



Commerce Resources Corp. Completes 2017 Field Program at the Ashram Rare Earth Deposit

October 11, 2017 - Commerce Resources Corp. (TSXv: CCE, FSE: D7H) (the “Company” or “Commerce”) is pleased to announce that it has successfully completed the 2017 field program at its 100% owned Ashram Rare Earth Deposit, in northern Quebec. The work focused on programs that are in support of the ongoing Pre-feasibility Study (PFS) as well as additional prospecting near the Miranna Target, considered prospective for niobium, tantalum, and phosphate mineralization.

The field program began September 10th and ran for approximately three weeks.

Highlights include:

- Collection of 1,256 core samples from drill holes completed at Ashram during the 2016 field campaign
- Collection of nine (9) composite core samples for comminution testing
- Data downloads and maintenance of various instrument loggers throughout the Ashram Project area
- Collection of 36 prospecting rock samples focused on further refining the Miranna Target ahead of drill testing

During the 2016 field campaign, a total of 14 drill holes for approximately 2,014 m were completed as part of the remaining resource definition drilling, focused along the northern, western, and southern margins of the Ashram Deposit. Over the course of the 2017 field program, 1,256 samples were collected from this core and are currently en route to Activation Laboratories in Ancaster, ON for analysis.

The comminution samples are comprised of drill core composites collected from various depths and rock domains throughout the deposit, so to best represent the rock geomechanical variability of Ashram. These samples will undergo various geomechanical tests that will feed into the design of the process plant. Initial comminution testing indicates that the Ashram material is relatively soft, which directly correlates to lower energy consumptions during the crushing and grinding process, where often the bulk of a mining operations energy is consumed.

The 2017 program also included minor instrument maintenance and installation, and data downloads from the on-site weather station, as well as the lake and downhole data loggers



installed throughout the Ashram Deposit. The data will form an integral component in the development of the hydrogeological model for the Project.

Miranna Target

In addition to the work in support of the Ashram PFS, a total of 36 samples were collected during the program, with a strong focus on the Miranna Target. Field observations indicate that significant niobium-tantalum mineralization continues to be discovered on surface, with two distinct and overlapping mineralized boulder trains identified that appear to terminate in the same area. This potentially indicates proximal or interfingering of sources and increases the potential of the target.

The Miranna Area boast grades of up to 5.9% Nb₂O₅ and 1,220 ppm Ta₂O₅ in boulders (see news release dated September 13, 2016) with ground work having identified several high priority targets for drill testing. The 2017 samples are en route to Activation Laboratories in Ancaster, ON for analysis.

The Miranna Area is located approximately 1 km east of the Ashram Rare Earth Deposit, which suggests there could be significant potential for development synergies in the event a deposit of merit is defined at Miranna.

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.

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.

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.

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 Miranna Target, is prospective for niobium, tantalum, and phosphate mineralization; that samples will undergo various geomechanical tests that will feed into the design of the process plant; that data indicates proximal or interfingering of sources and increases the potential of the target; that there could be significant potential for development synergies in the event a deposit of merit is defined at Miranna; our prospecting and drill programs’ timing, focus and expected results. 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 and by comparison to what are considered analogous deposits that with further test work may not



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be comparable; 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 can 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.