



COMMERCE RESOURCES CORP.

Commerce Resources Corp. Announces Program to Produce Mixed Rare Earth Carbonate Concentrate Per Third-Party Requests

January 22nd, 2021 – Commerce Resources Corp. (TSXv: CCE, FSE: D7H0) (the “Company” or “Commerce”) is pleased to announce that it has initiated a metallurgical program to produce a >1 kilogram quantity of mixed rare earth carbonate (“mixed REC”) concentrate to satisfy several requests by global processors. The mixed REC concentrate will be produced from the Ashram Rare Earth and Fluorspar Deposit using the high-grade mineral concentrates that have been generated from the conventional recovery flowsheet developed at Hazen Research in CO, USA.

The Ashram Deposit’s flowsheet has undergone significant development, including front-end piloting of the grinding, flotation, and leach circuits which have resulted in consistent production of high-grade mineral concentrates at high recovery. The Ashram Deposit is one of only a select group of deposits in development globally that can produce mineral concentrates at grades and recoveries similar to major global producers, all of which produce mineral concentrates of at least 40% rare earth oxide (“REO”). Such high grades of mineral concentrate considerably reduce the downstream processing cost and risk to produce a mixed REC product through lower reagent use, fewer deleterious elements entering solution, and a smaller hydromet plant requirement by comparison.

In the rare earth industry, a mixed REC concentrate is typically viewed as the initial marketable product in the rare earth element (“REE”) value chain. This is because a mixed REC is readily saleable as it is the most common feedstock to REE solvent extraction facilities globally, which separate each individual REE and allow for them to be individually refined into marketable products and disseminated throughout their downstream value-chains.

In addition to Ashram’s simple mineralogy and processing, large tonnage, and near-surface resource at attractive grades, a primary interest of downstream processors is the relatively high proportions of neodymium and praseodymium (“NdPr”) present with respect to the total rare earth content (i.e. the REE distribution). With a combined NdPr distribution of approximately 20-24%, due to the deposit’s monazite, bastnaesite, and xenotime mineralogy, Ashram has the potential to produce a relatively higher-value feedstock for those facilities focused on the extraction of NdPr for the rare earth permanent magnet industry. A higher NdPr distribution also equates to a reduced percentage content of cerium and lanthanum – significantly lower value REEs – which must also be processed to obtain the targeted NdPr. The Ashram Deposit’s NdPr distribution is significantly higher than several major global producers, highlighting the attractiveness of its higher value NdPr feedstock entering the supply chain.



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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 a junior mineral resource company focused on the development the Ashram Rare Earth and Fluorspar Deposit located in Quebec, Canada. The Company is positioning to be one of the lowest cost rare earth producers globally, with a specific focus on being a long-term supplier of mixed REC and/or NdPr oxide to the global market. The Ashram Deposit is characterized by simple rare earth (monazite, bastnaesite, xenotime) and gangue mineralogy (carbonates), a large tonnage resource at favourable grade, and has demonstrated the production of high-grade (>45% REO) mineral concentrates at high recovery (>70%) in line with active global producers. In addition to being one of the largest rare earth deposits globally, Ashram is also one of the largest fluorspar deposits globally and has the potential to be a long-term supplier to the met-spar and acid-spar markets.

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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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 high grades of mineral concentrate considerably reduce the downstream processing cost and risk; and that Ashram has the potential to produce a relatively higher-value feedstock for those facilities focused on the extraction of NdPr for the rare earth permanent magnet industry. 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 the methods proposed don't work as well as expected, the leach residue may not be usable, we may experience difficulties producing concentrate or achieving an upgrade to the concentrate; 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.