



Commerce Resources Corp. Updates Fluorspar Upgrade Programs for the Ashram Deposit, Quebec

January 28th, 2020 – Commerce Resources Corp. (TSXv: CCE, FSE: D7H) (the “Company” or “Commerce”) is pleased to provide an update on the metallurgical programs focused on upgrading the Ashram Deposit’s fluorspar component to acid-spar grade. The Ashram Deposit is one of the largest rare earth deposits being advanced globally, and the Ashram Deposit’s fluorspar component also ranks as one of the largest fluorspar deposits globally.

The Company is engaged in a targeted mineral processing program at Hazen Research, CO, USA (see news release dated November 15th, 2019) with the objective of unlocking the full value of the fluorspar component for the Ashram Project. In addition to the test work focused on upgrading of the current flowsheet’s fluorspar concentrate, an alternative/complimentary approach has also been pursued at the very front-end of the flowsheet. This test work includes a coarser-grind followed by a fluorspar pre-float as an initial beneficiation step to isolate a sizable portion of the fluorspar prior to material entering the primary REE recovery flowsheet.

The Company is pleased to report that the Phase I component of this fluorspar pre-float work program has now concluded. The Phase I program objectives included scoping flotation tests to identify a favourable reagent scheme as well as mineralogical work required to define the Phase II program, which will focus on removing impurities in order to obtain the proper acid-grade specifications as requested by industry. The Company is encouraged by the Phase I results, where mineralogical analysis concludes that the majority of the pre-float concentrate’s fluorspar is present as liberated grains, suggesting favourable conditions for conventional physical separation methods to be carried-out in Phase II.

The Fluorspar Market

Fluorspar prices remain robust (\$400 to \$500 USD/t), underpinned by strong market demand and long-term fundamentals from the steel and chemical industries. It is an essential raw material to the industry that is consumed during use and therefore cannot be recycled, resulting in new production being required over time to meet global demand.

Acid-spar (>97% CaF₂), accounting for roughly two-thirds of the market, is primarily used to manufacture hydrofluoric acid (HF) and subsequent fluorochemicals, which are used in a variety of modern consumer products including an estimated half of all new medicines (Roskill, 2019). Acid-spar is also used in the production of aluminum metal, to reduce process temperatures and energy consumption, and is also a key raw ingredient of materials used in enhancing the operational performance of lithium-ion batteries.



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Met-spar (>60% CaF₂), accounting for roughly one-third of the global fluorspar market, is primarily used as a flux in the steel making process to lower the melting temperature, as well as to reduce slag viscosity and remove impurities. Met-spar is also used as a flux in the cement industry to speed up the calcination process.

Similar to the prevailing dynamics for rare earth elements, China was historically the largest exporter of fluorspar. However, in the last 3 years, China has become a net importer. This has caused significant price appreciation for fluorspar, and market interest from industry in new sources.

NI 43-101 Disclosure

Darren L. Smith, M.Sc., P.Geol., Dahrouge Geological Consulting Ltd., a Permit holder with the Ordre des Géologues du Québec and 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 Ashram Rare Earth Element Deposit in Quebec and the Upper Fir Tantalum-Niobium Deposit in British Columbia.

For more information, please visit the corporate website at www.commerceresources.com or email info@commerceresources.com.

On Behalf of the Board of Directors
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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 that the current REE flowsheet effectively produces a potentially saleable metallurgical-grade fluorspar product (“met-spar”) at no additional cost, while having no negative impact on the REE recovery to the primary REE concentrate; and that if the tests are successful, the sale of the fluorspar would reduce the footprint of the Project’s tailings management facility as well as provide another revenue stream while also serving as a source of secure supply for the market.. 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; testing of our process may not prove successful and even it tests are successful, the economic and other outcomes may not be as expected; 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.