



## Quest Rare Minerals Ltd.

### QUEST FILES PRELIMINARY SHORT FORM PROSPECTUS FOR NEW ISSUE OF UP TO \$5 MILLION

*Not for distribution to United States newswire services or for dissemination in the United States*

**Toronto, June 4, 2014 - Quest Rare Minerals Ltd. (TSX; NYSE MKT: QRM)** announced today that it has filed a preliminary short form prospectus for a new issue of units (“Units”) in each of the provinces of Canada, for proceeds of up to \$5 million. The offering will be conducted through a syndicate of agents co-led by GMP Securities L.P. and Desjardins Securities Inc. and including Maison Placements Canada Inc. and Jones, Gable & Company Limited. Each Unit will be comprised of one common share and one-half of a common share purchase warrant of Quest. Each whole warrant will entitle its holder to purchase one additional Quest common share. The Units will separate into common shares and warrants immediately upon the closing of the offering. The issue price of the Units will be determined in the context of the market at the time of filing a final short form prospectus in respect of the offering.

The net proceeds from the offering will be used by Quest primarily towards a feasibility study on its Strange Lake rare earth project in northeastern Québec, and for working capital.

Quest will grant an over-allotment option to the agents, exercisable for a period of 30 days following the closing of the offering, to arrange for purchasers of additional Units in a maximum number equal to 15% of the number of Units sold pursuant to the offering, solely to cover the agents’ over-allocation position, if any. The agents may elect to fill their over-allocation position, if any, by exercising the over-allotment option for additional Units only, for warrants forming part of the additional Units only (and purchasing common shares of Quest in the secondary market), or by a combination thereof.

The closing of the offering will take place within 30 days of the date of receipt for the final short form prospectus in respect of the offering, or such other date agreed upon by Quest and the agents. The offering is subject to customary conditions and regulatory approval, including that of the Toronto Stock Exchange and NYSE MKT.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “1933 Act”), or any state securities laws of the United States. Accordingly, these securities will not be offered or sold to persons within the United States unless an exemption from the registration requirements of the 1933 Act and applicable state securities laws is available.

#### **About Quest**

Quest Rare Minerals Ltd. (“Quest”) is a Canadian-based corporation with the objective of becoming an integrated rare earth mining and processing company. Quest is focused on the exploration and development of new rare earth element (REE) deposit opportunities. It is led by a team with a depth of experience in exploration, mining and

metallurgical processing. Quest is currently advancing projects in two of Canada's premier exploration areas, the Strange Lake and Misery Lake regions of northeastern Québec, and has announced plans for a major hydrometallurgical processing facility in Bécancour, Québec.

### **Forward-Looking Statements**

*This news release contains statements that may constitute "forward-looking information" or "forward-looking statements" within the meaning of applicable Canadian and United States securities legislation. Forward-looking information and statements may include, among others, statements regarding the future plans, objectives or performance of Quest, including, the Strange Lake Rare Earth Project's technical and pre-economic feasibility, future financing by Quest, or the assumptions underlying any of the foregoing. In this news release, words such as "may", "would", "could", "will", "likely", "believe", "expect", "anticipate", "intend", "plan", "estimate" and similar words and the negative form thereof are used to identify forward-looking statements. Forward-looking statements should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether, or the times at or by which, such future performance will be achieved. No assurance can be given that any events anticipated by the forward-looking information will transpire or occur, including the development of the Strange Lake Rare Earth Project or any financing by Quest, or if any of them do so, what benefits Quest will derive.*

*Forward-looking statements and information are based on information available at the time and/or management's good-faith belief with respect to future events and are subject to known or unknown risks, uncertainties, assumptions and other unpredictable factors, many of which are beyond Quest's control. These risks, uncertainties and assumptions include, but are not limited to, estimates relating to capital costs and operating costs based upon anticipated tonnage and grades of resources to be mined and processed and the expected recovery rates, together with those described under "Risk Factors" in Quest's amended and restated annual information form dated May 22, 2014, and under the heading "Risk Factors" in Quest's Management's Discussion and Analysis for the fiscal year ended October 31, 2013, both of which are available on SEDAR at [www.sedar.com](http://www.sedar.com) and on EDGAR at [www.sec.gov](http://www.sec.gov), and could cause actual events or results to differ materially from those projected in any forward-looking statements. Quest does not intend, nor does Quest undertake any obligation, to update or revise any forward-looking information or statements contained in this news release to reflect subsequent information, events or circumstances or otherwise, except if required by applicable laws.*

### **For further information please contact:**

Peter J. Cashin  
President & CEO  
Tel: (416) 916-0777 or 1-877-916-0777  
Fax: (416) 916-0779  
E-mail: [info@questrareminerals.com](mailto:info@questrareminerals.com)  
URL : [www.questrareminerals.com](http://www.questrareminerals.com)