



Commerce Resources Corp. Releases Mineralogical Analysis Ahead of 2020 Exploration

February 6th, 2020 – Commerce Resources Corp. (TSXv: CCE, FSE: D7H) (the “Company” or “Commerce”) is pleased to announce that preliminary mineralogical analysis has been completed on a suite of rock samples from the Mallard Prospect, situated within the Niobium Claim Group Property (the “Property”), which is part of the Company’s Eldor claims located in Quebec, and adjacent to the Ashram Rare Earth Elements and Fluorspar Project. The Mallard Prospect is characterized by numerous drill intersections of high-grade niobium, along with variably associated high grades of tantalum, phosphate, and fluorspar.

Saville Resources Inc. (“Saville”) is currently working on programs to complete the requirements of their Earn-in-Agreement with Commerce Resources Corp. for a 75% interest in the Property (see news release dated January 11th, 2018).

Optical and scanning electron microscope (SEM) mineralogical analysis of thin sections was carried-out on a total of fifteen (15) core samples collected during the 2019 drill program completed at the Mallard Prospect. Analysis was completed at the University of Windsor as part of a research project related to the genesis of the Eldor Carbonatite Complex and its niobium mineralizing event(s). The main highlights indicated from the preliminary work are as follows:

1. Pyrochlore and columbite are the dominant niobium minerals present
2. There are indications that niobium has been mobilized – a mechanism that could potentially enhance the grade of a deposit
3. Mineralogy supports the model of a continuous niobium mineralized trend through the complex

Pyrochlore and columbite are the dominant source minerals for niobium globally and are actively mined in Quebec near Lac Saint-Jean (the Niobec Mine). This niobium mineralogy is well-known to the Company from prior work it completed on its Upper Fir carbonatite located in British Columbia. Moreover, the Company wishes to emphasize the importance of this mineralogy in niobium deposits as it is, in large part, a harbinger to favourable processing downstream.



All the work to date by Saville indicates that these are also the primary niobium-bearing minerals present on the Property. In addition, grain sizes for the niobium minerals in the samples analyzed are estimated to range from 0.03 mm to 3 mm, and are most commonly between 0.05 mm and 0.4 mm. These grain sizes are encouraging from a commercial mineral processing perspective (see Figure 1).

From an exploration perspective, the mineralogical work on the Mallard core samples reported herein is very encouraging and supports the prior work completed on surface rock and drill core samples from other niobium-bearing areas of the complex, notably; the Northwest, Miranna, Spoke, and South Mallard areas. Moreover, collectively, the data supports a continuous niobium mineralized trend connecting through these areas, whereby Mallard, and potentially other targets/prospects, form key zones of higher grade – potentially outlining areas where the niobium has preferentially mobilized to augment the grade.

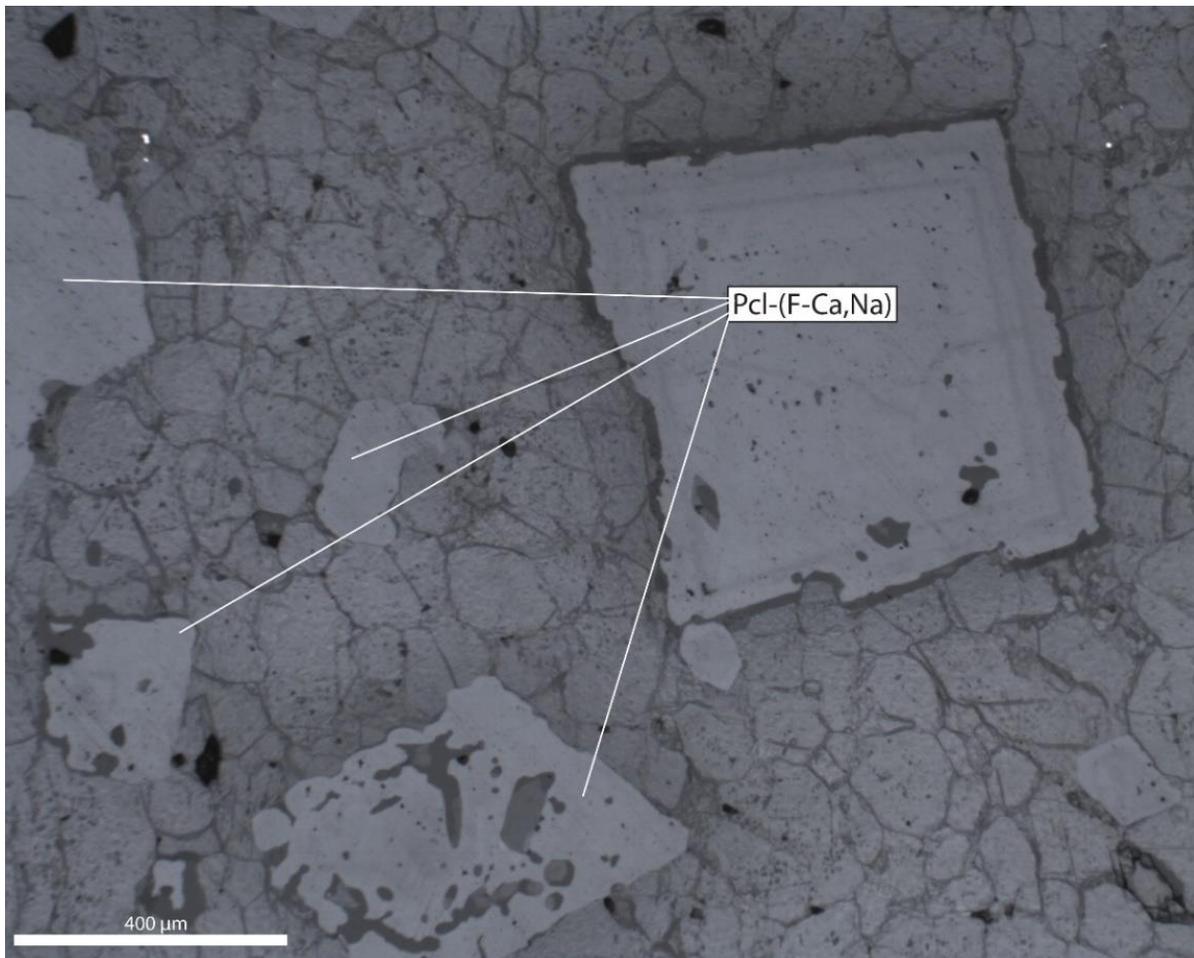


Figure 1: Pyrochlore minerals in carbonate matrix (drill hole EC19-172)



In addition to the mineralogical work, as part of the research project at the University of Windsor, a hydrochloric acid (HCl) leach to remove carbonates was completed on a piece of drill core from Mallard in order to recover apatite for oxygen isotope analysis. However, as the pyrochlore mineral is resistant to HCl attack, the test also resulted in the liberation of the pyrochlore (see Figure 2 below). The pyrochlore recovered is of the typical brown colour with an octahedral habit (i.e. a “square bipyramid” shape).



Figure 2: Liberated pyrochlore minerals from HCl leach

Parallels to the Niobec Deposit

Numerous parallels may be drawn between the Mallard Prospect and the Niobec Deposit, part of the Saint-Honoré Carbonatite Complex, located approximately 45 km east of Lac Saint-Jean, Quebec. The Niobec Deposit started production in 1976 – now owned and operated by Magris Resources Inc. – and it currently accounts for 8 to 10% of global production ^(1, 2). Both Mallard and Niobec are carbonatites, a rock type dominated by carbonate minerals along with common accessory oxides, silicates, apatite, sulphides, fluorite, and barite. The niobium mineralization at Niobec is hosted by fine-grained (0.2 to 0.8 mm) pyrochlore and columbite minerals, while the recently completed mineralogical work reported herein indicate that pyrochlore and columbite are the dominant niobium-bearing minerals at Mallard and are also of similar grain-size to that of Niobec. In addition, at both Mallard and Niobec, the mineralization is present as moderate to steeply dipping elongate lenses. At Niobec, these lenses have been outlined to significant depth (up to 750 m), while at Mallard the lenses remain to be delineated, including at depth, having been drill tested to generally less than 200 m vertically (see news release dated September 16, 2019).



Management notes that mineralization/operations at Niobec may not necessarily be indicative to the mineralization, or potential for development, of the Mallard Prospect. To date, no resource has been determined nor economic studies completed for the Mallard Prospect.

NI 43-101 Disclosure

Darren L. Smith, M.Sc., P.Geo., 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.

Sources:

- (1) www.niobec.com
- (2) Vallieres, D. et al. 2013, NI 43-101 Technical Report, Update on Niobec Expansion, December 2013. IAMGOLD Corp., 203 pgs.

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
COMMERCE RESOURCES CORP.

“Chris Grove”

Chris Grove

President and Director

Tel: 604.484.2700

Email: cgrove@commerceresources.com

Web: <http://www.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 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.