



Commerce Resources Corp. Announces Private Placement

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December 19, 2016 - Commerce Resources Corp. (TSXV: CCE, FSE: D7H, OTCQX: CMRZF) (the “Company” or “Commerce”) announces that it intends to conduct a non-brokered private placement (the “Offering”) of up to 50,000,000 units (the “Units”) at a price of \$0.05 per Unit for total aggregate proceeds of up to \$2,500,000. Each Unit consists of one common share (each, a “Share”) and one common share purchase warrant (each, a “Warrant”), with each Warrant exercisable into one Share at an exercise price of \$0.075 per Share in the first year after issuance and at \$0.10 per Share in the second year after issuance.

The net proceeds from the Offering will be primarily used for the completion of the Company’s pilot plant (up to \$500,000), the production of representative samples of Rare Earth Element concentrates, and fluorite concentrate (up to \$1,000,000) for delivery to interested parties, and for general working capital (up to \$1,000,000).

The Offering will be offered to existing shareholders of the Company in accordance with the provisions of the Canadian existing security holder exemption (the “Existing Security Holder Exemption”), as well as to other investors pursuant to other available exemptions. Shareholders of record of the Company as at December 15, 2016 (the “Record Date”) are eligible to participate under the Existing Security Holder Exemption, provided that they continue to hold such common shares of the Company as of the closing date of the Offering. Any person who becomes a shareholder of the Company after the Record Date is not permitted to participate in the Offering using the Existing Security Holder Exemption, but other exemptions may still be available to them. There are conditions and restrictions when relying upon the Existing Security Holder Exemption, namely that the subscriber must: (a) be a shareholder of the Company on the Record Date, (b) be purchasing the Units as a principal and for their own account and not for any other party, and (c) not subscribe for more than \$15,000 of securities from the Company in any 12 month period in reliance on the Existing Security Holder Exemption. In the event that a subscriber wants to subscribe for more than \$15,000 of securities, then the subscriber may do so provided that they have first received ‘suitability advice’ from a registered investment dealer.

Any existing shareholders interested in participating in the Offering should contact the Company pursuant to the contact information set forth below.

In addition, a portion or all of the Offering may be completed pursuant to Multilateral CSA Notice 45-318 – Prospectus Exemption for Certain Distributions through an Investment Dealer

(“CSA 45-318”) and the corresponding blanket orders and rules implementing CSA 45-318 in the participating jurisdictions in respect thereof (collectively with CSA 45-318, the “Investment Dealer Exemption”). As at the date hereof, the Investment Dealer Exemption is available in each of Alberta, British Columbia, Saskatchewan, Manitoba and New Brunswick. Pursuant to CSA 45-318, each subscriber relying on the Investment Dealer Exemption must obtain advice regarding the suitability of the investment from a registered investment dealer. There is no material fact or material change of the Company that has not been generally disclosed.

The Offering is not subject to any minimum aggregate subscription. If subscriptions received for the Offering based on all available exemptions exceed the maximum Offering amount of \$2,500,000 will be allocated to those subscribers whose subscriptions were first accepted by the Company.

Closing of the Offering remains subject to final acceptance of the TSX Venture Exchange. The Company may pay finder’s fees in connection with the issuance of the Units under the Offering. The Shares, the Warrants and the Shares issuable on exercise of the Warrants will be subject to a statutory hold period expiring on the date that is four months and one day after closing of the Offering. The Offering may be considered a related party transaction pursuant to applicable securities laws due to the fact that certain insiders of the Company may participate in the Offering.

About Commerce Resources Corp.

Commerce 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 Blue River Tantalum-Niobium Deposit in British Columbia.

For more information on Commerce Resources Corp., visit the corporate website at <http://www.commerceresources.com> or email info@commerceresources.com.

On Behalf of the Board of Directors
COMMERCE RESOURCES CORP.

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Disclaimer for Forward-Looking Information

Certain statements in this press release related to the Offering and the securities issuable thereunder are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the

forward-looking statements. These statements generally can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “intend”, “estimate”, “plan”, “anticipate”, “expect”, “believe” or “continue”, or the negative thereof or similar variations. Forward-looking statements in this news release include statements regarding the proceeds to be raised pursuant to the Offering, resale restrictions relating to the securities to be issued, the use of proceeds of Offering, allocation of Units in the event that the Offering is over-subscribed and receipt of the approval of the TSX Venture Exchange. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding the Company’s ability to complete the Offering, including the risk that the Offering may not be completed as expected or at all, that the proceeds of the Offering may be used other than as set out in this news release, that the TSX Venture Exchange may not approve the Offering and such other factors beyond the control of the Company. Such forward-looking statements should therefore be construed in light of such factors, and the Company is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.