

# Management Our Industry Advantage



## DAVE HODGE

President and Director

Mr. Hodge has an extensive background in business that includes many years of experience in the management and financing of publicly traded companies. He has been a director of mineral exploration companies since 1996, and has stewarded the Blue River Tantalum/Niobium Project from its acquisition in 2000 through to current development activities. Mr. Hodge's strengths lie in leadership and imaginative direction. His success has been founded on a belief in team building, consultation and strong leadership, as well as a willingness to incorporate expert advice into a viable working enterprise.

## DR. AXEL HOPPE

Chairman of the Board of Directors

Dr. Hoppe is an internationally-acknowledged leader in the tantalum and niobium fields. He has held numerous positions with H.C. Starck GmbH ("HCST"): a worldwide group of companies with more than 3,400 employees at 13 production sites in Europe, North America and the Far East. Under Dr. Hoppe's previous leadership as Head of the Electronics and Optics Business Group, HCST has grown into the leading producer of tantalum and niobium products and remains one of the world's largest consumers of tantalum raw materials.



## JODY DAHROUGE

B.Sc., P.Geo.,

VP Exploration and Director

Mr. Dahrouge a graduate of the University of Alberta, is President of Dahrouge Geological Consulting Ltd. A key member of the Commerce Resources technical team, he gives hands-on direction to exploration and development activities in BC and Quebec.



## JENNA HARDY

M.Sc., MBA, P.Geo

Ms. Hardy has over 20 years of professional experience in the mining industry consulting for public and private companies by assisting with environmental and operational development plans.



## IAN GRAHAM

Director

Mr. Ian Graham is an accomplished mining professional with over 20 years of experience in the development and exploration of mineral deposits, mostly gained with the major mining companies Rio Tinto and Anglo American. Formerly Chief Geologist with the Project Generation Group at Rio Tinto, Mr. Graham has been involved with evaluation and pre-development work on several projects in Canada and abroad including the Diavik Diamond Mine (Northwest Territories, Canada), Resolution Copper (Arizona, USA), Eagle Nickel (Michigan, USA), Lakeview Nickel (Minnesota, USA) and Bunder Diamonds (India).

## EXECUTIVE OFFICES:

1450 – 789 West Pender St.,  
Vancouver, BC V6C 1H2, Canada

Corporate Communications: Chris Grove

Telephone: 604 484 2700

Toll-free: 1 866 484 2700

Fax: 604 681 8240

Twitter: [www.twitter.com/CommerceResCCE](http://www.twitter.com/CommerceResCCE)

[www.commerceresources.com](http://www.commerceresources.com)





# THE FUTURE OF TANTALUM IN THE GLOBAL MARKET

[www.commerceresources.com](http://www.commerceresources.com)

**Commerce Resources Corp.** is developing rare metal projects hosting tantalum and niobium in British Columbia and Quebec. The company aims to become a large and profitable low-cost producer of these metals for the global market.

## Tantalum and Niobium— Metals for Today's Technologies

Tantalum and niobium are metallic elements that play an important role in our everyday life and the high-tech world. Tantalum is primarily used for the production of electronic capacitors and products, while niobium is predominantly used as an alloy for the production of harder and greater flexibility load-bearing steel.

The benefits of tantalum include extraordinary resistance to heat, high electrical capacitance (the amount of electricity which can be held and delivered), and near impenetrable resistance to corrosion and chemical intrusion. The primary benefit of niobium is its strength as an additive for the production of what industries know as super-steel, providing massive strength, endurance, and high-temperature resistance to corrosion and cracking.

### TANTALUM

#### TANTALUM IS IN DEMAND FOR:

- Electronics industry (cell phones, computers, data storage, digital cameras, flat screen televisions)
- Aerospace (jet engine components), automotive (electronics and airbag systems), energy and chemical production (pipes, tanks and vessels)
- Medicine (auto-defibrillators, cochlear implants, stents for angioplasty and other procedures)
- General industry (cutting tools, semi-conductors)

The demand for tantalum raw materials has been on the rise while supply is under strain. The U.S. Geological Survey and the Tantalum-Niobium International Study Centre (TIC) predict the annual demand growth for tantalum to be 7% over the next 20 years. In other words, from estimated world consumption of 6 million lbs in 2008, tantalum is expected to record a four-fold consumption increase in 20 years. To meet the future demand, the market will require production from new projects as well as expansions from existing operations.

Tantalum is a  
crucial commodity  
for the electronics  
industry

Unlike other metals, tantalum does not trade as a commodity in recognized metal markets. Rather, pricing is normally established by negotiation between buyer and seller. This leaves considerable power with suppliers particularly during an up market.

### NIOBIUM

#### NIOBIUM IS REQUIRED FOR:

- Super alloys for steel structures – bridges, buildings
- Oil and gas pipelines
- Automotive and aeronautic components

Niobium's value to industry is its strength as an alloy. Standard steel has a PSI (pounds per square inch) capacity of 40,000. With the addition of only two percent niobium, PSI is raised to 120,000.

Niobium's value to  
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Geologist Sasha Blinova holds pyrochlore, the quartz-like crystal containing tantalum and niobium. The world's largest pyrochlore, discovered on Commerce Resources' Verity property, is displayed at The Pacific Museum of the Earth at University of British Columbia.

#### INVESTOR INFORMATION

Shares Outstanding:	130.5 M
Fully Diluted:	175.8 M
Recent Price:	\$0.37
52-Week Range:	\$0.18 - \$0.82
Market Cap:	\$48.1 million
Cash and Investments:	\$17 million

*Data compiled Feb, 2010*

# Commerce Resources Corp.— The Future of Tantalum in the Global Market

Commerce's key assets are the Blue River Tantalum-Niobium Project in east-central British Columbia and the Eldor Tantalum-Niobium-Rare Earth Element Project in northern Quebec. At Blue River, Commerce has defined National Instrument 43-101 compliant resources for three deposits and is focused on bringing the Upper Fir into commercial production. The project is at the prefeasibility stage and a scoping study is planned for this year. The Eldor Property is at a relatively early stage of exploration with exploration results indicating the potential for carbonatite hosted tantalum, niobium, and rare earth element mineralization.

## BLUE RIVER PROJECT, BC

The Blue River Project is located 250 kilometers north of Kamloops, British Columbia and encompasses approximately 1,000 square kilometers. Commerce has a 100% interest in the property, which is not subject to any underlying royalties.

At Blue River, Commerce has identified three tantalum-niobium deposits and is focused on bringing the Upper Fir into commercial production. Based on 153 drill holes completed from 2005-2008, the Upper Fir deposit contains an indicated resource of 11.3 Mt with average grades of 198 g/t Ta<sub>2</sub>O<sub>5</sub> (tantalum) and 1,170 g/t Nb<sub>2</sub>O<sub>5</sub> (niobium) and an inferred resource of 26.2 Mt with average grades of 194 g/t Ta<sub>2</sub>O<sub>5</sub> and 1,182 g/t Nb<sub>2</sub>O<sub>5</sub>.

During 2009, the company completed additional drilling at the Upper Fir and continued metallurgical testing. The results of this work will enable the company to complete an updated resource estimate and scoping study for the deposit. This will lead to the feasibility and mine construction stages.

The Blue River project benefits from excellent nearby infrastructure. The Yellowhead Highway, Canadian National Railway, and BC Hydro power lines all cross the property.

The deposits are also hosted in carbonatite rock, which is a geologic advantage as opposed to traditional pegmatite deposits in that higher metallurgical recoveries and lower processing costs are expected.

Through the development of the Upper Fir to commercial production, Commerce aims to become a leading, low-cost producer of tantalum and niobium and a stable source of supply for industry and end-users.

## ELDOR PROJECT, QUEBEC

Commerce Resources is also conducting early-stage exploration at the Eldor Project in northern Quebec. In 2007, the company completed magnetic and radiometric airborne surveys as well as rock and soil sampling. A 26 hole, 5,400 meter drilling program was completed in 2008. The drilling and surface work has revealed significant concentrations of rare earths as well as tantalum and niobium.