities, including changes in government regulation;
- uncertainties associated with legal proceedings;
- changes in the resources market;
- future decisions by management in response to changing conditions;
- the Company's ability to execute prospective business plans; and misjudgments in the course of preparing forward-looking statements.

The Company advises you that these cautionary remarks expressly qualify, in their entirety, all forward-looking statements attributable to Amarc or persons acting on the Company's behalf. The Company assumes no obligation to update the Company's forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such statements. You should carefully review the cautionary statements and risk factors contained in this and other documents that the Company files from time to time with the Securities and Exchange Commission.

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**PART I**

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**ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISORS**

**A. DIRECTORS AND SENIOR MANAGEMENT**

Not applicable.

**B. ADVISORS**

Not applicable.

**C. AUDITOR**

Not applicable.

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**ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE**

Not applicable.

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**ITEM 3. KEY INFORMATION****A. SELECTED FINANCIAL DATA**

The following tables summarize selected financial data for Amarc extracted from the Company's audited consolidated financial statements for the last five years ended March 31, 2009, 2008, 2007, 2006 and 2005.

The Company's annual financial statements have been audited by its current independent registered public accounting firm, De Visser Gray LLP, Chartered Accountants. The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). Note 11 to the 2008 annual consolidated financial statements provides descriptions of the material measurement differences between Canadian GAAP and United States generally accepted accounting principles ("US GAAP") as they relate to Amarc and a reconciliation to US GAAP of Amarc's consolidated financial statements.

The following selected financial data is presented in thousands of Canadian dollars.

**BALANCE SHEET DATA**

(C\$000)		As at March 31,								
		2009	2008	2007		2006		2005		
<b>Plant and Equipment, Net</b>										
Canadian and US	\$	54	\$	20	\$	25	\$	37	\$	47
GAAP										
<b>Mineral Property Interests</b>										
Canadian and US								98		156
GAAP										
<b>Total Assets</b>										
Canadian GAAP		3,427		7,984		8,768		5,007		8,091
US GAAP		3,427		7,984		8,768		5,007		8,100
<b>Total Liabilities</b>										
Canadian and US		33		225		78		38		871
GAAP										
<b>Working Capital</b>										
Canadian GAAP		3,339		7,738		8,665		4,834		7,017
US GAAP		3,339		7,738		8,665		4,834		7,025
<b>Share Capital</b>										
Canadian and US		31,247		30,747		27,287		23,997		22,388
GAAP										
<b>Contributed Surplus</b>										
Canadian and US		1,714		1,470		2,295		488		507
GAAP										
<b>Accumulated Deficit</b>										
Canadian GAAP		(29,568)		(24,459)		(20,892)		(19,515)		(15,675)
US GAAP	\$	(29,568)	\$	(24,459)	\$	(20,892)	\$	(19,515)	\$	(15,667)
<b>Net Assets</b>										
Canadian GAAP	\$	3,393	\$	7,758	\$	8,690	\$	4,969	\$	7,220
US GAAP		3,393		7,758		8,690		4,969		7,229
<b>Shareholders' Equity</b>										
Canadian GAAP		3,393		7,758		8,690		4,969		7,220

US GAAP	\$	3,393	\$	7,758	\$	8,690	\$	4,969	\$	7,229
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## STATEMENT OF OPERATIONS DATA

(C\$000, except per share amounts)

Year Ended March 31,

		2009	2008	2007	2006	2005
<b>Interest and other income</b>	\$	(323)	\$ (385)	\$ (334)	\$ (130)	\$ (243)
<b>General and administrative expenses</b>		951	746	615	819	719
<b>Exploration expenditures</b>		4,619	3,067	1,033	3,012	7,554
<b>Stock based compensation (recovery)</b>					(16)	496
<b>Foreign exchange (gain) loss</b>		(219)	138	(38)	3	8
<b>Loss (gain) on marketable securities</b>						
Canadian					(92)	(82)
<b>GAAP</b>						
US GAAP					(84)	(6)
<b>Loss on sale of equipment</b>				2		
<b>Tax related to flow-through financing</b>		81				93
<b>Write down of accounts receivable</b>					45	
<b>Write down of mineral property interest</b>				98	10	76
<b>Write down of marketable securities</b>					190	7
<b>Net loss (income) for the year</b>						
Canadian		5,109	3,566	1,376	3,841	8,628
<b>GAAP</b>						
US GAAP	\$	5,109	\$ 3,566	\$ 1,376	\$ 3,849	\$ 8,704
<b>Basic and diluted net income (loss) per share</b>						
Canadian		(0.07)	(0.06)	(0.03)	(0.08)	(0.19)
<b>GAAP</b>						
US GAAP		(0.07)	(0.06)	(0.03)	(0.08)	(0.19)
<b>Weighted average number of common shares outstanding</b>		68,465,500	63,434,763	54,557,473	49,880,651	45,168,411

See [Item 17](#) for accompanying consolidated financial statements prepared in accordance with Canadian generally accepted accounting principles for further details, including note 11, which reconciles Canadian GAAP to US GAAP.

The Company has not declared or paid any cash or other dividends.

## Currency and Exchange Rates

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On September 11, 2009, the Federal Reserve noon rate for Canadian Dollars was US\$1.00 to Cdn\$1.0746. The following tables set out the exchange rates, based on noon rates as the nominal quotations by the Bank of Canada website, [www.bankofcanada.ca](http://www.bankofcanada.ca) for the conversion of Canadian Dollars into U.S. Dollars.

	<b>For year ended March 31</b>				
	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
End of Period	\$ 1.2613	\$ 1.0265	\$ 1.1529	\$ 1.1671	\$ 1.2096
Average for the Period	\$ 1.1264	\$ 1.0322	\$ 1.1417	\$ 1.1933	\$ 1.2786
High for the Period	\$ 1.3000	\$ 1.1584	\$ 1.1878	\$ 1.2555	\$ 1.3783
Low for the Period	\$ 0.9844	\$ 0.9170	\$ 1.0948	\$ 1.1489	\$ 1.1961

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**Monthly High and Low Exchange Rate (Canadian Dollars per  
US Dollar)**

	<b>High</b>	<b>Low</b>
September 2009 (until September 11, 2009)	1.1065	1.0746
August 2009	1.1079	1.0686
July 2009	1.1655	1.0790
June 2009	1.1625	0.0827
May 2009	1.1872	0.0872
April 2009	1.2643	1.1940

**B. Capitalization and Indebtedness**

Not applicable.

**C. Reasons for the Offer and Use of Proceeds**

Not applicable.

**D. Risk Factors**

An investment in the Company's common shares is highly speculative and subject to a number of risks. Only those persons who can bear the risk of the entire loss of their investment should participate. An investor should carefully consider the risks described below and the other information that the Company files with the Securities and Exchange Commission and with Canadian securities regulators before investing in the Company's common shares. The risks described below are not the only ones faced by the Company. Additional risks that management is aware of or that the Company currently believes are immaterial may indeed become important factors that affect the Company's business. If any of the following risks occur, or if others occur, the Company's business, operating results and financial condition could be seriously harmed and the investor may lose all of his investment.

***The exploration for and development of mineral deposits involves significant risks.***

Resource exploration is a speculative business and involves a high degree of risk. There is no known body of commercial ore on any of the Company's mineral properties and there is no certainty that the expenditures to be made by Amarc in the exploration of the Company's mineral properties will result in discoveries of commercial quantities of minerals. The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Although the discovery of an ore body may result in substantial rewards, few properties explored are ultimately developed into producing mines. Significant expenditures may be required to locate and establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by Amarc will result in a profitable commercial mining operation. Significant capital investment is required to achieve commercial production from successful exploration efforts.

The commercial viability of a mineral deposit is dependent upon a number of factors. These include deposit attributes such as size, grade and proximity to infrastructure, current and future metal prices (which can be cyclical), and government regulations, including those relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and necessary supplies and environmental protection. The complete effect of these factors, either alone or in combination, cannot be entirely predicted, and their impact may result in Amarc not receiving an adequate return on invested capital.

The Company does not currently have any properties on which mineral resources or mineral reserves have been outlined.

***Amarc's properties have not produced any commercial mineral reserves or ore body.***

All of the Company's mineral projects are in the exploration stage as opposed to the development stage and have no known body of economic mineralization. The known mineralization at these projects has not been determined to be economic ore. There can be no assurance that a commercially mineable ore body exists on any of the Company's properties. There is no certainty that any expenditure made in the exploration of the Company's mineral properties will result in discoveries of commercially recoverable quantities of ore. Such assurance will require completion of final comprehensive feasibility studies and, possibly, further associated exploration and other work that concludes a potential mine at each of these projects is likely to be economically viable. In order to carry out exploration and development programs of any economic ore body and place it into commercial production, the Company will be required to raise substantial additional funding.

***As the Company does not have revenues, the Company will be dependent upon future financings to continue the Company's plan of operation.***

Amarc has not generated any revenues from the Company's business activities since the Company's incorporation. The Company's plan of operations involves the completion of exploration programs on the Company's mineral properties. There is no assurance that these exploration activities will result in the establishment of commercially exploitable mineral deposits on the Company's mineral properties. Even if commercially exploitable mineral deposits are discovered, the Company will require substantial additional financing in order to carry out the full exploration and development of the Company's mineral properties before the Company is able to achieve revenues from sales of mineral resources that the Company is able to extract.

***The loss of management or other key personnel could harm the Company's business.***

The success of the Company's activities is dependent to a significant extent on the efforts and abilities of management and other key personnel. Investors must be willing to rely to a significant extent on their experience, discretion and judgment.

***The Company has no history of earnings and no foreseeable earnings.***

Amarc has a history of losses and there can be no assurance that the Company will ever be profitable. The Company anticipates that the Company will retain future earnings and other cash resources for the future operation and development of the Company's business. The Company has not paid dividends since incorporation and the Company does not anticipate paying dividends in the foreseeable future. Payment of any future dividends is at the discretion of the Company's board of directors after taking into account many factors including the Company's operating results, financial conditions and anticipated cash needs.

***The Company's consolidated financial statements have been prepared assuming the Company will continue on a going concern basis, but there can be no assurance that the Company will continue as a going concern.***

Although at March 31, 2009 the Company had working capital of approximately \$3.3 million, the costs required to complete exploration and development of the Company's projects may be well in excess of this amount. Accordingly, unless additional funding is obtained, the going concern assumption may have to change. If Amarc is unable to obtain adequate additional financing, the Company will be required to



curtail operations and exploration activities. Furthermore, failure to continue as a going concern would require that Amarc's assets and liabilities be restated on a liquidation basis which could differ significantly from the going concern basis.

***A substantial or extended decline in the prices of the minerals for which the Company explores would have a material adverse effect on the Company's business.***

The Company's business is, to an extent, dependent on the prices of gold, copper, zinc, and other metals, which are affected by numerous factors beyond the Company's control. Factors tending to put downward pressure on the prices of these metals include:

- Sales or leasing of gold by governments and central banks;
- A strong U.S. dollar;
- Global and regional recession or reduced economic activity;
- Speculative trading;
- Decreased demand for industrial uses, use in jewellery or investment;
- High supply from production, disinvestment and scrap;
- Sales by producers in forward transactions and other hedging transactions; and
- Devaluing local currencies (relative to metal priced in U.S. dollars) leading to lower production costs and higher production in certain regions.

In addition, sustained low metal prices can:

- Reduce revenues further through production cutbacks due to cessation of the mining of deposits or portions of deposits that have become uneconomic at the then-prevailing gold or copper price;
- Halt or delay the development of new projects;
- Reduce funds available for exploration, with the result that depleted reserves are not replaced; or
- Reduce existing reserves, by removing ores from reserves that cannot be economically mined or treated at prevailing prices.

***Mining operations generally involve a high degree of risk.***

Amarc's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams which may result in environmental pollution and consequent liability which will have a material adverse effect on the Company's business and results of operation and financial condition.

***The Company's business could be adversely affected by government regulations related to mining.***

Amarc's exploration activities are regulated in all countries in which the Company operates under various federal, state, provincial and local laws relating to the protection of the environment, which generally includes air and water quality, hazardous waste management and reclamation. Environmental hazards may exist on the properties in which the Company holds interests which are unknown to Amarc at present

and which have been caused by previous or existing owners or operators of the properties. Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. Delays in obtaining or failure to obtain government permits and approvals may adversely impact the Company's operations. The regulatory environment in which the Company operates could change in ways that would substantially increase costs to achieve compliance, or otherwise could have a material adverse effect on the Company's operations or financial position. In particular, the Company's operations and exploration activities in British Columbia are subject to national and provincial laws and regulations governing protection of the environment. These laws are continually changing and, in general, are becoming more restrictive. There can be no certainty that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and operations at the Company's projects.

***Although the Company has no reason to believe that the existence and extent of any of the Company's properties is in doubt, title to mining properties is subject to potential claims by third parties claiming an interest in them.***

Amarc's mineral properties may be subject to previous unregistered agreements or transfers, and title may be affected by undetected defects or changes in mineral tenure laws. The Company's mineral interests consist of mineral claims, which have not been surveyed, and therefore, the precise area and location of such claims or rights may be in doubt. The failure to comply with all applicable laws and regulations, including the failure to pay taxes or to carry out and file assessment work, may invalidate title to portions of the properties where the Company's mineral rights are held.

***The Company is not able to obtain insurance for many of the risks that the Company faces.***

In the course of exploration, development and production of mineral properties, several risks and, in particular, unexpected or unusual geological or operating conditions, may occur. It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the Company's securities.

The Company is not insured against environmental risks. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. The Company will periodically evaluate the cost and coverage of the insurance against certain environmental risks that is available to determine if it would be appropriate to obtain such insurance. Without such insurance, and if the Company becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate the Company's available funds or could exceed the funds the Company has to pay such liabilities and result in bankruptcy. Should the Company be unable to fund fully the remedial cost of an environmental problem, the Company might be required to enter into interim compliance measures pending completion of the required remedy.

***The Company may be dependent on its joint venture partners for the development of certain of the Company's properties.***

Amarc may choose to hold a portion of the Company's assets in the form of participation interests in joint ventures. The Company's interest in these projects is subject to the risks normally associated with the conduct of joint ventures. The existence or occurrence of one or more of the following circumstances and

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events could have a material adverse impact on the Company's profitability or the viability of the interests held through joint ventures, which could have a material adverse impact on the Company's future cash flows, earnings, results of operations and financial condition: (i) disagreement with joint venture partners on how to proceed with exploration programs and how to develop and operate mines efficiently; (ii) inability of joint venture partners to meet their obligations to the joint venture or third parties; and (iii) litigation between joint venture partners regarding joint venture matters.

***The industry in which the Company operates is highly competitive.***

The mineral exploration and mining business is competitive in all of its phases. The Company competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive mineral properties. Amarc's ability to acquire properties in the future will depend not only on the Company's ability to develop its present properties, but also on the Company's ability to select and acquire suitable producing properties or prospects for mineral exploration. There is no assurance that the Company will continue to be able to compete successfully with its competitors in acquiring such properties or prospects.

***The Company's share price has historically been volatile.***

The market price of a publicly traded stock, especially a junior resource issuer like Amarc, is affected by many variables not directly related to the Company's exploration success, including the market for junior resource stocks, the strength of the economy generally, the availability and attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of the common shares on the stock exchanges on which the Company trade, suggest the Company's shares will continue to be volatile.

***Amarc's directors and officers are part-time and serve as directors and officers of other companies.***

Some of the Company's directors and officers are engaged, and will continue to be engaged, in the search for additional business opportunities on their own behalf and on behalf of other companies, and situations may arise where these directors and officers will be in direct competition with us. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the *Business Corporations Act* (British Columbia). In order to avoid the possible conflict of interest which may arise between the directors' duties to Amarc and their duties to the other companies on whose boards they serve, the Company's directors and officers have agreed that participation in other business ventures offered to them will be allocated between the various companies on the basis of prudent business judgment, and the relative financial abilities and needs of the companies to participate.

***There is no assurance that the Company will be successful in obtaining the funding required for the Company's operations.***

Amarc's operations consist almost exclusively of cash consuming activities given that the Company's main mineral projects are in the exploration stage. The further development and exploration of the various mineral properties in which the Company hold interests is dependent upon the Company's ability to obtain financing through debt financing, equity financing or other means.

***If the Company raises additional funding through equity financings, then the Company's current shareholders will suffer dilution.***

The Company will require additional financing in order to complete full exploration of the Company's mineral properties. Management anticipates that the Company will have to sell additional equity





securities including, but not limited to, its common stock, share purchase warrants or some form of convertible security. The effect of additional issuances of equity securities will result in the dilution of existing shareholders' percentage ownership interests.

***Amarc's status as a passive foreign investment company has consequences for U.S. investors.***

Potential investors who are U.S. taxpayers should be aware that the Company expects to be a passive foreign investment company ("PFIC") for the current fiscal year, and may also have been a PFIC in prior years and may also be a PFIC in future years. If the Company is a PFIC for any year during a U.S. taxpayer's holding period, then such U.S. taxpayer, generally, will be required to treat any so-called "excess distribution" received on its common shares, or any gain realized upon a disposition of common shares, as ordinary income and to pay an interest charge on a portion of such distribution or gain, unless the taxpayer makes a qualified electing fund ("QEF") election or a mark-to-market election with respect to the Company's shares. In certain circumstances, the sum of the tax and the interest charge may exceed the amount of the excess distribution received, or the amount of proceeds of disposition realized, by the taxpayer. A U.S. taxpayer who makes a QEF election generally must report on a current basis its share of the Company's net capital gain and ordinary earnings for any year in which the Company is a PFIC, whether or not the Company distributes any amounts to the Company's shareholders. A U.S. taxpayer who makes the mark-to-market election, generally, must include as ordinary income in each year, the excess of the fair market value of the common shares over the taxpayer's tax basis therein. U.S. taxpayers are advised to seek advice from their professional tax advisors.

***The Company's shareholders could face significant potential equity dilution.***

As of September 11, 2009, Amarc had 1,748,864 share purchase options outstanding and 5,000,000 share purchase warrants outstanding. Amarc has a share purchase option plan which allows the management to issue options to its employees and non employees based on the policies of the Company. If further options are issued, they will likely act as an upside damper on the trading range of the Company's shares. As a consequence of the passage of time since the date of their original sale and issuance, none of the Company's shares remain subject to any hold period restrictions in Canada or the United States. The unrestricted resale of outstanding shares from the exercise of dilutive securities may have a depressing effect on the market for the Company's shares.

***Penny Stock Classification Could Affect the Marketability of the Company's Common Stock and Shareholders Could Find It Difficult to Sell Their Stock.***

The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document that provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction, and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation.

Further, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from such rules; the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the

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secondary market for the Company's common shares in the United States and shareholders may find it more difficult to sell their shares.

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## **ITEM 4. INFORMATION ON THE COMPANY**

### **A. HISTORY AND DEVELOPMENT OF THE COMPANY**

#### **Incorporation**

Amarc Resources Ltd. was incorporated on February 2, 1993, pursuant to the *Company Act* (British Columbia Canada) (the "BCCA"), as "Patriot Resources Ltd." and changed its name on January 26, 1994 to "Amarc Resources Ltd." The BCCA was replaced by the *Business Corporations Act* (British Columbia) (the "BCA") in March 2004 and the Company is now governed by the BCA.

Amarc became a public company or "reporting issuer" in the Province of British Columbia on May 30, 1995. The common shares of Amarc were listed (symbol AHR) on the Vancouver Stock Exchange ("VSE") on August 4, 1995 and continue to trade on the TSX Venture Exchange ("TSX Venture"), formerly the Canadian Venture Exchange, the successor stock exchange to the VSE.

Amarc commenced trading on the OTC Bulletin Board ("OTCBB") in the United States in June 2004 under the symbol AXREF.

#### **Offices**

The head office of Amarc is located at Suite 1020, 800 West Pender Street, Vancouver, British Columbia, Canada V6C 2V6, telephone (604) 684-6365, facsimile (604) 684-8092. The Company's registered office is in care of its attorneys, Lang Michener, 1500 Royal Centre P.O. Box 11117, 1055 West Georgia Street, Vancouver, British Columbia, Canada V6E 4N7, telephone (604) 689-9111, fax (604) 685-7084.

#### **Company Development**

Amarc has been engaged in the acquisition and exploration of mineral properties since its incorporation. The Company is currently actively exploring a number of properties located in British Columbia, Canada. All of the Company's mineral properties are at the exploration stage.

### **B. BUSINESS OVERVIEW**

Amarc is in the business of exploring and developing mineral properties. The Company's exploration activities are primarily focused in British Columbia, Canada, where it has assembled a portfolio of projects through ground staking and option agreements. Exploration on these properties is aimed at ascertaining whether the properties host commercially viable mineral deposits.

#### **British Columbia Mineral Tenure**

On January 12, 2005, the Province of British Columbia adopted a new on-line mineral tenure system that includes mineral tenure acquisition and tenure maintenance procedures, as well as a method of converting previous format claims (legacy claims) to new format claims (cell claims). All of the Company's mineral tenures have been converted to cell claims resulting in new tenure numbers and marginally larger claim boundaries. The mineral leases are maintained through the completion of exploration activities referred to as "Assessment Work". The financial requirements related to these exploration works remain the same as previous, but are stated as \$4 per hectare per year during the first three years following location of the



mineral claim, and \$8 per hectare per year in the fourth and succeeding years. If the assessment work is not completed the mineral leases may be maintained by a cash payment, but if this payment is not made before the forfeiture date the tenure is relinquished.

One other type of mineral tenure exists, called crown-granted mineral claims, on which the perimeter has been physically surveyed. Crown-granted mineral claims are maintained by paying taxes on an annual basis. Unlike mineral claims, the taxes can be paid late with penalties and interest. If the taxes remain unpaid after a specified period of time, the claims will revert to the Crown and will be subsequently made available for acquisition by normal procedures.

### **Environmental Matters**

Environmental matters related to mineral exploration companies in British Columbia are administered by the Ministry of Energy, Mines and Petroleum Resources. The Company files notice of its work programs with the Ministry, and a bond is determined that will set aside sufficient cash to reclaim the exploration sites to their pre-exploration land use. Typically, no bond is required for exploration activities such as surface geological, geochemical and geophysical surveys. However, a bond is required for blasting, machine work and drilling. The required level of reclamation usually involves leaving the sites in a geotechnically stable condition, and grooming the sites to both prevent forest fire hazards and to ensure that natural regeneration of indigenous plant species can progress within a reasonable period of time.

### **Mineral Properties and Exploration Activities and Plans**

Amarc is actively working to make a major mineral deposit discovery with the potential to deliver both substantial growth and value to the Company. In order to achieve its objective, the Company has assembled a capable and experienced mineral exploration team.

In recent times Amarc has focused its efforts in two areas: grassroots exploration in British Columbia ("BC") and property evaluations from favorable mining jurisdictions around the world.

The Company's BC-focused grassroots stage geological, geochemical and geophysical exploration programs over the past four years have primarily been directed towards discovering bulk tonnage gold-copper deposits and high-value base metals deposits. Positive results from Amarc's extensive 2007 BC regional programs in the underexplored and highly prospective Sitlika Zinc-Copper Belt were the focus of exploration activities in 2008. Selected targets are being advanced by the Company in 2009, and others are being offered for joint venture.

In addition, through its property evaluation efforts Amarc has acquired by, option agreement, two new plays in BC the Pinchi and the Newton properties.

#### ***The Sitlika Copper-Zinc Belt***

Located in central BC (see figure below), the Sitlika Belt extends for approximately 226 kilometers from the Endako-Vanderhoof area towards the northwest through one of the best endowed mineral districts in the province.

In December 2006 Amarc acquired, by staking and option agreement, exploration properties covering an area of approximately 1,100 square kilometers along the Sitlika Belt. Later staking increased the Company's tenure position to approximately 2,000 square kilometers. Following exploration programs that have resulted in targets being defined and prioritized; consequently Amarc has reduced its land holdings to currently focus on approximately 270 square kilometers.



The Sitlika Belt is underlain by gossanous metasedimentary and metavolcanic rocks of the Sitlika assemblage. The area was the subject of a focused geological mapping initiative by the BC Ministry of Energy and Mines (Schiarizza and Payie, 1997), the results of which indicate that the Sitlika rocks have the potential to host volcanogenic massive sulphide ("VMS") deposits. In addition, the Sitlika rocks are considered to correlate with the Kutcho Creek Formation, located approximately 250 kilometers to the north, which host the Kutcho VMS deposits.

The Sitlika Belt is well-served by main-line forestry roads, crossing topography that is subdued in comparison with other areas of BC. It is also located proximal to the Yellowhead Highway and the Canadian National rail link, which connect the Belt to the bulk loading terminal port of Prince Rupert. High capacity electric transmission lines and a natural gas line are also proximal to the Belt. Other services, including hospitals and schools, are located in nearby communities such as Burns Lake.

As a result of positive exploration results from the 2007 and work early in the following season, \$4.5 million was spent on the Sitlika Belt programs in 2008. Since 2007, approximately \$10.5 million has been spent on the BC initiative, including approximately \$7 million on the Sitlika Belt.

During the 2007 field season, the Company collected 1,586 stream sediment samples along the Sitlika Belt, identifying 17 priority areas with multiple zinc and/or copper dominated targets. Follow-up target definition work in 2007 included the collection of 7,517 soil samples, and completion of geological mapping and 75 line-kilometers of induced polarization ("IP") geophysical surveys.

Exploration work in the 2008 field season focused on targets definition in 17 priority areas identified in 2007, and included the collection of approximately 20,000 soils samples, 500 silt and rock geochemical samples, and the completion of 80 line-kilometers of IP, over 1,000 line-kilometers of helicopter-borne AeroTem II magnetic geophysical surveys and approximately 4,600 meters of diamond drilling. Four outstanding copper and/or zinc mineral deposit targets were identified within the Bodine Project area Bodine-Warren, Huge South, Olsen and Big Time.

The Bodine Project is located in the central part of the Sitlika Belt. Initial reconnaissance by Amarc geologists identified massive to semi-massive sulphide mineralization in outcrop. Channel samples returned encouraging grades of 1.79% and 1.37% copper over 2.9 meters and 2.4 meters, respectively.

#### *Bodine Property Agreement*

In November 2006, Amarc reached an option agreement with an arm's length party to acquire a 100% undivided interest in the Bodine property. Amarc can acquire its interest in the Bodine property by making staged cash payments totaling \$225,000 and expending \$2,000,000 on the property over four years. The Company has paid \$125,000 in property option payments for Bodine to date. The property is subject to a 3% net smelter royalty, 2% of which may be purchased at the Company's sole discretion for \$2,000,000 with the remaining 1% subject to a right of first refusal in favor of the Company. Annual advance royalty payments of \$50,000 will be required from the fifth year of the agreement to the fifteenth year of the agreement.

#### *Bodine-Warren Property*

The Bodine-Warren property hosts significant potential for the discovery of base-metal rich VMS deposits. In 2008, initial drill testing of soil anomalies comprised of significant copper and zinc concentrations with associated silver and lead values, and coincident IP signatures over a 2,000 meter by

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700 meter area, intercepted thick sequences of favorable felsic volcanic rocks and confirmed the permissive nature of the geological environment for VMS style mineralization. Strong rock alteration was found associated with intervals of disseminated to stringer-like zones of sulphide mineralization that returned highly anomalous zinc and copper values. The 2009 drill program is designed to further test zones of anomalous zinc and copper within the northern sector of the property where sulphide content appears to be increasing. Drilling has commenced on the Bodine-Warren property.

### ***Huge South Property***

The Huge South project is hosted by a thick felsic volcanic pile that extends over at least eight kilometers and represents a classic environment for VMS type mineralization. Soil geochemical sampling undertaken during the 2008 field season defined a strong copper-in-soil anomaly extending over a length of almost five kilometers and open to both the northwest and to the southeast. Geological mapping, some 600 soil samples and approximately 21 line-kilometers of IP survey have been undertaken in 2009 to further define the target. These and the 2008 results have been reviewed and drill targets defined.

### ***Olsen Property***

The prospective Olsen target was identified through geological mapping, as well as geochemical and geophysical surveys, undertaken in 2008 and 2009. The soil grid defined a significant zinc-copper anomaly over approximately 1,100 meters which is coincident with a strong IP chargeability signature and associated with felsic volcanic units that represent preferred stratigraphy for VMS mineralization. Drill targets are defined.

### ***Big Time Property***

The Big Time target, although located within the Bodine Project area, represents a variation away from the typical Sitlika Belt geological environment and deposit type. In 2008 a one-kilometer by one-kilometer, open-ended, multi-element soils anomaly with a strong porphyry copper-molybdenum affinity and significant gold and silver was defined. In order to test this porphyry copper-molybdenum deposit target, additional definition work in 2009 has included geological mapping, some 500 soil samples and approximately 12 line-kilometers of induced polarization geophysical survey. A moderate to strong copper-molybdenum-silver soil anomaly has been defined, which is associated with a series of porphyry dykes and stocks, broadly coincident with an IP signature and has peripheral zinc-lead-gold-silver soil anomalies.

### ***Falkirk Property Agreement***

In June 2009, Amarc and Falkirk Resources Corp. ("Falkirk") entered into an Option and Joint Venture Agreement on the Big Time property. This was subsequently amended to include the Bodine-Warren property. Under the terms of the Amended Option and Joint Venture Agreement, Falkirk has the right to earn a 50% interest in the Bodine-Warren property by issuing 100,000 shares to Amarc and funding \$600,000 in exploration expenditures before December 31, 2009. Amarc is the operator. On exercise of the option by Falkirk, the two parties will enter into a Joint Venture Agreement. The Agreement is subject to an underlying option agreement ("Bodine Agreement") with an arm's length party, whereby Amarc has the right to acquire a 100% undivided interest in all claims held under this agreement through a series of staged payments and exploration expenditures. The claims held under the Bodine Agreement are subject to a 3% net smelter royalty, 2% of which may be purchased for \$2 million with the remaining 1% subject to a right of first refusal in favor of Amarc. Annual advance royalty payments of \$50,000 are required, starting in 2012 (see "Bodine Property Agreement" above).

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### ***Pinchi Property***

The Pinchi property is situated within the Quesnel Trough, a geological trend that hosts numerous porphyry gold-copper deposits in BC. It lies along the same structural corridor as the Kwanika porphyry copper-gold deposit and the Lorraine copper-gold-silver deposits. The planned 2009 drill program is designed to test coincident strong aeromagnetic and IP geophysical anomalies underlying a region covered with glacial gravel with no outcrop.

### ***Pinchi Property Agreement***

Amarc has entered into an Option Agreement with Lysander Minerals Corp. ("Lysander") on the Pinchi property. Under the terms of the Option Agreement with Lysander, Amarc has the right to earn a 60% interest in the Pinchi property by funding \$151,000 in exploration expenditures on or before November 2009 and an additional \$3 million in exploration expenditures over the ensuing three calendar years. Amarc can earn an additional 15% interest by incurring an additional \$4 million in exploration expenditures over the subsequent two calendar years. Upon the earlier of Amarc exercising its second option to earn a 75% interest or electing to remain at a 60% interest, the two parties will enter into a Joint Venture Agreement.

### ***Newton Property***

The Newton property is located approximately 120 kilometers southwest of the City of Williams Lake. Historical drilling at the Newton property tested for porphyry-style copper-gold mineralization with low grade results. However, two drill holes (DDH06-12 and DDH06-03) positioned approximately 200 metres apart at the very eastern edge of this historical core drilling intercepted 105 metres of 1.20 g/t gold (including 49 metres at 2.33 g/t gold) and 97 metres at 0.51 g/t Au, respectively within an apparent epithermal, bulk tonnage gold environment. Both of these holes bottomed in mineralization. Amarc plans to drill a series of holes to test if this bulk tonnage-style gold mineralization extends to the east and/or to depth.

### ***Newton Property Agreement***

In June 2009, Amarc entered into an Option and Joint Venture Agreement with High Ridge Resources Inc. ("High Ridge"). High Ridge is a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code, and a clearing agency registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that its participants deposit with DTC. DTC also facilitates the post-trade settlement among direct participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between direct participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (DTCC). DTCC, in turn, is owned by a number of DTC participants and members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to DTC's system is also available to others, such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. The rules applicable to DTC and its participants are on file with the SEC. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of debt securities under the DTC system must be made by or through direct participants, which will receive a credit for the debt securities on DTC's records. The ownership interest of each actual purchaser of each debt security

will be recorded on the direct and indirect participants' records. Beneficial owners will not receive written confirmation from DTC of their purchase, but beneficial owners are expected to receive

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written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the participants through which the beneficial owners entered the transaction. Transfers of ownership interests in the debt securities are to be accomplished by entries made on the books of the participants acting on behalf of the beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in debt securities, except in the event that use of the book-entry system for the debt securities is discontinued. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in definitive form. Such laws may impair the ability to transfer beneficial interests in a global debt security.

To facilitate subsequent transfers, all debt securities deposited by direct participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co, or such other name as may be requested by an authorized representative of DTC. The deposit of debt securities with DTC and their registration in the name of Cede & Co., or such other DTC nominee will not change the beneficial ownership of the debt securities. DTC has no knowledge of the actual beneficial owners of the debt securities; DTC's records reflect only the identity of the direct participants to whose accounts the debt securities are credited, which may or may not be the beneficial owners. The direct and indirect participants will remain responsible for keeping account of their holdings on behalf of their customers.

Delivery of notices and other communications by DTC to direct participants, by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the debt securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each direct participant in such issue to be redeemed.

Neither DTC nor Cede & Co (nor any other DTC nominee) will consent or vote with respect to debt securities unless authorized by a direct participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an omnibus proxy to El Paso as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those direct participants to whose accounts the debt securities are credited on the record date (identified in a listing attached to the omnibus proxy).

Principal and interest payments, if any, on the debt securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC has told us that its practice is to credit direct participants' accounts upon DTC's receipt of funds and corresponding detail information from El Paso or the trustee, on the applicable payable date in accordance with their respective holdings shown on DTC's records. Payments by participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in street name, and will be the responsibility of that participant and not of DTC, the trustee or El Paso, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of El Paso or the trustee. Disbursement of payments from Cede & Co. to direct participants is DTC's responsibility. Disbursement of payments to beneficial owners is the responsibility of direct and indirect participants.

A beneficial owner must give notice through a participant to a tender agent to elect to have its debt securities purchased or tendered. The beneficial owner must deliver debt securities by causing the direct participants to transfer the participant's interest in the debt securities, on DTC's records, to a tender agent. The requirement for physical delivery of debt securities in connection with an optional tender or a mandatory purchase is satisfied when the ownership rights in the debt securities are transferred by direct participants on DTC's records and followed by a book-entry credit of tendered debt securities to the tender agent's account.

Neither we, any trustee nor any of our respective agents, will be responsible for any aspect of the records of DTC, any nominee or any participant relating to, or payments made on account of, beneficial interests in a

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permanent global debt security or for maintaining, supervising or reviewing any of the records of DTC, any nominee or any participant relating to such beneficial interests.

DTC may discontinue providing its services as securities depository at any time by giving reasonable notice to us or the Trustee, as agent. Under such circumstances, we would attempt to obtain a successor securities depository. If we were unable to obtain a successor depository, we would issue debt securities in definitive form.

El Paso may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, we would issue debt securities in definitive form.

The information in this section concerning DTC and DTC's book entry system has been obtained from sources that we believe to be reliable, but we take no responsibility for the accuracy of such information.

## **Defeasance**

We will be discharged from our obligations on the debt securities of any series at any time if we deposit with the trustee sufficient cash or government securities to pay the principal, interest, any premium and any other sums due to the stated maturity date or a redemption date of the debt securities of the series. If this happens, the holders of the debt securities of the series will not be entitled to the benefits of the indenture except for registration of transfer and exchange of debt securities and replacement of lost, stolen or mutilated debt securities.

Under U.S. federal income tax laws as of the date of this prospectus, a discharge may be treated as an exchange of the related debt securities. Each holder might be required to recognize gain or loss equal to the difference between the holder's cost or other tax basis for the debt securities and the value of the holder's interest in the trust. Holders might be required to include as income a different amount than would be includable without the discharge. Prospective investors should seek tax advice to determine their particular consequences of a discharge, including the applicability and effect of tax laws other than the U.S. federal income tax laws.

## **Governing Law**

The indenture and the debt securities will be governed by and construed in accordance with the laws of the State of New York.

## **Notices**

Notices to holders of debt securities will be given by mail to the addresses of such holders as they appear in the security register.

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**DESCRIPTION OF CAPITAL STOCK**

The statements under this caption are brief summaries and are subject to, and are qualified in their entirety by reference to, the more complete descriptions contained in (1) our Second Amended and Restated Certificate of Incorporation, which includes the Certificate of Designations relating to our convertible perpetual preferred stock (the charter), copies of which are available upon request to El Paso, and (2) the certificate of designation relating to each series of preferred stock, which will be filed with the SEC in connection with an offering of such series of preferred stock. Please read [Where You Can Find More Information](#).

**General**

We are currently authorized by our charter to issue up to 1,500,000,000 shares of common stock and up to 50,000,000 shares of preferred stock. As of December 31, 2008, there were 698,567,307 shares of common stock and 750,000 shares of 4.99% Convertible Perpetual Preferred Stock issued and outstanding.

**Common Stock**

We are currently authorized by our charter to issue up to 1,500,000,000 shares of common stock. The holders of common stock are entitled to one vote for each share held of record on all matters submitted to a vote of stockholders. Holders of common stock do not have the right to cumulate votes in the election of directors. Subject to preferences that may be applicable to any outstanding preferred stock, holders of common stock are entitled to receive ratably dividends which are declared by our board of directors out of funds legally available for such a purpose. In the event of our liquidation, dissolution, or winding up, holders of common stock are entitled to share ratably in all assets remaining after payment of liabilities and liquidation preference of any outstanding preferred stock. Holders of common stock have no preemptive rights and have no rights to convert their common stock into any other securities. The common stock is not redeemable. All of the outstanding shares of common stock are fully paid and nonassessable upon issuance against full payment of the purchase price.

**Preferred Stock**

Our board of directors, without any further action by our stockholders, is authorized to issue up to 50,000,000 shares of preferred stock and to divide the preferred stock into one or more series. The Board will fix by resolution or resolutions any of the designations, powers, preferences and rights, and the qualifications, limitations, or restrictions of the shares of each such series, including, but not limited to, dividend rates, conversion rights, voting rights, terms of redemption and liquidation preferences, and the number of shares constituting each such series. The issuance of preferred stock may have the effect of delaying, deterring or preventing a change in control of El Paso. Preferred stock, upon issuance against full payment of the purchase price therefor, will be fully paid and nonassessable. The specific terms of a particular series of preferred stock will be described in the certificate of designation relating to that series. The description of preferred stock set forth below does not purport to be complete and is qualified in its entirety by reference to the certificate of designation relating to the particular series of preferred stock.

The designations, powers, preferences and rights, and the qualifications, limitations, or restrictions of preferred stock of each series will be fixed by the certificate of designation relating to such series. The certificate of designation relating to each series will specify the terms of the preferred stock as follows:

the number of shares to constitute each series and the distinctive designation of the shares;

the annual dividend rate, if any, on shares of each series, whether such rate is fixed or variable or both, the date or dates from which dividends will begin to accrue or accumulate and whether dividends will be cumulative;

the purchase price and terms and conditions of the shares of each series, including the time during which shares of each series may be redeemed and any accumulated dividends that the holders of shares of each series shall be entitled to receive upon the redemption of the shares;



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the liquidation preference, if any, and any accumulated dividends thereon, that the holders of shares of each series shall be entitled to receive upon the liquidation, dissolution or winding up of the affairs of El Paso;

whether or not the shares of each series will be subject to operation of a retirement or sinking fund, and, if so, the extent and manner in which any such fund shall be applied to the purchase or redemption of the shares of such series for retirement or for other corporate purposes and the terms and provisions relating to the operation of such fund;

the terms and conditions, if any, on which the shares of each series shall be convertible into, or exchangeable for, debt securities, shares of any other class or classes of our capital stock, or any series of any other class or classes, or of any other series of the same class, including the price or prices or the rate or rates of conversion or exchange and the method, if any, of adjusting the same;

the voting rights, if any, on the shares of each series; and

any or all other preferences and relative, participating, operational, or other special rights, qualifications, limitations, or restrictions on each series.

As of the date of this prospectus, 750,000 shares of 4.99% convertible perpetual preferred stock are outstanding. A summary description of the 4.99% Convertible Perpetual Preferred Stock is set forth below. You should refer to the full text of the certificate of designation for a more complete description.

**Convertible Perpetual Preferred Stock**

In April 2005, we issued \$750 million of convertible perpetual preferred stock. Cash dividends on the preferred stock are paid quarterly at the rate of 4.99% per year. The terms of our preferred stock prohibit the payment of dividends on our common stock unless we have paid or set apart for payment all accumulated and unpaid dividends on such preferred stock for all preceding dividend periods.

Each share of the preferred stock is convertible at the holder's option, at any time, subject to adjustment, into 76.9367 shares of our common stock under certain conditions. This conversion rate represents an equivalent conversion price of approximately \$13.00 per share. The conversion rate is subject to adjustment based on certain events which include, but are not limited to, fundamental changes in our business such as mergers or business combinations, as well as distributions of our common stock or adjustments to the current rate of dividends on our common stock. We will be able to cause the preferred stock to be converted into common stock after five years if our common stock is trading at a premium of 130% to the conversion price.

The amount payable on shares of convertible perpetual preferred stock in the event of a liquidation, dissolution or winding up of the affairs of El Paso is \$1,000 per share, together with accrued and unpaid dividends to the date of payment. These dividend and liquidation rights are senior to the dividend and liquidation rights of the El Paso common stock.

**Certain Anti-Takeover Matters**

***General***

Our charter and by-laws contain the following additional provisions, some of which are intended to enhance the likelihood of continuity and stability in the composition of our board of directors and in the policies formulated by our

board of directors. In addition, some provisions of the Delaware General Corporation Law, if applicable to us, may hinder or delay an attempted takeover without prior approval of our board of directors. Provisions of the Delaware General Corporation Law, or the DGCL, and of our charter and by-laws could discourage attempts to acquire us or remove incumbent management even if some or a majority of our stockholders believe this action is in their best interest. These provisions could, therefore, prevent stockholders from receiving a premium over the market price for the shares of common stock they hold.

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***Call of Special Meetings***

Our by-laws provide that special meetings of our stockholders may be called only by a majority of the board of directors, the Chairman of the Board, the Chief Executive Officer, the President or stockholders who own at least 25% of our outstanding common stock.

***No Cumulative Voting***

The DGCL provides that stockholders are not entitled to the right to cumulate votes in the election of directors unless our charter provides otherwise. Our charter does not expressly provide for cumulative voting. Under cumulative voting, a majority stockholder holding a sufficient percentage of a class of shares may be able to ensure the election of one or more directors.

***Advanced Notice Requirements for Stockholder Proposals and Director Nominations***

Our by-laws provide that stockholders seeking to bring business before or to nominate candidates for election as directors at an annual meeting of stockholders must provide timely notice of their proposal in writing to the corporate secretary. To be timely, a stockholder's notice must be received by our corporate secretary at our principal executive offices not earlier than 120 days nor later than 90 days prior to the first anniversary of the preceding year's annual meeting. If, however, the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the stockholder in order to be timely must be received by the secretary not earlier than 120 days prior to such annual meeting and not later than 90 days prior to such annual meeting, or if later, the 10th day following the day on which public announcement of the date of such meeting is first made. Our by-laws also specify requirements as to the form and content of a stockholder's notice. These provisions may preclude stockholders from bringing matters before an annual meeting of stockholders or from making nominations for directors at an annual meeting of stockholders or may discourage or defer a potential acquirer from conducting a solicitation of proxies to elect its own slate of directors or otherwise attempting to obtain control of us.

***No Stockholder Action by Written Consent***

Our charter prohibits the taking of any action by written stockholder consent in lieu of a meeting.

***Section 203 of the DGCL***

We are a Delaware corporation subject to Section 203 of the DGCL. Generally, Section 203 prohibits a publicly held Delaware corporation from engaging in a business combination with an interested stockholder for a period of three years after the date of the transaction in which the person became an interested stockholder, unless (1) prior to such date, either the business combination or such transaction which resulted in the stockholder becoming an interested stockholder is approved by the board of directors of the corporation, (2) upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owns at least 85% of the outstanding voting stock, or (3) on or after such date, the business combination is approved by the board of directors of the corporation and by the affirmative vote at least 66 2 / 3% of the outstanding voting stock that is not owned by the interested stockholder. A business combination includes merger, asset sales and other transactions resulting in a financial benefit to the interested stockholder. An interested stockholder is a person who, together with affiliates and associates, owns, or, within three years, did own, 15% or more of the corporation's outstanding voting stock.

***Transfer Agent and Registrar***

Computershare Trust Company, N.A. is the transfer agent and registrar for our common stock and our 4.99% convertible perpetual preferred stock.

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**DESCRIPTION OF PURCHASE CONTRACTS**

We may issue purchase contracts for the purchase or sale of:

debt or equity securities issued by us or securities of third parties, a basket of such securities, an index or indices of such securities or any combination of the above as specified in the applicable prospectus supplement;

currencies; or

commodities.

Each purchase contract will entitle the holder thereof to purchase or sell, and obligate us to sell or purchase, on specified dates, such securities, currencies or commodities at a specified purchase price, which may be based on a formula, all as set forth in the applicable prospectus supplement. We may, however, satisfy our obligations, if any, with respect to any purchase contract by delivering the cash value of such purchase contract or the cash value of the property otherwise deliverable or, in the case of purchase contracts on underlying currencies, by delivering the underlying currencies, as set forth in the applicable prospectus supplement. The applicable prospectus supplement will also specify the methods by which the holders may purchase or sell such securities, currencies or commodities and any acceleration, cancellation or termination provisions or other provisions relating to the settlement of a purchase contract.

The purchase contracts may require us to make periodic payments to the holders thereof or vice versa, which payments may be deferred to the extent set forth in the applicable prospectus supplement, and those payments may be unsecured or prefunded on some basis. The purchase contracts may require the holders thereof to secure their obligations in a specified manner to be described in the applicable prospectus supplement. Alternatively, purchase contracts may require holders to satisfy their obligations thereunder when the purchase contracts are issued. Our obligation to settle such pre-paid purchase contracts on the relevant settlement date may constitute indebtedness. Accordingly, pre-paid purchase contracts will be issued under one of the indentures.

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**DESCRIPTION OF WARRANTS**

We may issue warrants to purchase debt or equity securities or securities of third parties or other rights, including rights to receive payment in cash or securities based on the value, rate or price of one or more specified commodities, currencies, securities or indices, or any combination of the foregoing. Warrants may be issued independently or together with any other securities and may be attached to, or separate from, such securities. Each series of warrants will be issued under a separate warrant agreement to be entered into between us and a warrant agent. The terms of any warrants to be issued and a description of the material provisions of the applicable warrant agreement will be set forth in the applicable prospectus supplement.

The applicable prospectus supplement will describe the following terms of any warrants in respect of which this prospectus is being delivered:

the title of such warrants;

the aggregate number of such warrants;

the price or prices at which such warrants will be issued;

the currency or currencies, in which the price of such warrants will be payable;

the securities or other rights, including rights to receive payment in cash or securities based on the value, rate or price of one or more specified commodities, currencies, securities or indices, or any combination of the foregoing, purchasable upon exercise of such warrants;

the price at which and the currency or currencies in which the securities or other rights purchasable upon exercise of such warrants may be purchased;

the date on which the right to exercise such warrants shall commence and the date on which such right shall expire;

if applicable, the minimum or maximum amount of such warrants which may be exercised at any one time;

if applicable, the designation and terms of the securities with which such warrants are issued and the number of such warrants issued with each such security;

if applicable, the date on and after which such warrants and the related securities will be separately transferable;

information with respect to book-entry procedures, if any;

if applicable, a discussion of any material United States Federal income tax considerations; and

any other terms of such warrants, including terms, procedures and limitations relating to the exchange and exercise of such warrants.



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**DESCRIPTION OF UNITS**

As specified in the applicable prospectus supplement, we may issue units consisting of one or more purchase contracts, warrants, debt securities, shares of preferred stock, shares of common stock or any combination of such securities. The applicable prospectus supplement will describe:

the terms of the units and of any of the purchase contracts, warrants, debt securities, preferred stock and common stock comprising the units, including whether and under what circumstances the securities comprising the units may be traded separately;

a description of the terms of any unit agreement governing the units; and

a description of the provisions for the payment, settlement, transfer or exchange of the units.



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**PLAN OF DISTRIBUTION**

We may sell our securities through agents, underwriters or dealers, or directly to purchasers, or through a combination of any of these methods of sale.

We may designate agents to solicit offers to purchase our securities.

We will name any agent involved in offering or selling our securities, and any commissions that we will pay to the agent, in our prospectus supplement.

Unless we indicate otherwise in our prospectus supplement, our agents will act on a best efforts basis for the period of their appointment.

Our agents may be deemed to be underwriters under the Securities Act of 1933, as amended, of any of our securities that they offer or sell.

We may use one or more underwriters in the offer or sale of our securities.

If we use an underwriter, we will execute an underwriting agreement with the underwriter(s) at the time that we reach an agreement for the sale of our securities.

We will include the names of the managing underwriter(s), as well as any other underwriters, and the terms of the transaction, including the compensation the underwriters and dealers will receive, in our prospectus supplement.

The underwriters will use our prospectus supplement to sell our securities.

We may use a dealer to sell our securities.

If we use a dealer, we, as principal, will sell our securities to the dealer.

The dealer will then sell our securities to the public at varying prices that the dealer will determine at the time it sells our securities.

We will include the name of the dealer and the terms of our transactions with the dealer in our prospectus supplement.

We may directly solicit offers to purchase our securities, and we may directly sell our securities to institutional or other investors. We will describe the terms of our direct sales in our prospectus supplement.

We may engage in at the market offerings only of our common stock. An at the market offering is an offering of our common stock at other than a fixed price into an existing trading market for our common stock. Any underwriter that we engage for an at the market offering would be named in a prospectus supplement. Additional details of our arrangement with the underwriter, including commissions or fees paid by us and whether the underwriter is acting as principal or agent, would be described in the related prospectus supplement.

We may indemnify agents, underwriters, and dealers against certain liabilities, including liabilities under the Securities Act of 1933, as amended. Our agents, underwriters, and dealers, or their affiliates, may be customers of, engage in transactions with or perform services for us, in the ordinary course of business.

We may authorize our agents and underwriters to solicit offers by certain institutions to purchase our securities at the public offering price under delayed delivery contracts.

If we use delayed delivery contracts, we will disclose that we are using them in the prospectus supplement and will tell you when we will demand payment and delivery of the securities under the delayed delivery contracts.

These delayed delivery contracts will be subject only to the conditions that we set forth in the prospectus supplement.

We will indicate in our prospectus supplement the commission that underwriters and agents soliciting purchases of our securities under delayed delivery contracts will be entitled to receive.

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Underwriters, dealers and agents may engage in transactions with, or perform services for, or be customers of, El Paso in the ordinary course of business.

One or more firms, referred to as remarketing firms, may also offer or sell the securities, if the prospectus supplement so indicates, in connection with a remarketing arrangement upon their purchase. Remarketing firms will act as principals for their own accounts or as agents for us. These remarketing firms will offer or sell the securities in accordance with a redemption or repayment pursuant to the terms of the securities. The prospectus supplement will identify any remarketing firm and the terms of its agreement, if any, with us and will describe the remarketing firm's compensation. Remarketing firms may be deemed to be underwriters in connection with the securities they remarket. Remarketing firms may be entitled under agreements that may be entered into with us to indemnification by us against certain civil liabilities, including liabilities under the Securities Act of 1933, as amended, and may be customers of, engage in transactions with or perform services for us in the ordinary course of business.

Other than common stock, all securities offered will be a new issue of securities with no established trading market. The securities may or may not be listed on a national securities exchange or a foreign securities exchange, except for the common stock which is currently listed and traded on the NYSE. Any common stock sold by this prospectus will be listed for trading on the NYSE subject to official notice of issuance. We cannot give you any assurance as to the liquidity of or the trading markets for any securities.

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**LEGAL MATTERS**

The validity of the common stock, preferred stock, senior debt securities, purchase contracts, warrants and units will be passed upon for El Paso by Bracewell & Giuliani LLP, Houston, Texas. If the securities are being distributed in an underwritten offering, the validity of the securities will be passed upon for the underwriters by counsel identified in the related prospectus supplement.

**EXPERTS**

The consolidated financial statements and schedule of El Paso Corporation as of December 31, 2007 and 2006 and for the years then ended appearing in El Paso Corporation's Annual Report (Form 10-K) for the year ended December 31, 2007 have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon included therein, and incorporated herein by reference. The report of Ernst & Young LLP on the consolidated financial statements and schedule of El Paso Corporation as of December 31, 2007 and 2006 and for the years then ended is based in part on the reports of PricewaterhouseCoopers LLP, independent registered public accounting firm. The consolidated financial statements referred to above are, and audited financial statements to be included in subsequently filed documents will be, incorporated herein in reliance upon the reports of Ernst & Young LLP and PricewaterhouseCoopers LLP pertaining to such financial statements (to the extent covered by consents filed with the Securities and Exchange Commission) given on the authority of such firms as experts in accounting and auditing.

The consolidated financial statements of El Paso Corporation for the year ended December 31, 2005 incorporated in this prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2007 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

Information incorporated by reference in this prospectus regarding the estimated reserves attributable to certain of our natural gas and oil properties was prepared by Ryder Scott Company, L.P., independent petroleum engineers, as stated in their report with respect thereto and is incorporated herein upon the authority of such firm as experts in petroleum engineering.

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**EL PASO CORPORATION**

**DEBT SECURITIES  
PREFERRED STOCK  
COMMON STOCK  
PURCHASE CONTRACTS  
WARRANTS  
UNITS**

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**Table of Contents****PART II****INFORMATION NOT REQUIRED IN THE PROSPECTUS****Item 14. *Other Expenses Of Issuance And Distribution.***

The following sets forth the expenses in connection with the issuance and distribution of the securities being registered hereby, other than underwriting discounts and commissions. All amounts other than the Securities and Exchange Commission registration fee are estimated.

Securities and Exchange Commission Registration Fee	\$ 29,475
Legal Fees and Expenses	150,000
Accountants Fees and Expenses	100,000
Trustee s Fees and Expenses	25,000
Printing and Engraving Expenses	100,000
Miscellaneous	25,000
<b>TOTAL</b>	<b>\$ 429,475</b>

**Item 15. *Indemnification of Directors and Officers.***

Section 102(b)(7) of the Delaware General Corporation Law (the "DGCL") permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability for (i) any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) acts of omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) payment of unlawful dividends or unlawful stock purchases or redemptions, or (iv) any transaction from which the director derived an improper personal benefit.

Section 145 of the DGCL provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement in connection with specified actions, suits, proceedings whether civil, criminal, administrative, or investigative (other than action by or in the right of the corporation as a derivative action), if they acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe their conduct was unlawful. A similar standard is applicable in the case of derivative actions, except that indemnification only extends to expenses (including attorneys' fees) incurred in connection with the defense or settlement of such action, and the statute requires court approval before there can be any indemnification where the person seeking indemnification has been found liable to the corporation. The statute provides that it is not exclusive of other indemnification that may be granted by a corporation's charter, by-laws, disinterested director vote, stockholder vote, agreement, or otherwise.

Article 10 of El Paso's second amended and restated certificate of incorporation provides that to the full extent that the DGCL, as it now exists or may hereafter be amended, permits the limitation or elimination of the liability of directors, a director of El Paso shall not be liable to El Paso or its stockholders for monetary damages for breach of fiduciary duty as a director. Any amendment to or repeal of such Article 10 shall not adversely affect any right or protection of a director of El Paso for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

Article X of the by-laws of El Paso requires indemnification to the full extent permitted under Delaware law as from time to time in effect. Subject to any restrictions imposed by Delaware law, the by-laws of El Paso provide an unconditional right to indemnification for all expense, liability, and loss (including attorneys' fees, judgments, fines, ERISA excise taxes, or penalties and amounts paid in settlement) actually and reasonably incurred or suffered by any person in connection with any actual or threatened proceeding by reason of the fact that such person is or was serving as a director or officer of El Paso, such person or is or was serving at the request of El Paso as a director, officer, employee or agent of another corporation or of a partnership, joint

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venture, trust, or other enterprise, including service with respect to an employee benefit plan. The by-laws of El Paso also provide that El Paso may, by action of its board of directors, provide indemnification to its employees and agents with the same scope and effect as the foregoing indemnification of directors and officers.

El Paso maintains directors' and officers' liability insurance which provides for payment, on behalf of the directors and officers of El Paso and its subsidiaries, of certain losses of such persons (other than matters uninsurable under law) arising from claims, including claims arising under the Securities Act of 1933, as amended, for acts or omissions by such persons while acting as directors or officers of El Paso and/or its subsidiaries, as the case may be.

El Paso has entered into indemnification agreements with each member of its Board of Directors and certain officers, including each of the executives named in El Paso's proxy statement. These agreements reiterate the rights to indemnification that are provided to El Paso's directors and certain officers under El Paso's by-laws, clarify procedures related to those rights, and provide that such rights are also available to fiduciaries under certain of El Paso's employee benefit plans. As is the case under the by-laws, the agreements provide for indemnification to the full extent permitted by Delaware law, including the right to be paid the reasonable expenses (including attorneys' fees) incurred in defending a proceeding related to service as a director, officer or fiduciary in advance of that proceeding's final disposition. El Paso may maintain insurance, enter into contracts, create a trust fund or use other means available to provide for indemnity payments and advances. In the event of a change in control of El Paso (as defined in the indemnification agreements), El Paso is obligated to pay the costs of independent legal counsel who will provide advice concerning the rights of each director and officer to indemnity payments and advances.

**Item 16. Exhibits.****Exhibit  
No.****Exhibit**

- \*\*1.A Form of El Paso debt securities Underwriting Agreement
- \*\*1.B Form of El Paso equity securities Underwriting Agreement
- \*\*1.C Form of Underwriting Agreement related to El Paso Purchase Contracts, Warrants or Units
- 3.A Second Amended and Restated Certificate of Incorporation of El Paso (incorporated by reference to Exhibit 3.A to El Paso's Current Report on Form 8-K, File No. 1-14365, filed May 31, 2005)
- 3.B By-laws of El Paso effective as of December 6, 2007 (incorporated by reference to Exhibit 3.B to El Paso's Current Report on Form 8-K, File No. 1-14365, filed December 6, 2007)
- 4.A Certificate of Designations of 4.99% Convertible Perpetual Preferred Stock of El Paso (incorporated by reference to Exhibit 3.A to El Paso's Current Report on Form 8-K, File No. 1-14365, filed May 31, 2005)
- 4.B Senior Debt Securities Indenture, dated as of May 10, 1999, by and between El Paso and HSBC Bank USA, National Association (as successor-in-interest to JPMorgan Chase Bank, formerly The Chase Manhattan Bank), as Trustee (including form of senior security) (incorporated by reference to Exhibit 4.A of El Paso's Annual Report on Form 10-K, File No. 1-14365, for the year ended December 31, 2004)
- \*\*4.C Form of Purchase Contract Agreement
- \*\*4.D Form of Pledge Agreement
- \*\*4.E Form of Warrant Agreement (including form of Warrant Certificate)
- \*\*4.F Form of Unit Agreement (including form of Unit Certificate)
- \*5.A Opinion of Bracewell & Giuliani LLP as to the legality of the Common Stock, Preferred Stock, Senior Debt Securities, Warrants, Purchase Contracts and Units
- \*\*8.A Opinion of Bracewell & Giuliani LLP as to certain federal income tax matters





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<b>Exhibit No.</b>	<b>Exhibit</b>
12.A	Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends for the years ended December 31, 2007, 2006, 2005, 2004 and 2003 (incorporated by reference to Exhibit 12 of El Paso's Annual Report on Form 10-K, File No. 1-14365, for the year ended December 31, 2007)
12.B	Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends for the nine months ended September 30, 2008 (incorporated by reference to Exhibit 12 of El Paso's Quarterly Report on Form 10-Q, File No. 1-14365, for the quarter ended September 30, 2008)
*23.A	Consent of Ernst & Young LLP
*23.B	Consent of PricewaterhouseCoopers LLP
*23.C	Consent of Bracewell & Giuliani LLP (included in Exhibits 5.A and 8.A)
*23.D	Consent of Ryder Scott Company, L.P.
***24.A	Power of Attorney
***25.A	Form T-1 Statement of Eligibility of HSBC Bank USA, National Association regarding the Senior Debt Securities of El Paso

\* Filed herewith.

\*\* To be filed as an exhibit to El Paso's Current Report on Form 8-K in connection with or prior to a specific offering.

\*\*\* Previously filed.

**Item 17. *UNDERTAKINGS.***

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities

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offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5) or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or (x) for the purpose of providing the information required by section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of such undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of El Paso Corporation's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering

of such securities at that time shall be deemed to be the initial bona fide offering thereof.

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(c) The undersigned registrant hereby undertakes to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act in accordance with the rules and regulations prescribed by the Commission under Section 305(b)(2) of the Trust Indenture Act.

(d) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

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**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Post-Effective Amendment No. 1 Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Houston, state of Texas on February 26, 2009.

**EL PASO CORPORATION**

By: /s/ DOUGLAS L. FOSHEE

Douglas L. Foshee  
President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this Post-Effective Amendment No. 1 to the Registration Statement has been signed on behalf of the following persons in the capacities as indicated as of February 26, 2009.

<b>Signature</b>	<b>Title</b>
*	President, Chief Executive Officer and Director (Principal Executive Officer)
Douglas L. Foshee	
*	Executive Vice President and Chief Financial Officer (Principal Financial Officer)
D. Mark Leland	
*	Senior Vice President and Controller (Principal Accounting Officer)
John R. Sult	
*	Chairman of the Board
Ronald L. Kuehn, Jr.	
*	Director
Juan Carlos Braniff	
*	Director
James L. Dunlap	
*	Director
Robert W. Goldman	

\*

Director

Anthony W. Hall, Jr.

\*

Director

Thomas R. Hix

\*

Director

William H. Joyce

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<b>Signature</b>	<b>Title</b>
*	Director
Ferrell P. McClean	
	Director
Steven J. Shapiro	
*	Director
J. Michael Talbert	
*	Director
Robert F. Vagt	
*	Director
John L. Whitmire	
*	Director
Joe B. Wyatt	
By:	
/s/ Robert W. Baker	
Robert W. Baker	
Attorney-in-Fact	

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**EXHIBIT LIST**

<b>Exhibit No.</b>	<b>Exhibit</b>
**1.A	Form of El Paso debt securities Underwriting Agreement
**1.B	Form of El Paso equity securities Underwriting Agreement
**1.C	Form of Underwriting Agreement related to El Paso Purchase Contracts, Warrants or Units
3.A	Second Amended and Restated Certificate of Incorporation of El Paso (incorporated by reference to Exhibit 3.A to El Paso's Current Report on Form 8-K, File No. 1-14365, filed May 31, 2005)
3.B	By-laws of El Paso effective as of December 6, 2007 (incorporated by reference to Exhibit 3.B to El Paso's Current Report on Form 8-K, File No. 1-14365, filed December 6, 2007)
4.A	Certificate of Designations of 4.99% Convertible Perpetual Preferred Stock of El Paso (incorporated by reference to Exhibit 3.A to El Paso's Current Report on Form 8-K, File No. 1-14365, filed May 31, 2005)
4.B	Senior Debt Securities Indenture, dated as of May 10, 1999, by and between El Paso and HSBC Bank USA, National Association (as successor-in-interest to JPMorgan Chase Bank, formerly The Chase Manhattan Bank), as Trustee (including form of senior security) (incorporated by reference to Exhibit 4.A of El Paso's Annual Report on Form 10-K, File No. 1-14365, for the year ended December 31, 2004)
**4.C	Form of Purchase Contract Agreement
**4.D	Form of Pledge Agreement
**4.E	Form of Warrant Agreement (including form of Warrant Certificate)
**4.F	Form of Unit Agreement (including form of Unit Certificate)
*5.A	Opinion of Bracewell & Giuliani LLP as to the legality of the Common Stock, Preferred Stock, Senior Debt Securities, Warrants, Purchase Contracts and Units
**8.A	Opinion of Bracewell & Giuliani LLP as to certain federal income tax matters
12.A	Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends for the years ended December 31, 2007, 2006, 2005, 2004 and 2003 (incorporated by reference to Exhibit 12 of El Paso's Annual Report on Form 10-K, File No. 1-14365, for the year ended December 31, 2007)
12.B	Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends for the nine months ended September 30, 2008 (incorporated by reference to Exhibit 12 of El Paso's Quarterly Report on Form 10-Q, File No. 1-14365, for the quarter ended September 30, 2008)
*23.A	Consent of Ernst & Young LLP
*23.B	Consent of PricewaterhouseCoopers LLP
*23.C	Consent of Bracewell & Giuliani LLP (included in Exhibits 5.A and 8.A)
*23.D	Consent of Ryder Scott Company, L.P.
***24.A	Power of Attorney
***25.A	Form T-1 Statement of Eligibility of HSBC Bank USA, National Association regarding the Senior Debt Securities of El Paso

\* Filed herewith.

\*\* To be filed as an exhibit to El Paso's Current Report on Form 8-K in connection with or prior to a specific offering.

\*\*\* Previously filed.

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