

Announces Final Second Quarter Results, Positive Operating Cash Flows

VIRGINIA CITY, NV--(Marketwired - July 21, 2015) - [Comstock Mining Inc.](#) (the "Company") (NYSE MKT: LODE) today announced selected business and unaudited financial results for the quarter ended June 30, 2015.

Second Quarter 2015 Selected Strategic Highlights

- Received unanimous approval for a major modification to the Company's operating plan, to develop an underground tunnel (a "drift") alongside highly mineralized, high-grade structures.
- Completed, ahead of schedule, the first phase of State Route 342's ('SR-342') realignment.
- Filed all requisite permit modifications for commencing the Lucerne underground drift tunnel.
- Engaged American Mining & Tunneling LLC to commence underground drifting and drilling.
- Commenced drilling on the Dayton Resource Area, with significant high-grade intercepts.
- Elected Robert C. Kopple as an independent director and member of the audit committee.
- Received federal authorization, enabling the ongoing realignment and remediation SR-342.

First Half 2015 Selected Financial and Operating Highlights

- Mining revenue was \$11.4 million for H1 2015. The Company shipped 9,270 ounces of gold and 116,594 ounces of silver (10,870 gold equivalent ounces) in H1 2015.
- Costs applicable to mining revenue were \$6.9 million for H1 2015, a \$3.3 million reduction, or 32%, from H1 2014, resulting in a gross margin of over 39% for H1 2015.
- Net cash generated by operating activities was a positive \$0.4 million for H1 2015, or a positive \$1.2 million before the road realignment costs of \$862k.
- Net loss was \$0.2 million for H1 2015, as compared to a net loss of \$7.2 million for H1 2014.
- Cash and cash equivalents at June 30, 2015, were \$6.8 million.

"We continue delivering lower costs, resulting in operating cash flow, a cash cost for mining of \$615 per ounce and a 41% gross margin, all records for us in the second quarter and enabling us to increase our cost reduction target to \$10 million," stated Corrado De Gasperis, CEO of Comstock Mining.

Second Quarter and Year to Date 2015 Selected Operational Highlights

	2Q 2015	1Q 2015
Mining Operations		
Tons Mined	254,856	316,199
Processing		
Tons Crushed	211,942	157,612
Weighted Average Grade Per Ton Au	0.030	0.039
Weighted Average Grade Per Ton Ag	0.654	0.734
Estimated Au Ounces Stacked	6,438	6,083
Estimated Ag Ounces Stacked	138,639	115,689
Estimated Au Equivalent* Ounces Stacked	8,344	7,669
Au Ounces Poured and Sold	4,575	4,695
Ag Ounces Poured and Sold	60,112	56,482
Au Equivalent* Ounces Poured	5,400	5,470

* Au Equivalent ounces = Au ounces (actual) + (Ag ounces (actual) / the ratio of average gold to silver prices) 72.37 72.91

Dayton Drill Program Update

The Dayton property includes the Dayton (Marble), Alhambra, Kossuth, Metropolitan, and Genessee patents. Surface drilling on the Company's Dayton property, located in the southern part of the Comstock district, commenced late in the first quarter of 2015 and is ongoing. In conjunction with the current drill program, the Company has re-opened some of the historic mine workings in the immediate area of current drilling for the purposes of sampling and mapping. These workings are in the form of horizontal development, and include a group of tunnels and drifts that are adding significantly to our understanding of the structural setting and the extent of mineralization.

To date, 241 holes have been completed on the southern end of the property with a goal of defining near-surface mineralization along a complex system of geologic structures (faults). The Dayton property is defined by a structurally controlled mineralized system that is in many respects similar to the Company's Lucerne property in terms of the overall geologic setting. The properties are separated by about one mile along the Silver City branch of the Comstock Lode. The total footage drilled to date in the current program is approximately 19,000 feet, utilizing a percussion drill rig (similar to those used for blast hole drilling in the mining operation).

The program to date has yielded 303 intercepts of 10 feet or greater in length with Au concentrations exceeding or equal to 0.015 opt Au, including a group of 17 intercepts of 10 feet or greater in length with Au concentrations exceeding or equal to 0.100 opt Au. Surface sampling and geologic mapping were also conducted as part of the program to further augment the data. Collectively, these results could have a significant impact on the overall project economics.

The rig is scheduled to complete an additional 155 holes in the Dayton project area, mainly to fill in gaps that still exist in the near-surface environment along several of the major structures.

Lucerne Exploration and Underground Development

The Company completed extensive geological development and modeling, utilizing its previously collected drill hole data, historic underground mine maps and current mining data, among other geological information. Out of this extensive geologic work, a definitive underground development target has emerged, specifically that part of the lode occupied by the mineralized mass of PQ, as well as the neighboring wall rocks. This conclusion is based on surface drill hole results, metallurgy, and proximity to the current Lucerne Mine floor, as well as past mining data.

In addition to the mineralized mass of PQ, we developed and defined the nearby Woodville Bonanza structures with the same diligent level plan and cross sectional development. These geologic definitions include the same detail and historical mappings plus over 116 intercepts of at least 10 feet grading over 0.22 ounces per ton gold and 1.59 ounces of silver per ton. This represents the most significant opportunity for immediately exploring and progressing the development of an accelerated underground mine plan in the Lucerne Area.

<http://www.comstockmining.com/files/flipbooks/PQTarget/>

Mr. De Gasperis commented, "We are partnering with AMT to combine our strong geological footprint with AMT's Nevada-based underground mining and drilling competency to deliver a faster and more efficient underground exploration and development process. This partnership adds tremendous flexibility to our system as we expand into the initial drift and tunneling to explore and develop the high-grade Lucerne structures and the Dayton Resource area."

Outlook

The Company has been cash positive from operations for the first six months of 2015, and expects to be cash positive from operations throughout 2015, while expanding the exploration and development during the third quarter and completing the road realignment during the third and fourth quarters. This expansion is primarily the exploration and development of high-grade underground targets north and east of the current Lucerne mine operations and the exploration and development of the resource target at the Dayton Resource Area.

During the first half of 2015, the Company continued reducing costs applicable to mining revenue. The Company has increased its expectation of savings from costs applicable to mining to \$7 million (from a previous target of \$5 million), when comparing 2015 to 2014. The Company has also doubled its expectation of savings from all other non-mining activities, including general, administrative, hospitality, mine claims and costs and environmental and other areas, to \$3 million (from a previous target of \$1.5 million), when comparing 2015 to 2014. These increases raise our total costs savings targets to \$10 million, from \$6.5 million, when comparing 2015 to 2014. The Company expects cash costs of mining revenue, will remain below \$650 per ounce of gold through the third quarter.

The Company will commence the underground drift-mining and drilling, associated with the PQ target, and expects to complete drift-sampling, drilling, ongoing metallurgical test work of the PQ target by December 2015, with the second major phase of drift-mining and drilling, with respect to the Woodville bonanza target, to be completed by March 2016.

Mr. De Gasperis concluded, "Our goals for this year are focused on the final steps for minimizing operating costs, completion of the SR-342 realignment project, expansion of the Lucerne underground exploration and development activities, and commencing the final development phase of the Dayton Resource Area, positioning us well for future growth."

The Company will host a conference call today, July 21, 2015, at 8:00 a.m. Pacific Time/11:00 a.m. Eastern Time. The live call will include a Q&A with accredited institutions, investors and analysts immediately following the prepared remarks. The dial-in telephone numbers for the live audio are as follows:

North American Toll Free: 1-866-253-4737

International: 1-416-849-4292

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 producing, Nevada-based, gold and silver mining company with extensive, contiguous property in the Comstock District and is an emerging leader in sustainable, responsible mining, including concurrent and accelerated reclamations, soil sampling, voluntary air monitoring, cultural asset protection and historical restorations. 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 commenced production in 2012. The Company continues acquiring additional properties in the district, expanding its footprint and creating 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 validating qualified resources and reserves (proven and probable) from our first two resource areas, Lucerne and Dayton, and significantly grow the commercial development of our operations through extended, long-lived mine plans 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 the Private Securities Litigation Reform Act of 1995 about Comstock. Forward-looking statements are statements that are not historical facts. All statements, other than statements of historical facts, are forward-looking statements. Forward-looking statements include statements about matters such as: future prices and sales of, and demand for, our products; future industry market conditions; future changes in our exploration activities, production capacity and operations; future delays or disruptions in construction or production; future exploration, production, operating and overhead costs; operational and management restructuring activities (including implementation of methodologies and changes in the board of directors); future employment and contributions of personnel; tax and interest rates; capital expenditures and their impact on us; nature and timing and accounting for restructuring charges, gains or losses on debt extinguishment, derivative liabilities and the impact thereof; productivity, business process, rationalization, investment, acquisition, consulting, operational, tax, financial and capital projects and initiatives; contingencies; environmental compliance and changes in the regulatory environment; offerings, sales and other actions regarding debt or equity securities; and future working capital, costs, revenues, business opportunities, debt levels, cash flows, margins, earnings and growth.

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. 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 that 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 discussed in Item 1A, "Risk Factors" of our annual report on Form 10-K and the following: current global economic and capital market uncertainties; the speculative nature of gold or mineral exploration, including risks of diminishing quantities or grades of qualified resources and reserves; operational or technical difficulties in connection with exploration or mining activities; contests over our title to properties; potential dilution to our stockholders from the conversion of securities that are convertible into or exercisable for shares of our common stock; potential inability to continue to comply with government regulations; adoption of or changes in legislation or regulations adversely affecting our businesses; business opportunities that may be presented to, or pursued by, us; changes in the United States or other monetary or fiscal policies or regulations; interruptions in our production capabilities due to unexpected equipment failures; fluctuation of prices for gold or certain other commodities (such as silver, copper, diesel fuel, and electricity); changes in generally accepted accounting principles; geopolitical events; potential inability to implement our business strategies; potential inability to grow revenues organically; potential inability to attract and retain key personnel; interruptions in delivery of critical supplies and equipment raw materials due to credit or other limitations imposed by vendors; assertion of claims, lawsuits and proceedings against us; 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 maintain the

listing of our securities on any securities exchange or market; 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. We undertake no obligation to publicly update or revise any forward-looking statement.

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

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