



Commerce Resources Corp. Engages Engineering Firms to Advance Prefeasibility Study for the Ashram Rare Earth & Fluorspar Deposit

April 5, 2021 – Commerce Resources Corp. (TSXv: CCE, FSE: D7H0, OTCQX: CMRZF) (the “Company” or “Commerce”) is pleased to provide an update on the progress of the Prefeasibility Study (PFS) for the Ashram Rare Earth and Fluorspar Deposit. The Company is pleased to announce that it has engaged several specialized engineering firms to advance the remaining key components of the PFS through to completion.

The Company has retained DRA Americas Inc. and L3 Process Development for review and assessment of the Ashram Deposit’s flowsheet. The selection maintains the direct involvement of several key metallurgical Qualified Persons (QPs) who have a strong familiarity with the specifics of the flowsheet through past work programs.

In addition to rare earth elements (REEs), the Company also expects to recover a fluorspar by-product (met-spar and acid-spar) from the tailings of the primary REE recovery circuit. The recovery of fluorspar was not incorporated into the Preliminary Economic Assessment (PEA) for the Project, completed in 2012; however, it is now anticipated to provide a significant secondary revenue stream in the PFS. Further, as the fluorspar concentrate would be produced from the tailings of the REE concentrate, the Company would be generating value from its tailings (i.e. typically waste), and therefore incorporating a circular economy component to the project.

The Company has also engaged the engineering firm CIMA+ to evaluate sites and design the marine infrastructure component for the PFS. CIMA+ has extensive experience in Quebec’s north and its operating conditions, having designed and constructed the marine facilities for several northern Inuit communities between 2005 and 2012. Specifically, CIMA+ designed and built the marine facility on the Koksoak River for the community of Kuujjuaq, the nearest community to the deposit. The Company is evaluating sites along the Koksoak River for a small marine facility to enable the shipping of materials and concentrate to and from the proposed mine-site, respectively.

The engineering firm BBA has been engaged to complete the remaining environmental studies for the PFS and will include several key individuals involved with previous data collection and analysis. The work will encompass the review of existing datasets as well as regulatory guidance to ensure the Company has sufficient data to satisfy the PFS requirements. The overarching objective is to prepare the Project for the Environmental and Social Impact Assessment (ESIA) that will follow, which will outline potential impacts of the Project once in operation, as well as corresponding mitigation measures.

BBA has also been engaged as the “Banner” engineering firm for the PFS, which includes Project scheduling, tailings management and design, financial analysis, and oversight to ensure no gaps



exists in the dataset required to satisfy PFS level. BBA has significant experience in PFS project management and are also widely recognized as having leading environmental and tailing management teams.

To date, the Prefeasibility work completed for the Ashram Project and led to significant advancements compared to the Preliminary Economic Assessment – shorter haul road, higher mineral concentrate grades (>40% rare earth oxide), fluorspar concentrate recovery, reduced tailings footprint, etc. As the Project continues to be de-risked and optimized, 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 rare earth carbonate and/or NdPr oxide to the global market.

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 of 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 rare earth carbonate and/or NdPr oxide to the global market. The Ashram Deposit is characterized by simple rare earth (monazite, bastnaesite, xenotime) and gangue (carbonates) mineralogy, 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 <http://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 the specialized engineering firms that we engaged will advance the remaining key components of the PFS through to fruition; that we expect to recover a fluorspar by-product (met-spar and acid-spar) from the tailings of the primary REE recovery circuit and generating value from a tailings stream (i.e. typically waste), and therefore incorporating a circular economy component to the project; and that 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 rare earth carbonate and/or NdPr oxide. 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 contracted engineering firms may not be able to provide engineering solutions which are effective or can be implemented economically; 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.