



Commerce Resources Corp. Produces Additional >98% CaF₂ Samples from the Ashram Deposit, Quebec

November 30, 2020 – Commerce Resources Corp. (TSXv: CCE, FSE: D7H0) (the “Company” or “Commerce”) is pleased to announce that it has produced additional samples of acid-grade fluor spar concentrate from the Ashram Rare Earth and Fluorspar Deposit, Quebec. The test work on fluor spar recovery is being carried out by Hazen Research, CO, USA, which is also developing the primary rare earth element (REE) recovery flowsheet.

Previous test work has demonstrated the ability to achieve fluor spar grades as high as 98% CaF₂, as well as standard specifications for SiO₂, Al₂O₃, Cl, Be, Cd, Pb, As, and Hg (see news releases dated February 28th and September 24th, 2020). The Company is pleased to report that the recent bench test work has produced additional acid-grade samples >98% CaF₂. The results demonstrate that acid-grade fluor spar can be produced from Ashram Deposit material, where the starting head-grade is ~7.5% CaF₂.

The specifications and impurity tolerances in the acid-spar industry may vary widely depending on the final application; however, a key requirement to obtain is the CaF₂ purity – typically >97%. Based on the bench level test work completed to date, the Company is confident that it can attain this base level purity of ~97% CaF₂, as well as other key specifications, that will allow for a marketable product to a variety of end-users and associated applications.

There are currently two flowsheet approaches being advanced to produce acid-grade fluor spar from the Ashram Deposit, with the results herein produced using a front-end flotation/leach/magnetic process. An alternative approach is also being developed which uses the tailings stream from the primary REE concentrate, where the fluor spar passively upgrades throughout the REE processing circuit. In both cases, the recovery of fluor spar from the Ashram Deposit has been approached as a secondary objective to the primary REE recovery. Further, depending on the approach for fluor spar recovery, impurity removal may also increase overall REE recovery in the flowsheet.

In addition to being one of the largest rare earth deposits globally, the Ashram Deposit is also one of the largest fluor spar deposits globally. The production of REEs and fluor spar are currently dominated by China, placing Ashram in a unique position to potentially address the supply concerns of these two critical commodities. Both REEs and fluor spar are considered critical / strategic commodities by the US Department of the Interior, the European Union, and the Province of Quebec, Canada.



Fluorspar Market

Fluorspar (CaF_2) is an essential raw material to the steel, aluminum, and chemical industries in two marketable products; acid spar grade and met spar grade.

Acid-spar (>97% CaF_2), accounting for roughly sixty percent of the market, is primarily used to synthesise hydrofluoric acid (HF) and subsequent fluorochemicals, and in the production of aluminum metal, to reduce process temperatures and energy consumption. It is also a key raw ingredient of materials used in enhancing the operational performance of lithium-ion batteries.

Met-spar (>60% CaF_2), accounting for roughly forty percent of the global fluorspar market, is primarily used as a flux in the steel making process to lower the melting temperature, to reduce slag viscosity, and remove impurities.

Similar to the prevailing dynamics for rare earth elements, China was historically 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 from industry in new sources.

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 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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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 Company can attain this base level purity of ~97% CaF₂, as well as other key specifications, that will allow for a marketable product; that impurity removal may also increase overall REE recovery; and that Ashram is in a unique position to potentially address the supply concerns of REE and Fluorspar, two critical commodities. 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.