



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

August 31, 2017 - Commerce Resources Corp. (TSXv: CCE, FSE: D7H) (the “Company” or “Commerce”) is pleased to announce the start of the 2017 field program at its 100% owned Ashram Rare Earth Deposit, located in northern Quebec.

The program is expected to run for approximately three weeks in support of the Ashram Project’s ongoing Pre-feasibility Study (PFS). The program will focus on sample processing and collection of drill core for assay from the 2016 field campaign (see news releases dated September 20th, and October 20th, 2016).

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. Initial geologic review and portable XRF data indicates significant mineralization is present over appreciable widths in several drill holes, including the large step-out hole to the southeast that tested an isolated gravity anomaly (EC16-157).

The 2017 program will also include minor instrument maintenance and installation with respect to the Ashram Project’s proposed dyke on Centre Pond. The dyke infrastructure portion of the PFS is well-advanced with only continued passive data collection of Centre Pond water levels the remaining field aspect.

In addition, a small prospecting program will be completed in the Miranna Area, where in the field program of 2015 grades of up to 5.9% Nb₂O₅ and 1,220 ppm Ta₂O₅ were returned from boulders (see news release dated September 13, 2016). In 2016, high-grade boulder samples continued to be collected in the area with a potential target source identified for initial drill testing. Further, interpretation of all Niobium-Tantalum data collected to date on the Property, in collaboration with PhD candidate Patrik Schmidt and the University of Windsor, has potentially developed a new exploration vector for Nb-Ta mineralization on the Property that may be used to isolate distinct sources of overlapping Nb-Ta mineralized boulder trains. The 2017 prospecting work will apply this new vector and aim to elucidate additional targets for drill testing.

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.



COMMERCE RESOURCES CORP.

On Behalf of the Board of Directors
COMMERCE RESOURCES CORP.

“Chris Grove”

Chris Grove
President
Tel: 604.484.2700

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.

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 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 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.