COMMERCE RESOURCES CORP.

51-102F3 Material Change Report

1. Name and Address of Company

Commerce Resources Corp. (the "Company")
Suite 1450 – 789 West Pender Street
Vancouver, BC V6C 1H2

2. Date of Material Change

July 2, 2014

3. News Release

Pursuant to section 7.1 of National Instrument 51-102, the news release was disseminated by CNW Newswire and Stockwatch on July 2, 2014.

4. Summary of Material Change

Commerce Resources Corp. announces the results of a drill program at the Ashram Rare Earth Deposit in Northern Quebec

5. Full Description of Material Change

Please see Schedule "A" attached.

6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable.

7. Omitted Information

Not Applicable.

8. Executive Officers

David Hodge, Director
Telephone: 604.484.2700

9. Date of Report

July 2, 2014

COMMERCE RESOURCES CORP.

SCHEDULE A

Commerce Resources Corp. Intersects 2.32% TREO Over 96.66m and Expands MHREO Zone at the Ashram Rare Earth Deposit, Northern Quebec

July 2, 2014 - Commerce Resources Corp. (TSXv: CCE, FSE: D7H) (the "Company") is pleased to announce assay results from its 2014 winter drill program at the 100% owned Ashram Rare Earth Deposit located in northern Quebec.

The drill program, which finished on schedule and under budget, consisted of twelve near-surface holes (1,557m), located within the current defined extent of the Ashram Deposit, and further delineated the Middle and Heavy Rare Earth Oxide Zone (MHREO Zone).

Highlights

- **Discovery of a potential in-pit extension to the MHREO Zone** via the following intersections:
  - EC14-103 with **42.39m of 1.60% TREO at 11.6% MH/T(1)**
  - EC14-100 with **48.87m of 1.47% TREO at 12.0% MH/T**
- **Continued high grade intercepts** at grades higher than the resource grade previously announced (see news release dated March 6, 2012), and central to the pit shell identified in the Preliminary Economic Assessment (see news release dated May 24, 2012).
  - EC14-098: **2.13% TREO over 172.66m**, including **2.32% over 96.66m**
  - EC14-101: 1.97% TREO over 162.47m, including **2.25% over 56.32m**
  - EC14-099: **2.01% TREO over 81.00m**

(1) MH/T = (MREO + HREO) / TREO expressed as a percent.

The map below shows the locations of the 2014 drill holes and may be viewed at http://www.commerceresources.com/i/maps/Ashram-Drill-Plan.pdf.

President Dave Hodge comments: "*The Ashram Deposit continues to exceed our expectations in nearly all respects. The winter program, which drilled holes inside the previously identified resource, not only increased our confidence in the resource model, but appears to have expanded the identified MHREO Zone, the most valuable zone in the deposit, as well as returning high grade TREO intercepts in adjacent material. Coupled with its simple rare earth mineralogy which is amenable to >40% TREO mineral concentrate grades at high recovery, our Ashram Deposit is clearly a standout in the REE space.*"

A complete listing of drill results may be found below.

MHREO Zone Extension

The recent infill program indicates the zone of MHREO enrichment identified within the open-pit modelled in our previous PEA extends beyond the area of the original interpretation. This is best evidenced in hole EC14-103 with **42.39m of 1.60% TREO at 11.6% MH/T** and hole EC14-100 with **48.87m of 1.47% TREO at 12.0% MH/T** where a clear extension of the MHREO Zone can be interpreted. To view a cross section, visit http://www.commerceresources.com/i/maps/Ashram-Cross-Section.pdf.

In addition, EC14-099 bottomed unexpectedly in strong MH/T mineralization (**32.48m of 1.41% TREO at 12.6% MH/T**) at a depth of 192.02 m, further suggesting that a more extensive MHREO mineralizing system is present than originally indicated.

Additional MHREO mineralized intersections within the current interpreted zone include EC14-098 with **34.50m of 1.80% TREO at 10.5% MH/T (including 38 ppm Tb_2O_3 and 160 ppm Dy_2O_3)** and EC14-099 with **64.50m of 1.68% TREO at 12.1% MH/T (including 38 ppm Tb_2O_3 and 153 ppm Dy_2O_3).** These terbium and dysprosium grades compare favourably with some of the better known heavy rare earth deposits in the REE space (e.g. Kipawa), except at Ashram these values are complemented by considerable enrichment in neodymium and europium.

Management cautions that no additionally interpreted MHREO Zone material may be attributed to the MHREO Zone Resource until such time as the resource is updated and signed off by an Independent Qualified Person under NI 43-101 Standards for Disclosure. Further, no guarantee exists that the MHREO Zone resource will be modified from its current resource extent.

Strong TREO Intersections Returned Above Previously Reported Resource Grade

The Ashram Deposit has a measured and indicated resource of 29.3 million tonnes at 1.90% TREO and an inferred resource of 219.8 million tonnes at 1.88% TREO, based on 45 holes and 15,692m drilled. This also includes the MHREO Zone resource with 6.6 million tonnes of 1.63% TREO at 11.3% MH/T (measured and indicated), and 2.8 million tonnes of 1.57% TREO at 11.1% MH/T (inferred) (See news releases dated March 6 and May 24, 2012).

In addition to the interpreted extension of the MHREO Zone, strong TREO mineralization was also intersected in the surrounding mineralized material within the pit shell identified in the PEA. Highlighted results include: EC14-098 with **2.13% TREO over 172.66m**, including **2.32% over 96.66m**; EC14-101 with 1.97% TREO over 162.47m, including **2.25% over 56.32m**; and EC14-099 with **2.01% TREO over 81.00m.** These intersection grades are higher than the resource categories previously reported (1.90% TREO measured and indicated, and 1.88% TREO inferred).

Geotechnical Drilling

Three short holes (<25 m) were completed to assess the projected location of the dyke on Centre Pond. The information from these holes will determine whether more drilling will be required to locate the position of the dyke(s). Data collected will also assist with resource modelling and related project parameters for future development.

Hole ID	From (m)	To (m)	Interval (m)	Nd Oxide (ppm)	Eu Oxide (ppm)	Tb Oxide (ppm)	Dy Oxide (ppm)	Y Oxide (ppm)	TREO (%)	MH/T (%)	CaF_2 (%)	Comments
EC14-098	4.92	194.16	**189.24**	3325	112	29	122	536	**2.06**	**7.6**	8.1	***Bottomed in 2.49% TREO***
incl.	21.50	194.16	**172.66**	3397	113	29	122	534	**2.13**	**7.4**	8.3	
or	97.50	194.16	**96.66**	3572	112	28	117	500	**2.32**	**6.6**	8.0	
	MHREO Enriched											
	4.92	*21.50*	***16.58***	*2695*	*116*	*30*	*132*	*605*	***1.38***[2]	***12.1***	*7.2*	
	43.50	*78.00*	***34.50***	*3119*	*130*	***38***	***160***	*689*	***1.80***	***10.5***	*7.0*	
	136.82	*142.00*	***5.18***	*3181*	*137*	*40*	*175*	*687*	***1.79***	***11.0***	*4.2*	
EC14-099	5.10	192.02	**186.92**	3145	125	33	136	688	**1.80**	**10.1**	9.0	***Bottomed in 1.39% TREO***
incl.	77.00	158.00	**81.00**	3394	123	31	131	653	**2.01**	**8.9**	8.5	
	MHREO Enriched											
	35.00	*99.50*	***64.50***	*3095*	*141*	***38***	***153***	*782*	***1.68***	***12.1***	*8.6*	
	117.50	*125.00*	***7.50***	*3714*	*152*	*41*	*180*	*800*	***1.99***	***11.2***	*5.4*	
	135.50	*141.50*	***6.00***	*3479*	*148*	*44*	*211*	*1032*	***1.86***	***13.2***	*7.8*	
	159.54	*192.02*	***32.48***	*2614*	*118*	*34*	*147*	*675*	***1.41***	***12.6***	*7.2*	***Bottomed in 11.9% MH/T***
EC14-100	11.28	194.16	**182.88**	3041	116	28	115	528	**1.71**	**9.2**	7.9	***Bottomed in 2.98% TREO***
incl.	11.28	37.92	**26.64**	3256	124	31	125	562	**1.92**	**8.7**	7.6	
incl.	87.97	127.63	**39.66**	3166	112	28	119	581	**1.91**	**8.5**	10.1	
incl.	167.26	194.16	**26.90**	3780	133	30	120	529	**2.26**	**7.5**	5.9	
	MHREO Enriched											
	39.10	*87.97*	***48.87***	*2866*	*124*	*32*	*135*	*628*	***1.47***[3]	***12.0***	*8.5*	
	96.80	*102.05*	***5.25***	*2895*	*112*	*30*	*137*	*694*	***1.62***	***10.9***	*7.9*	
	105.62	*112.11*	***6.49***	*2720*	*120*	*35*	*156*	*746*	***1.42***	***13.3***	*7.4*	
	127.63	*137.50*	***9.87***	*3068*	*136*	*31*	*120*	*512*	***1.49***	***11.3***	*8.7*	
EC14-101	10.06	172.53	**162.47**	3314	114	29	123	604	**1.97**	**8.4**	8.4	***Bottomed in 2.60% TREO***
incl.	96.00	152.32	**56.32**	3606	120	30	123	616	**2.25**	**7.6**	7.9	
	MHREO Enriched											
	10.06	*66.30*	***56.24***	*3046*	*115*	*30*	*131*	*606*	***1.69***	***9.9***	*9.2*	
	124.52	*133.09*	***8.57***	*3700*	*147*	*42*	*182*	*884*	***2.21***	***10.2***	*5.6*	
	150.88	*161.93*	***11.05***	*3358*	*126*	*32*	*135*	*699*	***1.80***	***10.3***	*4.8*	
EC14-102	7.35	136.00	**128.65**	3009	100	25	103	461	**1.74**	**8.0**	7.5	***Bottomed in 1.97% TREO***
	82.29	101.02	**18.73**	3248	106	27	116	527	**2.16**	**7.1**	9.4	
	117.19	136.00	**18.81**	3316	98	22	93	415	**2.01**	**6.6**	7.5	
	MHREO Enriched											
	20.50	*33.69*	***13.19***	*2880*	*104*	*26*	*117*	*515*	***1.31***	***11.3***	*7.3*	
	43.00	*46.57*	***3.57***	*2666*	*112*	*27*	*116*	*522*	***1.19***	***13.0***	*4.8*	
	59.39	*69.57*	***10.18***	*2930*	*119*	*33*	*128*	*517*	***1.68***	***9.6***	*4.0*	

	99.54	*108.91*	***9.37***	*2490*	*103*	*22*	*90*	*386*	***1.00***	***13.3***	*3.3*	
EC14-103	17.27	157.58	**140.31**	2974	116	30	123	525	**1.73**	**9.2**	8.3	***Bottomed in 1.65% TREO***
incl.	17.27	43.50	**26.23**	3010	102	24	94	425	**1.93**	**6.9**	8.9	
	MHREO Enriched											
	48.00	*54.93*	***6.93***	*2960*	*123*	*31*	*122*	*526*	***1.62***	***10.0***	*6.1*	
	62.15	*74.75*	***12.60***	*2829*	*130*	*30*	*112*	*479*	***1.48***	***10.8***	*6.2*	
	105.61	*148.00*	***42.39***	*2886*	*127*	***37***	***160***	*652*	***1.60***	***11.6***	*7.9*	
EC14-104	***Geotechnical hole, No Mineralization (Max 0.48% TREO)***											
EC14-105	***Geotechnical hole, No Mineralization (Max 0.54% TREO)***											
EC14-106	8.86	139.29	**130.43**	2546	88	20	80	368	**1.50**	**7.7**	7.3	***Bottomed in 1.37% TREO***
incl.	89.50	129.74	**40.24**	2716	88	19	74	347	**1.70**	**6.6**	6.9	
	MHREO Enriched											
	71.74	*78.41*	***6.67***	*2212*	*89*	*23*	*95*	*446*	***1.31***	***9.6***	*6.5*	
	85.77	*90.61*	***4.84***	*2776*	*128*	*33*	*139*	*648*	***1.50***	***12.0***	*5.4*	
EC14-107	7.43	154.53	**147.10**	3000	96	23	96	511	**1.81**	**7.6**	8.3	***Bottomed in 1.71% TREO***
	MHREO Enriched											
	69.05	*89.63*	***20.58***	*2777*	*109*	*29*	*123*	*625*	***1.52***	***10.6***	*7.2*	
EC14-108	***Geotechnical hole, weak mineralization (Max 0.90% TREO)***											
EC14-109	9.40	154.29	**144.89**	2971	106	25	100	440	**1.76**	**7.9**	8.4	***Bottomed in 2.08% TREO***
incl.	13.35	39.12	**25.77**	2998	99	22	82	329	**2.01**	**5.9**	10.6	
incl.	135.10	151.16	**16.06**	4030	136	33	140	632	**2.26**	**8.4**	8.2	
	MHREO Enriched											
	83.50	*100.73*	***17.23***	*2770*	*119*	*30*	*120*	*516*	***1.33***	***11.9***	3.4	
	116.33	*125.50*	***9.17***	*2685*	*100*	*26*	*109*	*512*	***1.35***	***10.7***	3.8	

Table 1: 2014 Drill Hole Analytical Results

(1) MH/T = (MREO + HREO) / TREO expressed as a percent.
(2) Composited to account for 2.14 m of zone lost in transit, thus, preventing analysis. The interval will be re-collected from the remaining core on-site
(3) Composited to account for 7.82 m of zone lost in transit, thus, preventing analysis. The interval will be re-collected from the remaining core on-site
(4) All samples were sent to Activation Laboratories of Ancaster, Ontario for analysis
(5) CaF_2 is calculated based on F analysis using a conversion factor of 2.055 on the assumption all F is sourced from fluorite

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 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 Upper Fir Tantalum and Niobium Deposit in British Columbia and the Ashram Rare Earth Deposit in Quebec.

For more information, please visit the corporate website at http://www.commerceresources.com or contact Investor Relations at 1.866.484.2700 or info@commerceresources.com.

COMMERCE RESOURCES CORP.

On Behalf of the Board of Directors
COMMERCE RESOURCES CORP.

"David Hodge"
David Hodge
President and Director
Tel: 604.484.2700
Email: dhodge@commerceresources.com

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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 reference to a potential in-pit extension to the MHREO Zone; comments related to exceeding our expectations, increased our confidence in the resource model, and the most valuable zone in the deposit; interpretation of a clear extension of the MHREO Zone; suggestions that a more extensive MHREO mineralizing system is present than originally indicated; comparisons to other known rare earth deposits; references to future development and references to any information contained in the pre-feasibility study (PEA).

These forward-looking statements are based on the opinions and estimates of management and its consultants at the date the information is disseminated. They 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 and their impact on the cut off value established; increased capital costs; changing forecasts of mine production rates; 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; market pricing 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.