



Commerce Resources Corp. Updates Impurity Removal Program to Achieve Final Acid-spar Spec, Ashram Deposit, Quebec

June 11th, 2020 – Commerce Resources Corp. (TSXv: CCE, FSE: D7H) (the “Company” or “Commerce”) is pleased to provide an update on the Phase II development work on the Ashram Project’s fluorspar by-product with the objective to produce saleable acid-spar concentrate. The flowsheet development is being carried out by Hazen Research, CO, USA.

The Phase I work focused on demonstrating the process methodology and resulted in an upgrade of the deposit’s fluorspar head-grade (~7.5% CaF₂) to a concentrate of greater than 97% CaF₂ (see news release dated February 28, 2020). A grade of at least 97% CaF₂ is the typical base fluorspar content for saleable acid-grade product, assuming the appropriate tolerances for impurities have been met.

The Phase II test work will utilize standard physical separation techniques for impurity removal to achieve the desired specification, and will use concentrates produced by way of the flowsheet developed in Phase I. This will include rougher flotation and magnetic separation to reject mineral impurities (sulphides, carbonates, apatite, and monazite). Target specifications for several of the typical acid-spar impurities have already been achieved and include SiO₂, Al₂O₃, Cl, Be, and Cd.

The recovery of fluorspar as a by-product from the Ashram Deposit has been approached as a secondary objective to the primary rare earth element (“REE”) recovery. As such, the overall flowsheet does not require a complicated secondary recovery circuit for fluorspar. Instead, a front-end “bolt on” circuit (as described above), using simple and conventional methods, will be utilized to recover the coarser and more liberated fluorspar grains before entering the primary REE recovery circuit. The majority of the remaining fluorspar will later be recovered passively as a tailings stream in the primary REE recovery flowsheet. As the reject fractions of Phase II’s fluorspar concentrate will enter the REE recovery circuit, the loss of REEs due to fluorspar recovery is expected to be less than 0.5%.

In addition to being one of the largest rare earth deposits globally, the Ashram Deposit is also one of the largest fluorspar deposits globally. The production of REEs and fluorspar are currently dominated by China, placing Ashram in a unique position to potentially address the supply concerns of these two critical commodities.

In addition to today’s news, the Company would like to remind its shareholders and stakeholders that they are invited to attend a Zoom meeting with Chris Grove (President) and Darren Smith (Ashram Project Manager).



This is an excellent opportunity for shareholders and interested investors to ask questions in order to gain a more detailed understanding of the important work currently underway towards PFS completion.

To join the online meeting, simply click the below link on **Thursday, June 11, 2020** beginning at:

8:00 AM Vancouver time (PST)

11:00 AM Toronto time (EST)

5:00 PM Frankfurt time (CET)

<https://us02web.zoom.us/j/4114438947?pwd=Zm8raXFjbmgxaDAvMXRla2V2R1dudz09>

Meeting ID: 411 443 8947

Password: 561595

Fluorspar Market

Fluorspar is an essential raw material to the steel, aluminum, and chemical industries and is consumed during use and therefore cannot be recycled, resulting in new production being required over time to meet global demand.

Acid-spar (>97% CaF_2), 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.

Met-spar (>60% CaF_2), 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



COMMERCE RESOURCES CORP.

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.

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.



COMMERCE RESOURCES CORP.

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COMMERCE RESOURCES CORP.

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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 majority of the remaining fluorspar will later be recovered passively as a tailings stream in the primary REE recovery flowsheet; As the reject fractions of Phase II's fluorspar concentrate will enter the REE recovery circuit, the loss of REEs due to fluorspar recovery is expected to be less than 0.5%.. 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.