



Commerce Resources Corp. Assays 3.02% REO over 28.4 m in Drill Core from the Ashram Deposit, Quebec

November 28th, 2019 – Commerce Resources Corp. (TSXv: CCE, FSE: D7H0) (the “Company” or “Commerce”) is pleased to announce analytical results for drill core recently analyzed from the Ashram Rare Earth and Fluorspar Deposit, located approximately 130 km south of Kuujjuaq, Quebec. The analytical results announced herein are from drill holes completed in 2016, in which core samples were only recently submitted for analysis.

Highlights include:

- EC16-159 – **3.02% REO over 28.4 m**, or 3.48% REO over 13.4 m, within larger interval of 2.38% REO over 64.5 m (66.5 m to 131.0 m)
- EC16-158 – **2.18% REO over 36.2 m** within larger interval of 1.71% REO over 222.0 m (2.7 m to 224.6 m)
- EC16-166 – **2.16% REO over 53.6 m** (1.5 m to 55.1 m)

During the 2016 field campaign, fourteen (14) drill holes totalling approximately 2,014 m were completed as part of the resource definition drilling at Ashram, focused along the northern (EC16-160 and 161), western (EC16-162 to 166, and 170), and southern (EC16-157 to 159, and 167 to 169), margins of the deposit. The drill core was sampled during the 2016 and 2017 field programs; however, due to market conditions at the time, as well as diligent financial prudence, the core was placed into secure storage and only recently submitted for analysis in the fall of 2019.

With assay results now received, the 2016 drill program confirms intervals of strong rare earth element (REE) mineralization through to the outer boundary of the deposit’s A-B zones, as evidenced by EC16-166 with **2.16% REO over 53.6 m** near the deposit’s western margin, and EC16-159 with **2.38% REO over 64.5 m**, including **3.02% REO over 28.4 m**, near the deposit’s southern margin. Further, this intersection from EC16-159 is one of the highest-grades returned from this area of the deposit to date.

In addition to the strong REE mineralization returned at Ashram from the 2016 drilling, robust grades of fluorite continue to be present over wide intervals. These include drill hole EC16-158 with 1.71% REO and **7.2% CaF₂ over 222.0 m**, including 2.18% REO and **11.5 CaF₂ over 36.2 m**. The fluorite is passively upgraded in the flowsheet and recovered as a separate product during the primary REE recovery process, and therefore, has been identified as a potential by-product of significant value. Recovery and sale of the fluorite (industrially known as “fluorspar”) would also reduce the tailings footprint of the project, resulting in a social and environmental benefit (see news release dated November 15th, 2019).



The 2016 drill hole data will be integrated, along with other mineralogical and structural information, into an updated geological model which will form the basis of a mineral resource update anticipated in 2020. A total of 9,625 m of drilling has been completed at Ashram since the last mineral resource estimate was completed in 2012. Previous drilling at Ashram has traced mineralization to depths of over 600 m, with the final sample of drill hole EC11-050 assaying **4.13% REO** (599.9 to 600.5 m), and mineralization remains open in this direction. A summary of the analytical results is presented below in Table 1 as well as a map with assay highlights and drill hole locations in Figure 1 below.

Table 1: Summary of mineralized intercepts for 2016 drill core from Ashram

Hole ID	From (m)	To (m)	Interval (m)	REO (%)	CaF2 (%)	MH/T (%)	Area of Deposit
EC16-157	1.59	103.45	101.86	1.68	8.4	8.3	Southern margin
incl.	28.48	41.76	13.28	2.00	9.6	8.3	
	103.5	270.02	166.57	0.67	2.9	10.1	
EC16-158	2.69	224.64	221.95	1.71	7.2	7.8	Southern margin
incl.	88.45	124.61	36.16	2.18	11.5	4.3	
EC16-159	66.5	131.04	64.54	2.38	2.3	4.3	Southern margin
incl.	84.23	112.58	28.35	3.02	2.6	3.5	
or	85.60	99.47	13.87	3.48	2.0	3.2	
or	89.95	95.50	5.55	4.46	1.4	2.8	
EC16-160	Not sampled – completed for hydrogeological purposes						Northern margin
EC16-161	3.52	108.91	105.39	0.73	1.3	11.9	Northern margin
EC16-162	2.56	16.85	14.29	1.72	0.9	5.7	Western margin
EC16-163	1.89	108.81	106.92	0.67	1.7	9.7	Western margin
EC16-164	Not sampled						Western margin
EC16-165	1.79	19.5	17.71	0.64	1.3	8.4	Western margin
EC16-166	1.54	55.09	53.55	2.16	4.9	4.7	Western margin
EC16-167	2.25	87.16	84.91	1.55	8.2	8.7	Southern margin
EC16-168	81.32	148.44	67.12	0.75	1.6	12.5	Southern margin
EC16-169	120.41	124.46	4.05	2.95	9.4	3.0	Southern margin
EC16-170	1.80	43.73	41.93	0.85	3.0	9.2	Western margin

- (1) REO is the summation of Ce2O3 + La2O3 + Pr2O3 + Nd2O3 + Sm2O3 + Eu2O3 + Gd2O3 + Tb2O3 + Dy2O3 + Ho2O3 + Er2O3 + Tm2O3 + Yb2O3 + Lu2O3 + Y2O3
- (2) MH-T is the sum of the middle and heavy rare earth oxides (Sm2O3 + Eu2O3 + Gd2O3 + Tb2O3 + Dy2O3 + Ho2O3 + Er2O3 + Tm2O3 + Yb2O3 + Lu2O3 + Y2O3) divided by REO, expressed as a per cent.
- (3) Fluorite (CaF2) is calculated based on fluorine analysis, using a conversion factor of 2.055, as mineralogical work concludes fluorite is the only material source of fluorine.
- (4) True width is not adequately determined and may vary depending on location within the deposit. Incorporation of the 2019 drill data into the working geological model is anticipated to provide a proper basis for true width to be reasonably estimated.

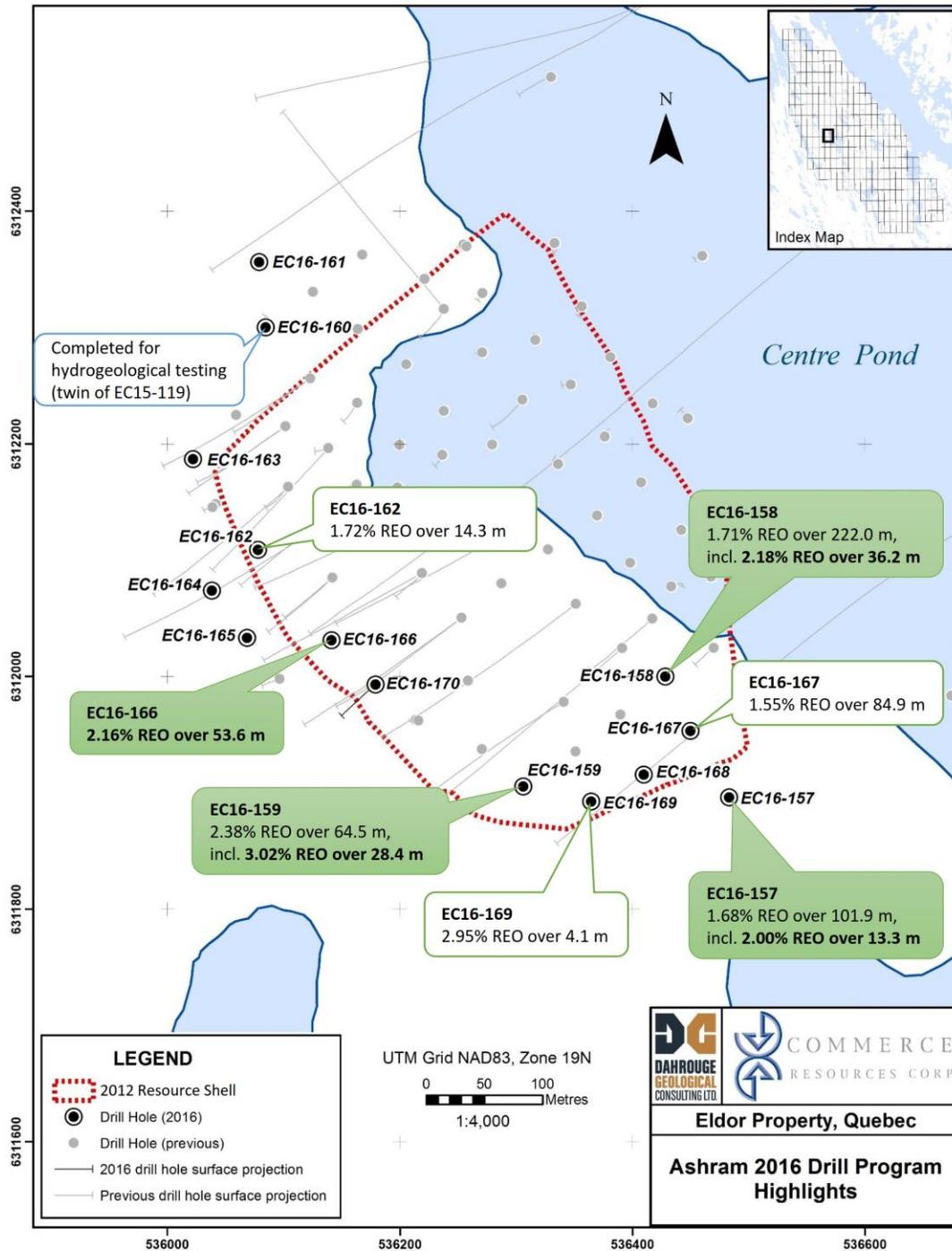


Figure 1: 2016 drill hole locations and core assay highlights, Ashram Deposit



Near the southeast end of the deposit, drill hole EC16-157 tested a distinct and isolated gravity anomaly, located outside of the 2012 resource shell. From surface, the drill hole intersected mineralization of 1.68% REO over 101.9 m, including 2.00% REO over 13.3 m, as well as demonstrated enrichment in the middle and heavy rare earths. This drill hole was the deepest of the program, at 270.4 m and ended in a wide interval of lower-grade BD-Zone mineralization (0.67% REO over 166.6 m). With the well-mineralized intersection through the top half of the drill hole, the deposit continues to remain open to the southeast. In addition, as initially interpreted, the heavy rare earth enrichment is indicated to be associated with the gravity anomaly and mirrors that of the core zone of middle and heavy rare enrichment at the centre of the deposit, further to the north.

Several of the holes completed along the margins of the main deposit intersected, as anticipated, variable widths of BD-Zone, where bastnaesite is visually observed; however, this unit also demarcates the lower-grade (<1% REO) mineralized halo interpreted to rim much of the main deposit. This is readily evident in drill holes EC16-161, 163, 168, and 170 where intervals of 0.64% to 0.85% REO are returned. These drill holes provide significant control to the geological model and forthcoming resource estimate and were primarily completed for this purpose.

Drill hole EC16-161, completed as a 50 m step out at the north end, may potentially demarcate the northern boundary of the deposit – collaring and ending in BD-Zone. This hole is the only one completed along this line, with drill holes completed on the nearest line, located 50 m to the southeast, returning well-mineralized intervals of A-Zone (e.g. 2.23% REO over 32.0 m from surface in EC15-119 – same drill pad location as EC16-160 which was completed for hydrogeological purposes). Further drilling is required in this area to better characterize the mineralized margin at the deposit's north end.

Each drill hole was collared vertically except for the final hole of the program (EC16-170), which was oriented at approximately 225/60 on the deposits western margin. Hole depths ranged from 53 m to 270 m, with depths pre-determined based on hole positioning within the working pit shell for the purposes of the ongoing Pre-feasibility Study (PFS). All holes were NQ size, except for EC16-160 (HQ), which was completed as a twin of drill hole EC15-119 for hydrogeological purposes (see news release dated October 20th, 2016).

The Ashram Deposit has now been drilled at roughly 50 m centers (distance between holes), with some 25 m infill also completed. Additional infill drilling at 25 m centers may yet be completed ahead of the resource update. The 2016 program and subsequent exploration of the Property is being carried out by Dahrouge Geological Consulting Ltd.



Quality Assurance / Quality Control (QAQC)

A Quality Assurance / Quality Control protocol following industry best practices was incorporated into the program and included systematic insertion of quartz blanks and certified reference materials into sample batches, as well as collection of quarter-core duplicates, at a rate of approximately 5%. Samples were collected in 2016/2017 and shipped to Montreal for secure storage until fall 2019 when they were then shipped to Activation Laboratories in Ancaster, ON for analysis. No samples were collected from drill holes EC16-160 and 164.

Samples were analyzed for major oxides, trace-elements, and REEs using a lithium metaborate/tetraborate fusion followed by ICP-OES or ICP-MS analysis (package Code 8-REE Assay). Fluorine was also analyzed by Fusion ISE (Code 4F-F). Drill core sample preparation was comprised of crushing to 80% passing 10 mesh, followed by a 250 g riffle split and pulverizing to 95% passing 200 mesh (74 μ) (modified Code RX1).

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 and Fluorspar 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.

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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 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; and that additional infill drilling may be considered ahead of a resource update, anticipated in 2020; . 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 and reports produced on work done; 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.