MONTREAL, QUEBEC--(Marketwired - Feb 28, 2017) - [Quest Rare Minerals Ltd.](#) (TSX:QRM) (Quest) is providing this bi-weekly default status report in accordance with *National Policy 12-203 Cease Trade Orders for Continuous Disclosure Defaults*. On January 31, 2017, Quest announced by way of press release that Quest's management's discussion and analysis for the fiscal year ended October 31, 2016 ("MD&A") and annual information form for the fiscal year ended October 31, 2016 ("AIF"), filed on SEDAR on January 24 and January 25, 2017, respectively, did not comply in certain respects with *National Instrument 51-102 Continuous Disclosure Obligations* and *National Instrument 43-101 Standards of Disclosure for Mineral Projects*, particularly as they relate to the Corporation's Strange Lake project, and that in order to rectify any deficiencies, Quest intended to file an amended MD&A and amended AIF on SEDAR as well as an updated independent technical report on the Strange Lake project in early March 2017. As a result, Quest's principal regulator, the Autorité des marchés financiers, granted a management cease-trade order ("MCTO") to Quest. The MCTO restricts all trading in securities of Quest, whether direct or indirect, by Quest's directors and senior officers until such time as the amended MD&A and amended AIF are filed by Quest. The MCTO does not affect the ability of other Quest shareholders to trade their securities.

Quest now expects that it will file its updated independent technical report in mid-March 2017.

There is no material change regarding the information contained in Quest's press release of January 31, 2017, except that, as previously announced, Quest held a first closing of its private placement on February 22, 2017 by issuing an aggregate of 8,100,000 special warrants to "accredited investors" in Ontario, British Columbia and outside of Canada at a price of $0.20 per special warrant, for gross proceeds to Quest of $1,620,000.

Quest is working diligently to obtain an updated independent technical report and prepare an amended MD&A and amended AIF. Investors are cautioned that they should not rely on the technical information contained in the MD&A or AIF until such technical information is validated and supported by an updated independent technical report.

There is no failure by Quest in fulfilling its stated intentions with respect to satisfying the provisions of the alternative information guidelines, and there is no actual or anticipated default subsequent to the default announced in Quest's press release of January 31. There is no other material information concerning the affairs of Quest that has not been generally disclosed.

ABOUT QUEST

Quest is a Canadian-based company focused on becoming an integrated producer of rare earth metal oxides and a significant participant in the rare earth elements (REE) material supply chain. Quest is led by a management team with in-depth experience in chemical and metallurgical processing. Quest's objective is the establishment of major hydrometallurgical and refining facilities in Bécancour, Québec, to separate and produce strategically critical rare earth metal oxides. These industrial facilities will process mineral concentrates extracted from Quest's Strange Lake mining properties in northern Québec and recycle lamp phosphors utilizing Quest's efficient, eco-friendly "Selective Thermal Sulphation (STS)"[1] process.

Forward-Looking Statements

This news release contains statements that may constitute "forward-looking information" or "forward-looking statements" within the meaning of applicable Canadian 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 Earths 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 Earths Project or any financing by Quest, or if any of them do so, what benefits Quest will derive from them.

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 annual information form dated January 19, 2017, and under "Risk Factors" in Quest's Management's Discussion and Analysis for the fiscal year ended October 31, 2016, all of which are available on SEDAR at www.sedar.com, 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 law.

[1] Patent Pending

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