



## **Commerce Resources Corp. Reports on Upgrading the Ashram Deposit to +50% REO at Appreciable Recovery by Flotation**

**December 6, 2017 - Commerce Resources Corp.** (TSXv: CCE, FSE: D7H) (the “Company” or “Commerce”) is pleased to announce that a paper describing an alternative method of upgrading material from the Ashram Rare Earth Deposit to +50% REO at appreciable recovery using only the method of flotation, has been presented at the Flotation ‘17 conference in South Africa.

The paper entitled *Flotation of Rare Earth Minerals from Fluorite by pH-Shift* was authored by the Mr. Gerhard Merker of Merker Mineral Processing, as lead, in collaboration with Ashram Project Manager Darren L. Smith, and Mr. Henning Morgenroth of UVR-FIA. The paper was based on work completed at UVR-FIA in Germany in support of flowsheet development for the Ashram Deposit.

The Ashram Deposit is one of a select few deposits in the world under development that is capable of upgrading its whole rock to a high-grade mineral concentrate similar to producers in the REE sector. The work completed by Mr. Merker, Mr. Morgenroth, and the Company demonstrate the highly favorable mineralogy of the Ashram Deposit and its versatility in processing approaches to achieve such high mineral concentrate grades. The Company currently has two distinct flowsheets that lead to mineral concentrate grades in excess of 45% REO.

The paper, and accompanying graphic illustration, describe an alternative method of upgrading the Ashram Deposit material to +50% REO at appreciable recovery using only the method of flotation. The key to this success was the discovery of the significant role of pH in the separation of rare earth minerals from fluorite as well as various carbonates. Without such a separation, a mineral concentrate at appreciable recovery could not exceed 20% REO using flotation alone. As such, a multi-stage flotation technique comprising milling and sizing, high solids conditioning, and a controlled pH-shift, which is not conventionally applied to REE-ores, was developed.

The results show an interesting approach for beneficiating REE-carbonatite ores with fluorite bearing gangue by mere flotation. In terms of the Ashram Deposit, the technique continues to hold significant promise as an alternative processing approach.

The Flotation ‘17 conference, held this past November 13 to 16<sup>th</sup> in Cape Town, South Africa, was the 8<sup>th</sup> in a series on flotation organized by Mineral Engineering International (MEI). MEI online ([min-eng.com](http://min-eng.com)) is the official website of the prestigious Mineral Engineering Journal, a publication focused on development and innovation in the fields of mineral processing and extractive metallurgy.



The authors intend to submit the paper for peer-reviewed publication in the coming months. A copy of the paper, graphic illustration, and photos of the event may be found at the Company's website.

#### **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](mailto: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

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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 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.