



Commerce Resources Corp. Enters into Quebec Government Funded Collaboration with Université Laval to Conduct REE Hydrometallurgical Pilot Plant Test Work

May 31, 2018 - Commerce Resources Corp. (TSXv: CCE, FSE: D7H) (the “Company” or “Commerce”) is pleased to announce that it has entered into a collaboration with Université Laval (“Laval”) to process material from the Ashram Rare Earth Deposit, located in northern Quebec. The test work will focus on a pilot plant validation of a new hydrometallurgical process for the extraction of rare earth elements (REEs), and a newly developed software model simulator for the separation of these elements. The pilot program is fully funded through a \$365,000 grant provided by Quebec’s Ministère de l’Économie, de la Science et de l’Innovation (MESI) to Université Laval.

The primary objective of the collaboration is to validate the performance of a new software model program, developed by Laval, that simulates a rare earth element (REE) hydrometallurgical flowsheet through to separation of various REE products. The software utilizes pre-defined mineral concentrate inputs and a specified hydrometallurgical process to generate a set of product outputs. In addition, the pilot plant will serve to validate a new hydrometallurgical process approach, also developed by Laval.

Partial validation of both the hydrometallurgical process and software model simulator has been completed through prior test work at the bench scale. This work was highly encouraging, with recoveries greater than 85% as well as good correlation between the bench test data and the modeled data outputs. The next step in the projects development is pilot plant level validation.

As such, the Company has provided approximately two tonnes of Ashram Deposit whole rock material for the pilot plant test work with the program now underway at the SGS Quebec City laboratory, in partnership with Laval.

For the software model validation, the characteristics of the Ashram material will be input into the software model, and the hydrometallurgical flowsheet simulated through to certain product outputs. Correspondingly, the pilot plant will operate, using actual Ashram Deposit material and process equipment, to validate the outputs of the computer model.

The Ashram material will be beneficiated to produce a high-grade mineral concentrate and then, through semi-continuous pilot operation, be processed downstream using a sequential caustic – acid leach to crack the rare earth minerals and produce a rare earth element (REE) solution with low Fe-Th-U for partial separation into LREE, SEG, and HREE fractions.



The overarching objectives of the piloting work are to:

- further develop REE separation expertise in Quebec,
- to assess the economics of having REE separation completed in Quebec,
- to demonstrate that the newly developed software model simulation may be a more cost-effective means of evaluation compared to typical piloting in certain circumstances, and
- to provide an alternative source of REE products to the global markets.

The Company will benefit through further de-risking of the Ashram Project's beneficiation and hydrometallurgical flowsheet, as well as demonstrating the production of potentially marketable end-product. The data produced is anticipated to supplement the base flowsheet and also provide a significant advantage to the Company as it advances hydrometallurgical aspects of the Ashram Project towards Pre-feasibility.

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 Université Laval

Université Laval is a French-language university based in Quebec City, QC, Canada with over 42,500 students enrolled in some 500 programs. Laval is a highly regarded academic institution at the forefront of research and development in the country with over 60 departments and schools supporting a range of innovative initiatives.

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-Niobium Deposit in British Columbia.

On Behalf of the Board of Directors
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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, but are not limited to, 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 be comparable; the availability of labour, equipment and markets for the products produced; and despite the current expected potential 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.

Commerce Resources Corp. acknowledges its partners and the financial support of the MESI:

