

Comstock Mining Announces \$4 million in Asset Sales, Third Quarter 2018 Results; Advances Dayton Feasibility with 90+ Foot High-Grade Discovery

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VIRGINIA CITY, Oct. 30, 2018 - [Comstock Mining Inc.](#) (the "Company") (NYSE American: LODE) today announced selected unaudited financial results for the fiscal quarter ended September 30, 2018.

Third Quarter 2018 Selected Strategic and Operational Highlights

- Received the 2018 BLM Sustainable Mineral Development Award;
- Progressed, through our arrangement with Tonogold, an updated resource estimate for Lucerne;
- Progressed, with Behre Dolbear, an updated resource estimate for a new Dayton NI 43-101 report;
- Uncovered a new, large, high-grade, mineralized shear-zone in the Dayton adit;
- Discovered gold and silver averaging 0.043 and 0.404 ounces per ton, respectively, in this Dayton zone;
- Accepted a \$3.25 million cash offer on the Daney Ranch;
- Completed diligence for the \$0.75 million sale of the Gold Hill Hotel;
- Proceeds from contracted real estate sales would reduce our debenture to \$4.6 million, or over 45%;
- Delivered virgin samples of higher-grade, mineralized material from Dayton for testing, to Itronics; and
- Deferred the purchase of the Downtown Silver Springs property to March 2019.

Corrado De Gasperis, Executive Chairman and CEO of the Company, said, "The sale of the Daney Ranch and Gold Hill Hotel bring huge, tax-free gains, that significantly lowers our debt and focuses us solely on efficient exploration, development and expansion of our gold and silver mining assets and their potential values at a time when gold is finally creeping back into favor."

Third Quarter and YTD 2018 Selected Financial Highlights and Outlook

For both the three-month and nine-month periods ending September 30, 2018, costs were down significantly when compared with the prior period. For the three-months ended September 30, 2018, the Company reported a reduction of approximately \$0.5 million, or 24%, when comparing to the comparable 2017 period. For the nine months ended September 30, 2018, the Company reported a reduction of approximately \$1.7 million, or 23%, when compared to the same period in 2017, with approximately \$1 million coming from Tonogold subsidies.

The Company recorded a net loss for the third quarter of 2018 of \$2.0 million or (\$0.03) loss per share, as compared to a net loss of \$2.5 million, or (\$0.06) loss per share for the third quarter of 2017. The Company recorded a net loss for the 2018 year-to-date nine-month period of \$6.9 million or (\$0.13) loss per share, as compared to a net loss of \$8.2 million, or (\$0.21) loss per share for the 2017 nine-month period.

Mr. De Gasperis added, "Our year-to-date costs were down in nearly every category, with significant reductions in real estate, mine claims and costs and environmental. We continue to analyze opportunities for reducing costs and sharing risks with strategic partners in order to increase the effectiveness of our mine developments."

At September 30, 2018, the principal amount of the Company's secured debenture was \$8.4 million. Cash and cash equivalents at September 30, 2018, were \$1.2 million. Proceeds during the fourth quarter of 2018, from real estate sales, would reduce the principal amount of our debenture by over 45%, or \$4.6

million, and reduce 2019 interest expense by over \$425,000 per annum.

Exploration and Mine Development - Lucerne Resource Area

The Company's option agreement gives Tonogold the right to lead engineering, development, drilling and test-work, all towards the objectives of completing and publishing National Instrument 43-101 ("NI 43-101") compliant technical resource and economic feasibility assessments and ultimately, to earn into a joint venture for the future development and mining of minerals from Lucerne. Tonogold has retained the independent mining advisory firm of Mine Development Associates to publish the NI 43-101 technical reports for Lucerne, with the first technical report expected in the fourth quarter of 2018. Tonogold can earn a 51% interest in the Lucerne Property, by advancing the Lucerne exploration and development activities and making cumulative capital expenditures on the Lucerne Property of \$7.0 million by October 3, 2019, (of which, approximately \$3 million has been expended to date) and \$20 million (inclusive of the initial \$7 million requirement) by April 3, 2021.

For the nine and three-month periods ended September 30, 2018, the Company recognized \$1.0 million and \$0.7 million, respectively, in reimbursements from Tonogold, primarily for mine claims, mine development, environmental and permitting compliance for advancing the Lucerne Mine project.

Dayton Resource Area

The Company recently sampled a newly recognized, mineralized, cross-cutting shear zone. The full extent of the shear zone has not yet been exposed but a sample of the material was fire assayed for gold and silver and discovered 3 feet of 0.246 ounces per ton (OPT) Gold and 3.553 OPT Silver.

The Company expanded its sampling and mapping to define the full extent of the shear zone, including a program that exposed a 90.8 foot (27.7m) mineralized shear zone, beginning at 245 feet (74.7m) inside the Dayton adit. The program included the collection of continuous channel samples along consistent intervals. Visual changes in mineralogy and rock type determined the sample boundaries, with three-foot intervals. All samples were fire-assayed for gold and silver, and then further analyzed for 23 additional elements using Inductively Coupled Plasma – Atomic Emission Spectroscopy. The results for the entire zone averaged 0.043 OPT gold (1.47g/t) and 0.404 OPT silver (13.8g/t), including 7.5 feet averaging 0.121 OPT gold (4.14g/t) and 0.753 OPT silver (25.8g/t). The previous identification of elevated values for Molybdenum, Cadmium, Selenium, and Tungsten were also confirmed.

The Company has retained the independent mining advisory firm of Behre Dolbear to produce a separate NI 43-101 compliant technical report for the Dayton resource area, anticipated during the first quarter of 2019. This first report will provide an updated resource estimate and support the subsequent scope of publishing an NI 43-101 compliant Preliminary Economic Assessment ("PEA") for the Dayton project.

Environmental Excellence and Clean Technologies

The Company is an established leader in sustainable, responsible mining and recently received the 2018 Sustainable Mineral Development Award from the United States Bureau of Land Management (BLM). In 2017 and 2015, the Company also received Nevada's Excellence in Reclamation Award, voted unanimously by the Nevada Division of Minerals and Environmental Protection, Department of Wildlife and the U.S. Forest Service and BLM.

Mr. De Gasperis added, "Winning National and Nevada-wide recognition in three of the past four years establishes a culture supporting the highest-quality environmental and social processes. We are reaching even higher with our clean technologies partners to develop new technologies for breakthrough renewable, zero waste solutions."

Our collaboration with Itronics, Inc., (OTC: ITRO) has expanded into sampling higher-grade Dayton materials. Itronics previously reported positive results from testing leached material with its proprietary KAM-Thio solution. The previously-leached test results demonstrated that the residual silver, gold, base metals, and cyanide can be recovered, creating an environmentally attractive process. While extracting

metals in the test process, the KAM-Thio residual solution was substantially regenerating during process, thereby reducing the net consumption and creating a potentially compelling economic solution. Test results also showed that the cyanide residual in the cyanide leached material was removed by the new leaching process, neutralizing the solution to drinking water standards. These results could dramatically reduce reclamation costs and associated bonding, while adding the prospect of alternative uses for the materials. The Company delivered the new samples of higher-grade mineralized material with two objectives: first, to model the same process flow sheet that they developed for processing the Company's previously leached material, and second, to test the ability of the KAM-Thio liquid to recover gold as effectively as silver. The Company will report results as they become available.

Liquidity & Capital Resources

During October, 2018, the Company reached a new agreement to sell the Daney Ranch for \$3.25 million, subject to escrow and customary closing conditions, with an anticipated close on November 30, 2018. The Company also has an agreement to sell the Gold Hill Hotel to an experienced boutique hotelier, for \$0.75 million with closing anticipated to occur by December 31, 2018. Proceeds of almost \$4 million from these two real estate sales would reduce the principal amount of the debenture to approximately \$4.6 million, or over 45%.

During October, 2018, the Company received \$546,107 from Tonogold in reimbursement for expenses for the month of August 2018, increasing the total received from Tonogold since the inception of the Option agreement to \$3.9 million, including \$2.2 million in option payments and \$1.7 million in reimbursements. For fiscal year 2018, we have received \$2.0 million in option payments and \$1.0 million in reimbursements, or a total of \$3.0 million.

Common shares outstanding at September 30, 2018, totaled 70,852,819. At quarter end June 30, 2018, the Company's shares outstanding were 53,834,285. During the quarter, the Company issued 9,333,000 shares of common stock through the Company's equity purchase agreement and 2,727,273 shares of common shares in a private placement. Gross proceeds from the issuance of those shares totaled approximately \$2.0 million at an average price per share of \$0.165. In August 2018, the Company issued 2,774,490 shares of Common Stock with a fair value of \$482,500 as payment for the annual contribution to Northern Comstock, LLC.

The Company also has cash and cash equivalents of \$1.2 million at September 30, 2018.

Corporate and Outlook

We understand that Tonogold plans on publishing an updated NI 43-101 compliant mineral resource estimate for the Lucerne Project during the fourth quarter of 2018. We plan on publishing an NI 43-101 compliant mineral resource estimate for the Dayton Project during the first quarter of 2019. The plan also includes expanding the current resource at the Dayton and continuing southerly into Spring Valley with incremental expansion programs that include exploration and definition drilling of targets identified by geophysical surveys during 2019.

During, 2018, the Company amended its agreement for the purchase of 100% of the membership interests of Downtown Silver Springs, LLC ("DTSS"). DTSS holds an option for the purchase of approximately 160 acres of centrally located land in Silver Springs, Nevada, and separately, holds an option to purchase 350 units of water rights (equaling 392 acre-feet) and 200 units of sewer rights. On October 1, 2018, the Company paid \$250,000 toward the remaining \$2.7 million purchase price for the land and extended the options for the land, water and sewer rights out to March 31, 2019. The Company plans on selling its 98-acre industrial property and the option on the 160-acre commercial property owned by DTSS in the first half of 2019, eliminating the remaining debt, funding operations and further strengthening its balance sheet.

Mr. De Gasperis concluded, "We are now monetizing our non-mining assets at significant, tax-free gains, planning to pay down our debenture, and positioning the Company for accelerated mineral property and resource growth with the accretive development of our mining properties. Our strategic objective is to position the Company to take advantage of increasing precious metal prices and maximize the value to our shareholders."

Conference Call

The Company will host a conference call today, October 30, 2018, at 8:00 a.m. Pacific Time/11:00 a.m. Eastern Time. The live call will include a moderated Q&A, after the prepared comments by the Company. The dial-in telephone numbers for the live audio are as follows:

Toll Free: 1-800-682-0995

Direct: 1-334-323-0509

Confirmation Code: 5181626

The audio will be available, usually within 24 hours of the call, on the Company website:
<http://www.comstockmining.com/investors/investor-library>

About Comstock Mining Inc.

[Comstock Mining Inc.](#) is a Nevada-based, gold and silver mining company with extensive, contiguous property in the Comstock District and is a leader in sustainable, responsible mining. The Company began acquiring properties in the Comstock District in 2003. Since then, the Company has consolidated a significant portion of the Comstock District, amassed the single largest known repository of historical and current geological data on the Comstock region, secured permits, built an infrastructure and completed its first phase of production. The Company continues evaluating and acquiring properties inside and outside the district expanding its footprint and exploring all of our existing and prospective opportunities for further exploration, development and mining. The near-term goal of our business plan is to maximize intrinsic stockholder value realized, per share, by continuing to acquire mineralized and potentially mineralized properties, exploring, developing and validating qualified resources and reserves (proven and probable) that enable the commercial development of our operations through extended, long-lived mine plans and developments that are economically feasible and socially responsible.

Forward-Looking Statements

This press release and any related calls or discussions may include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, are forward-looking statements. The words "believe," "expect," "anticipate," "estimate," "project," "plan," "should," "intend," "may," "will," "would," "potential" and similar expressions identify forward-looking statements, but are not the exclusive means of doing so. Forward-looking statements include statements about matters such as: future industry market conditions; future explorations or acquisitions; future changes in our exploration activities; future prices and sales of, and demand for, our products; land entitlements and uses; production capacity and operations; operating and overhead costs; future capital expenditures and their impact on us; operational and management changes (including changes in the board of directors); changes in business strategies, planning and tactics; future employment and contributions of personnel, including consultants; future land sales investments, acquisitions, joint ventures, strategic alliances, business combinations, operational, tax, financial and restructuring initiatives; including the nature and timing and accounting for restructuring charges, derivative liabilities and the impact thereof; contingencies; environmental compliance and changes in the regulatory environment; offerings, limitations on sales or offering of equity or debt securities; including asset sales and the redemption of the debenture and associated costs; future working capital, costs, revenues, business opportunities, debt levels, cash flows, margins, earnings and growth.

These statements are based on assumptions and assessments made by our management in light of their experience and their perception of historical and current trends, current conditions, possible future developments and other factors they believe to be appropriate. Forward-looking statements are not guarantees, representations or warranties and are subject to risks and uncertainties, many of which are unforeseeable and beyond our control and could cause actual results, developments and business decisions to differ materially from those contemplated by such forward-looking statements. Some of those risks and uncertainties include the risk factors set forth in this report and our Annual Report on Form 10-K for the fiscal year ended December 31, 2017, and the following: adverse effects of climate changes or natural disasters; global economic and capital market uncertainties; the speculative nature of gold or mineral exploration, including risks of diminishing quantities or grades of qualified resources; operational or technical difficulties in connection with exploration or mining activities; contests over our title to properties; potential dilution to our stockholders from our stock issuances, recapitalization and balance sheet restructuring activities; potential inability to comply with applicable government regulations or law; adoption of or changes in legislation or

regulations adversely affecting our businesses; permitting constraints or delays; business opportunities that may be presented to, or pursued by, us; acquisitions, joint ventures, strategic alliances, business combinations, asset sales, and investments that we may be party to in the future; changes in the United States or other monetary or fiscal policies or regulations; interruptions in our production capabilities due to capital constraints; equipment failures; fluctuation of prices for gold or certain other commodities (such as silver, zinc, cyanide, water, diesel fuel and electricity); changes in generally accepted accounting principles; adverse effects of terrorism and geopolitical events; potential inability to implement our business strategies; potential inability to grow revenues; potential inability to attract and retain key personnel; interruptions in delivery of critical supplies, equipment and raw materials due to credit or other limitations imposed by vendors; assertion of claims, lawsuits and proceedings against us; potential inability to satisfy debt and lease obligations; potential inability to maintain an effective system of internal controls over financial reporting; potential inability or failure to timely file periodic reports with the SEC; potential inability to list our securities on any securities exchange or market; inability to maintain the listing of our securities; and work stoppages or other labor difficulties. Occurrence of such events or circumstances could have a material adverse effect on our business, financial condition, results of operations or cash flows or the market price of our securities. All subsequent written and oral forward-looking statements by or attributable to us or persons acting on our behalf are expressly qualified in their entirety by these factors. Except as may be required by securities or other law, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Neither this press release nor any related calls or discussions constitutes an offer to sell or the solicitation of an offer to buy the Debenture or any other securities of the Company.

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