Commerce Resources Corp. Announces Encouraging Results from XRF Ore Sorting Test Program, Ashram Deposit, Quebec

January 13th, 2021 – Commerce Resources Corp. (TSXv: CCE, FSE: D7H0) (the "Company" or "Commerce") is pleased to announce encouraging results from an XRF ore sorting test project initiative with MineSense, a digital mining solutions provider based in Vancouver, BC. The project was conducted as part of the Company's ongoing collaboration with CanmetMINING, a branch of Natural Resources Canada (NRCan).

The MineSense technology is based primarily on XRF (X-ray fluorescence) sensors fitted to specific pieces of existing mining equipment which monitor the spectral response of the material being actively mined in order to determine its composition. The technology provides for a higher level of grade control compared to typical methods, which allows for improved mine planning and resultant cost efficiencies.

The recently completed test project assessed the spectral response of 127 coarse analytical drill core rejects, comprising 5 rock types associated with the Ashram Rare Earth and Fluorspar Deposit. The Company is pleased to report that algorithmic modelling of responses obtained from each XRF and LIBS (Laser Induced Breakdown Spectroscopy) analyses were successful in predicting the neodymium (Nd) content of the samples, among other elements. This is a significant result as it indicates that a shovel or belt mounted sensor could effectively estimate the Nd content of the raw run-of-mine feed, allowing for real-time grade-control and therefore more efficient and cost-effective mining.

Further work was recommended, including a desktop geostatistical analysis of the drill hole database and a comprehensive review of mineral processing variables which, collectively, would feed into an economic assessment of the XRF, LIBS, or combined XRF-LIBS ore sorting method for the Ashram Project. The Company is currently evaluating the optimal approach and schedule for next steps.

The funding for the test work was provided by Natural Resources Canada (NRCan) through CanmetMINING's 6-year rare earth element ("REE") and chromite program, (announced in April 2015), focused on developing new extraction technologies, addressing Canadian environmental challenges, and improving the knowledge of Canadian deposits (www.reechromite.ca). The Company's contribution to the collaboration was a supply of REE mineralized material from the Ashram Deposit, in which several tonnes remain readily available from a bulk sample completed in 2012.

The Ashram Deposit outcrops at surface, allowing for cost-effective collection of material for test work. As such, the Company is actively engaging with various research and academic

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institutions to support the advancement of the REE industry in Canada, and in Quebec specifically.

About MineSense

MineSense (minesense.com) specializes in digital technology solutions for ore-waste classification in real-time at the mine extraction face (run-of-mine), thereby providing better grade control compared to that of the deposit block model or mine plan. MineSense utilizes data analytics combined with its trademarked ShovelSense and BeltSense technologies to monitor mineralogical or grade changes in an ore body daily, as it is mined. This information allows for optimal ore blending, grade trend characterization, and overall improved mine planning with resultant cost efficiencies and reduced environmental footprint.

About CanmetMINING

CanmetMINING, a S&T branch of the Lands and Minerals sector of Natural Resources Canada with facilities in Ottawa, Val-d'Or, and Sudbury is a world class leader in the development and deployment of green mining and transformative technologies. Under the banner of Green Mining Innovation, CanmetMINING has two intertwined objectives: reduce the environmental impacts and improve Canada's competitiveness related to mineral resource development. CanmetMINING continues to work with stakeholders to develop and deploy green technologies that will improve energy efficiency, reduce greenhouse gas (GHG) emissions, minimize waste generation and water consumption and increase productivity. CanmetMINING also equips Canada to manage ecosystem risks and to craft and implement sound, science-based regulations.

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.

The term "ore" as noted herein, refers to the industry's preferred description of the technology discussed (i.e. ore sorting). At this time, no reserve estimate has been determined for the Ashram Deposit, and therefore no "ore" has been defined. The Ashram Deposit hosts a measured resource of 1.6 million tonnes (Mt) at 1.77% rare earth oxide (REO) and 3.8% F, an indicated resource of 28 Mt at 1.90% REO and 2.9% F, and an inferred resource of 220 Mt at 1.88% REO and 2.2% F, at a cut-off grade of 1.25% REO.

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.

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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 a shovel or belt mounted sensor could effectively estimate the Nd content of the raw run-of-mine feed, allowing for real-time grade-control and more efficient and cost-effective mining. 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 that our conclusions about CanmetMINING's work may not prove to be correct; 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.

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