



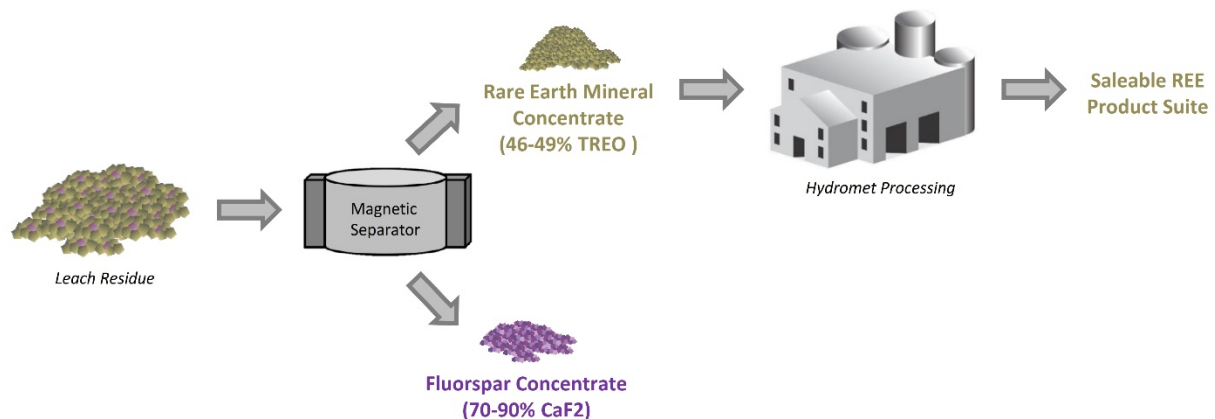
## Commerce Resources Corp. Advances By-Product Potential for the Ashram Rare Earth Deposit

**March 1, 2016 - Commerce Resources Corp.** (TSXv: CCE, FSE: D7H, OTCQX: CMRZF) (the “Company” or “Commerce”) is pleased to announce encouraging developments in the evaluation of potential fluor spar by-product for the Company’s 100% owned Ashram Rare Earth Deposit.

The Company first reported by-product potential in 2013 (see news release dated Feb 20<sup>th</sup>, 2013) with a fluorite concentrate of possible value being produced during the rare earth element (REE) recovery process. Since this time, this work has advanced favourably.

### Fluorite (industrially known as “fluorspar”, and chemically as “CaF<sub>2</sub>”)

The evaluation of the fluorspar concentrate as a by-product has advanced with the production of more than 50 individual fluorspar concentrates using Ashram’s base case beneficiation flowsheet, comprised of flotation, leaching, and magnetic separation. The fluorspar is concentrated along with the rare earth minerals through the beneficiation flowsheet until the final stage of processing, where they are separated into two distinct concentrates; a fluorspar concentrate, and a rare earth mineral concentrate. A simplified illustration of this flowsheet is below.



### Simplified illustration of the Ashram flowsheet, which may produce a fluorspar concentrate of potential value

One of the best overall rare earth mineral concentrates achieved to date (42% TREO at 76% recovery, see news release dated October 19, 2015) also resulted in a fluorspar concentrate with



a grade<sup>1</sup> of ~75% CaF<sub>2</sub> at 80% recovery as the final tails product of the rare earth mineral beneficiation process. Of the fluorspar concentrates produced to date, the average CaF<sub>2</sub> grade is ~75% to a peak of 94%, indicating metallurgical-grade (met-grade) fluorspar with advantages that include:

1. Potentially saleable as met-grade fluorspar without further processing
2. No additional cost to produce as the met-grade fluorspar is the final tails product of the primary REE recovery process
3. No negative impact on REE flowsheet or recoveries
4. Potential for a reduced volume of tailings, and thus, size of tailings facility, if the fluorspar is confirmed to be saleable by-product

In addition, a test program is being designed to evaluate the potential for upgrading the met-grade fluorspar concentrate to acid-grade, with testwork anticipated to begin shortly.

The Company has engaged in dialogue with several interested parties in terms of fluorspar offtake and is in the process of advancing those discussions, as well as working towards the production of samples for evaluation.

The Ashram Project's potential contribution to the fluorspar market will be evaluated as part of the ongoing Pre-feasibility Study (PFS). Although test programs to date have yielded encouraging results for this potential by-product, there is no certainty of its inclusion into the Ashram Project's ongoing PFS.

With respect to the ongoing PFS, the results of the programs described in this news release will be incorporated, along with other necessary technical data including geological and engineering studies, into the PFS with costs and benefits to be described in more detail therein.

### **Fluorspar Market**

Approximately two-thirds of the fluorspar market is acid-grade, which is primarily used in the production of aluminum and in the manufacture of hydrofluoric acid. The remaining one-third of the market is dominated by met-grade which is primarily used as flux in steel making to lower melting temperature and remove impurities. China, and to a lesser extent Mexico, dominate global fluorspar production which is estimated by the USGS to be approximately 6.9 million tonnes per annum (2014).

- (1) Fluorite (CaF<sub>2</sub>) is calculated based on fluorine analysis, using a conversion factor of 2.055, as mineralogical work concludes fluorite is the dominant and only material source of fluorine at the Ashram Deposit.



### **NI 43-101 Disclosure**

Darren L. Smith, M.Sc., P.Geol., Dahrouge Geological Consulting Ltd., a Qualified Person as defined by National Instrument 43-101, supervised the preparation of the technical information in this news release.

Eric Larochelle, Eng., and Alain Dorval, Eng., Manager-Process, Mining and Mineral Processing, of Norda Stelo Inc. (formally Roche Ltd., Consulting Group), Qualified Persons as defined by National Instrument 43-101, reviewed the technical information presented in this news release.

### **About the Ashram Rare Earth Element Deposit**

The Ashram Rare Earth Element (REE) Deposit is located in Nunavik, north-eastern Quebec. The Deposit has a measured resource of 1.6 million tonnes (Mt) at 1.77% TREO, an indicated resource of 27.7 Mt at 1.90% TREO, and an inferred resource of 219.8 Mt at 1.88% TREO. Mineral resources are not mineral reserves as they do not have demonstrated economic viability.

The REEs at Ashram occur primarily in the mineral monazite and to a lesser extent in bastnaesite and xenotime. These minerals dominate the currently known commercial extraction processes for rare earths. The Ashram Deposit mineralization has an REE distribution with enrichment in the critical and magnet feed REEs (Nd, Pr, Eu, Tb, Dy, and Y).

A Preliminary Economic Assessment (PEA) was completed by SGS-Geostat of Montreal (Blainville) with an effective date of July 5, 2012 (revised date of January 7, 2015). The PEA is based on a 4,000 tonne per day open-pit operation with an initial 25-year mine life, a pre-tax Net Present Value (NPV) of \$2.32 billion at a 10% discount rate, a pre-tax/pre-finance Internal Rate of Return (IRR) of 44%, and a pre-tax/pre-finance payback period of 2.25 years.

This economic assessment is by definition preliminary in nature and it includes inferred mineral resources that are considered too speculative to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the PEA will be realized. The current Ashram Technical Report dated January 7, 2015 explains why no after-tax case is included, and that a combined tax rate of around 32.5% may apply to production.

### **About Commerce Resources Corp.**

Commerce Resources Corp. is an exploration and development company with a particular focus on deposits of rare metals and rare earth elements. The Company is focused on the development of its Ashram Rare Earth Element Deposit in Quebec and the Upper Fir Tantalum and Niobium Deposit in British Columbia.



COMMERCE RESOURCES CORP.

For more information please visit the corporate website at <http://www.commerceresources.com> or contact Investor Relations at 604.484.2700 or [info@commerceresources.com](mailto:info@commerceresources.com).

On Behalf of the Board of Directors  
**COMMERCE RESOURCES CORP.**

“Chris Grove”

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#### **Forward-Looking Statements**

This news release contains forward-looking information which is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ from those projected in the forward-looking statements. Forward looking statements in this press release include that our by-product can be commercially valuable; the potential for upgrading the met-grade fluorspar concentrate to acid-grade; and that we may be able to negotiate fluorspar offtake agreements. These forward-looking statements are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Risks that could change or prevent these statements from coming to fruition include changing costs for mining and processing; increased capital costs; the timing and content of upcoming work programs; geological interpretations based on drilling that may change with more detailed information; potential process methods and mineral recoveries assumption based on limited test work may not be valid; the availability of labour, equipment and markets for the products produced; and despite the current expected viability of the project, conditions changing such that the minerals on our property cannot be economically mined, or that the required permits to build and operate the envisaged mine cannot be obtained. The forward-looking information contained herein is given as of the date hereof and the Company assumes no responsibility to update or revise such information to reflect new events or circumstances, except as required by law.