

# Comstock Mining Announces Second Quarter 2020 Update; Goal Drives Strategic Value Targets

07.07.2020 | [GlobeNewswire](#)

VIRGINIA CITY, July 07, 2020 - [Comstock Mining Inc.](#) (the "Company") (NYSE American: LODE) announced selected strategic and financial highlights (unaudited) for the second fiscal quarter ended June 30, 2020.

## Second Quarter 2020 Selected Strategic Highlights

- Investments in Mercury Clean Up LLC ("MCU") increased to \$1.75 million in cash and stock with the Comstock mercury remediation system completed (with pictures included below) and ready for shipment;
- Committed to Investment in MCU Philippines after MCU signed a definitive joint venture agreement with Clean Ore Solutions OPC, to partner and lead in a major mercury remediation project in the Philippines;
- Advanced permitting of [Tonogold Resources Inc.](#) ("Tonogold") exploration drill plans for July, 2020; and
- Consummated the April acquisition of 25% of Pelen LLC, the owner of the historic Sutro Tunnel Company.

## Second Quarter 2020 Selected Financial Highlights (Unaudited)

- Received a \$0.5 million early payment from Tonogold against obligations due October 15, 2020, with the remaining payments due to us totaling \$4.9 million at June 30, 2020;
- Valued our equity investment in Tonogold at over \$10.4 million at June 30, 2020;
- Reduced our Senior Debt principal to \$4.5 million at June 30, 2020;
- Cash and cash equivalents at June 30, 2020, were approximately \$1.0 million; and
- Common shares outstanding at June 30, 2020, were 28,815,000 shares.

## *Comstock Mining's Corporate Growth*

The Company has enacted its Board-approved transformational strategic plan, focused on high-value, cash-generating, precious metal-based activities, (the "Strategic Focus") including, but not limited to, environmentally friendly, and economically enhancing mining technologies, like mercury remediation. Our goal is to deliver over \$500 million of value from our existing assets and the commercialization of these environmental mining technologies, partnerships and ventures. [Comstock Mining Inc.](#) is the parent company that wholly owns the realigned subsidiaries and is expanding its mercury and royalty portfolios. We believe that our resource-based technology, properties, plant and equipment and existing gold and silver resources are deeply undervalued.

Our realignment was driven by our determination to reposition the Company for sustainable growth.

A photo accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/cb0fba7b-94b2-4a25-9870-5d0a3c9fbb5f>

Comstock Processing LLC owns the American Flat processing facility and represents the main platform for commercializing environmentally friendly, and economically enhancing mining technologies. Comstock Northern Exploration LLC owns or controls the remaining Storey County exploration targets, primarily located north of the Lucerne properties, that have been leased to Tonogold and their recently announced drill programs, with initial focus on the Occidental Lode claims. Comstock Exploration & Development LLC owns or controls the Lyon County mining claims and exploration targets, including the Dayton and Spring Valley

development targets. We are also reorganizing our growing portfolio of precious metal royalties into Comstock Royalty Holdings LLC.

Mr. Corrado DeGasperis, Executive Chairman and CEO stated, "We are driving our strategic initiatives forward with a precise focus on the value we are first unlocking and then creating, with MCU now poised to deploy two mercury remediation operating systems this quarter and Tonogold preparing the launch of a major, well-designed drill program on the Occidental lode, all while we plan for exploration and development drilling of our Dayton resource and work toward expanding its economic feasibility. We look forward to landing the MCU – Comstock system (and we have included photos below) with MCU also shipping the first Philippine unit later this month."

#### *Mercury Remediation Systems and the American Flat Processing Platform*

Our processing platform includes the Company's fully permitted processing platform, and the infrastructure has now been prepared for the delivery of the brand new MCU mercury remediation system. The system is scheduled to arrive this month, after a recent trip to Oro Industries' manufacturing facility for inspection and safety preparation.

A photo accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/676e2a0e-8933-45ce-9d97-d881b099188c>

#### *Lucerne*

Tonogold owns a 54% membership interest in the entity that owns Lucerne. Comstock retains management control over the entity until Tonogold has made all of the \$4.9 million in remaining payments in full. We are partnered with Tonogold and expect to fully realize almost \$30 million from the sale of the Lucerne, plus the potential for over \$35 million (totaling approximately \$65 million) of additional value from leasing, processing and royalty agreements.

In late June 2020, Tonogold paid \$0.5 million early toward the \$1 million due in October 2020, and reimbursed an additional \$0.5 million in expenditures during the second quarter. Tonogold also pays a monthly cash interest representing 12% of the remaining principal amount of approximately \$4.9 million, or approximately \$50,000 per month. To date, the Company has received over \$6.5 million in cash and \$6.1 million in total stock consideration, initially in the form of Tonogold Convertible Preferred Stock ("CPS"), effectively convertible on May 22, 2020.

The conversion price for the CPS will be the lower of (1) 85% of the 20-day volume weighted closing price or (2) 0.18. Tonogold can redeem the CPS prior to conversion, at a redemption price 120% of the face value of the CPS.

On May 22, 2020, the Company noticed the conversion of \$1.1 million of Tonogold CPS and received 6,111,111 of freely tradable Tonogold common shares. The Tonogold common shares are valued at about \$2.5 million and the remaining CPS was independently valued at over \$7.9 million, totaling \$10.4 million in securities at June 30, 2020.

Tonogold has made remarkable progress in their exploration and development plans and is working on securing Storey County permits and has secured multiple sources of funding to start a major drilling program anticipated during July, 2020. Tonogold has also significantly enhanced the technical strength of their board and announced plans to achieve full external reporting status with audited financial statements this summer, as they prepare for a national stock listing, likely in the fall of 2020.

#### *Dayton*

We are expanding Dayton's economic resource, but just based on current gold and silver prices, before any resource updates, we now show a low-end value of over \$75 million based on our existing economic shell (using an \$800 gold equivalent cut off) and a \$1600 gold revenue assumption. We have not

yet engineered an expanded pit shell (even though higher gold prices allows for lower grade cut-offs and significantly higher, economically-feasible ounces) but we are progressing with that work toward an updated, Dayton stand-alone, NI 43-101 technical report.

### *Non-mining assets*

Our non-mining assets are now valued at over \$25 million, net of debt. We have agreements to sell the Industrial and Commercial lands plus the senior water rights in Silver Springs, for over \$10 million, and now expect those sales to close this summer. These proceeds will extinguish the remaining \$5.0 million in obligations (including our \$4.6 million bond). Our \$6.1 investment in Tonogold Convertible Preferred Stock (CPS) is now valued at \$10.4 million based on shares that we have already converted and Tonogold's current share price. We are also owed approximately \$4.9 million from Tonogold through a 12%, cash interest paying debt instrument, with principal payments of \$0.4 million still due this October 2020, and \$4.475 million due September 2021.

Mr. DeGasperis concluded, "We expect that our efforts in monetizing the non-strategic assets, eliminating the debt, developing our natural resources in the ground, and commercializing the mercury remediation system, with our outstanding industry partners, will move us first toward the \$125 million valuation throughout the remainder of this year and position us to grow those businesses and valuations toward our \$500+ million target over the next 2-3 years and beyond. Over the next 60 days we will see mercury systems deployed, Tonogold exploration activities launched and the sale of our non-mining assets in Silver Springs consummated. We look forward to an active and productive third quarter and for the remainder of this year. The potential is truly extraordinary."

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 an emerging leader in sustainable, responsible mining that is currently commercializing environment-enhancing, precious-metal-based technologies, products and processes for precious metal recovery. 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 Company's goal is to grow per-share value by commercializing environment-enhancing, precious-metal-based products and processes that generate predictable cash flow (throughput) and increase the long-term enterprise value of our northern Nevada based platform.

### 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: consummation of all pending transactions; project, asset or Company valuations; future industry market conditions; future explorations, acquisitions, investments and asset sales; future performance of and closings under various agreements; future changes in our exploration activities; future estimated mineral resources; future prices and sales of, and demand for, our products; future impacts of land entitlements and uses; future permitting activities and needs therefor; future production capacity and operations; future operating and overhead costs; future capital expenditures and their impact on us; future impacts of operational and management changes (including changes in the board of directors); future changes in business strategies, planning and tactics and impacts of recent or future changes; 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; the nature and timing of and accounting for restructuring charges and derivative liabilities and the impact thereof; contingencies; future environmental compliance and changes in the regulatory environment; future offerings

of equity or debt securities; the possible redemption of debentures 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 our filings with the SEC and the following: counterparty risks; capital markets' valuation and pricing risks; 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 title to properties; potential dilution to our stockholders from our stock issuances and 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 businesses; permitting constraints or delays; decisions regarding business opportunities that may be presented to, or pursued by, us or others; the impact of, or the non-performance by parties under agreements relating to, acquisitions, joint ventures, strategic alliances, business combinations, asset sales, leases, options and investments to which we may be party; changes in the United States or other monetary or fiscal policies or regulations; interruptions in 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 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 or others; assertion of claims, lawsuits and proceedings; 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, the solicitation of an offer to buy or a recommendation with respect to any securities of the Company, the fund or any other issuer.

*Contact information:*

<a href="#">Comstock Mining Inc.</a>	Corrado DeGasperis	Zach Spencer
P.O. Box 1118	Executive Chairman & CEO	Director of External Relations
Virginia City, NV 89440	Tel (775) 847-4755	Tel (775) 847-5272 Ext.151
ComstockMining.com	degasperis@comstockmining.com	questions@comstockmining.com

---

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/355500--Comstock-Mining-Announces-Second-Quarter-2020-Update-Goal-Drives-Strategic-Value-Targets.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

---

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!  
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).