



Commerce Resources Corp. Advances Program on Upgrading Fluorspar for the Ashram Deposit, Quebec

November 15th, 2019 – 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 content to acid-spar grade. The test work will serve two primary purposes. First, it will evaluate several approaches for upgrading deposit material to a higher value acid-spar grade, including additional processing of the current flowsheet’s fluorspar concentrate, and second, it will investigate the additional recovery of rare earth minerals from this concentrate, which constitute the primary “gangue” mineral component.

The work is being carried-out by Hazen Research, based in Colorado, USA, and has been underway for several weeks. The program is being completed, in part, as the Company has received requests from industry for acid-grade fluorspar samples (“acid-spar”) that have been produced from the Ashram Deposit, and this interest has been increasing in recent quarters along with the price of the commodity.

In the Ashram Deposit’s flowsheet, the fluorspar concentrate is the non-magnetic fraction of the magnetic separation stage, with the magnetic fraction being the primary rare earth element (REE) concentrate (see Figure 1 below). Therefore, the fluorspar concentrate is a tailings stream of the REE concentration process. However, the Project’s flowsheet effectively upgrades the fluorspar through each process stage, from a relatively low head-grade (<8% CaF₂) to a fluorspar concentrate of high-grade (>80% CaF₂).

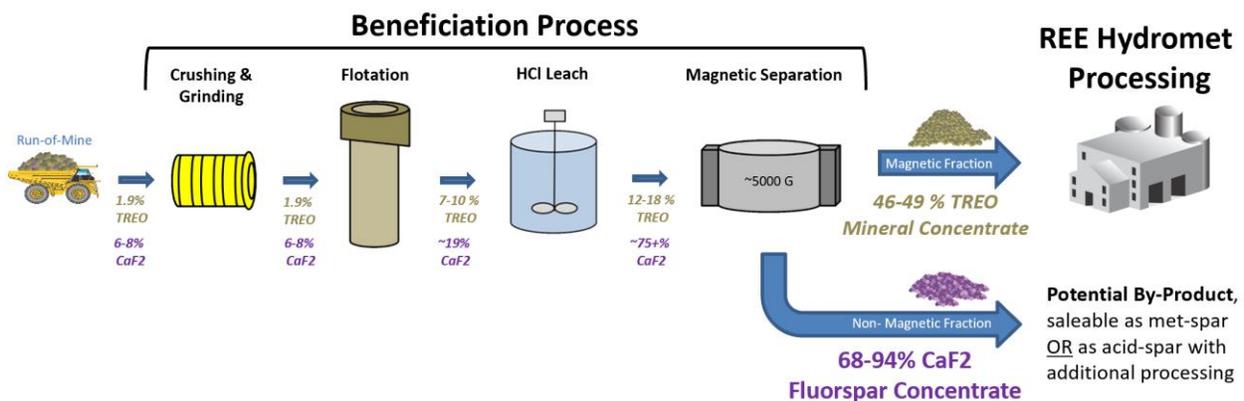


Figure 1: Ashram Deposit flowsheet resulting in high-grade fluorspar concentrate



As a result, 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. Further, if 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. The economic aspect of a fluorspar by-product was not considered in the Preliminary Economic Assessment (effective date July 2012, revised date January 2015); however, based on the flowsheet development since this time, as well as market fundamentals, is anticipated to be evaluated as part of a Prefeasibility Study.

Fluorspar prices remain robust (\$400 to \$500/t), underpinned by a strong market demand and long-term fundamentals from the chemical industry. Acid-spar, accounting for roughly two-thirds of the market, is 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). Fluorspar is also used in the production of aluminum (AlF₃) and is a key component in enhancing the operational performance of lithium-ion batteries. Fluorspar is consumed during industry use and therefore cannot be recycled, resulting in new production being required over time to meet global demand.

Similar to rare earth elements, China has historically been 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 in new sources.

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.

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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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 if 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.