SALT LAKE CITY, May 03, 2017 (GLOBE NEWSWIRE) -- Inception Mining Inc. (“Inception” or the “Company”) is pleased to provide an update at its wholly-owned Clavo Rico Project in Honduras.

Highlights

- Mining rates are expected to increase from approximately 300 tonnes per day (“tpd”) in 2016 to 500-700tpd in 2017.
- Heap leach pad capacity expansion from approximately 500,000 Mt. to over 750,000 Mt. With the first phase underway as part of three a phase expansions.
- Additional core drilling was completed in July 2016 as part of 5500 meters of core drilling completed on the project. The results will form the basis for an upcoming maiden National Instrument 43-101 Technical Report, expected to be completed and filed in June 2017.

Operational Update

Since acquiring the Clavo Rico Project in late 2015, exploration and development efforts have been partly funded from cash flow generated from ongoing operations. Total mineralized material processed doubled in the subsidiary from 2014 to 2016.

Year	Tonnes Material Stacked	Head grade grams	Au Production (gm)	Nominal Throughput (tonnes per day)	Recovery rate
2014	55,183	2.89	77,323	148	48%
2015	77,168	3.58	138,099	211	50%
2016	113,074	2.86	170,509	312	53%

These increases in production have been achieved through process modifications and revisions to the leaching operation as well as renewed focus on maintenance and backup equipment.

“The year over year increased production is expected to continue as we make ongoing operational improvements, and expand crushing and leaching capability. The goal is to achieve this while maintaining grade,” commented Inception’s CEO, Trent D’Ambrosio.

In addition, the Company is currently completing a heap leach pad expansion program at its Clavo Rico heap leach facility, which will increase total stacking capacity from 500,000 tonnes to over 750,000 tonnes, an increase of more than 50%.

The Company has replaced its previous subcontractor with the Honduran contractor Inversiones y Commericealizador Benitez S de R.L. (“INCOBE”). INCOBE has a successful track record in both iron ore mines as well as precious metals operations and will provide the Company a full complement of services. INCOBE will excavate, haul, and crush all material to the specified size. The equipment installed is of a newer and larger caliber and has a maximum crushing capacity of 1500tpd, well exceeding the 2017 targeted throughput rates of 500tpd-700tpd. Slightly higher per tonne costs are expected to be offset by reduced down time and savings incurred through lower servicing and maintenance costs for older equipment.

D’Ambrosio explained that “awarding the contract to INCOBE will give us the capacity to meet the needs of the leach pad expansion, allow the company to increase total tonnage significantly over 2016 and allow for potentially higher recoveries thanks to more consistent crush size.”

Technical Report

The Company has engaged ”Precision GeoSolutions” to complete an independent National Instrument 43-101 compliant Technical Report for its Clavo Rico Project in Honduras. The report will incorporate drilling data from twelve core holes drilled in 2016 at the Clavo Rico Project as well as previous drill data and extensive information collected from recent mapping and sampling initiatives.

A number of site visits have been completed by the independent Qualified Person, Dr. Brian Mahoney, between November 2016 and April 2017 and the Company expects completion of the Technical Report by June 2017.

The objective of the Technical Report will be to delineate oxide gold resources amenable to processing at the Company’s heap leach facility as well as to identify and evaluate additional near-mine exploration targets.

"Since production began at Clavo Rico in late 2014, Inception has produced over 12,000 ounces of gold at a recovered grade of 1.57 grams per tonne (g/t Au), by mining near surface oxide ores. During this period, our internal in-house resource estimates have proved more than adequate for these small-scale trial mining initiatives. However, moving forward, our goal is to transition towards commercial production, potentially at higher throughputs. The upcoming maiden NI 43-101 Technical Report will serve as a foundation upon which we will carefully evaluate our growth strategies at Clavo Rico,” said D’Ambrosio.

About Inception Mining Inc.

Inception Mining Inc. is engaged in the acquisition, exploration, and development of gold projects in Central and North America. Inception’s core asset is the Clavo Rico gold project in Honduras, which features a heap leach facility and on-site ADR plant.

Qualified Person

J. Brian Mahoney is the Company’s Qualified Person for this news release within the meaning of NI 43-101. Kyle Pickard, an independent geologist, has reviewed and verified that the technical information contained in this release is accurate.

Forward-Looking Statements

This news release includes certain forward-looking statements or information. All statements other than statements of historical fact included in this release are forward-looking statements that involve various risks and uncertainties. Forward-looking statements in this news release include statements with respect to the potential mineralization and geological merits of the Company properties. There can be no assurance statements will prove to be accurate and actual results and future events could differ materially from anticipated in such statements.

Inception Mining Inc. disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events except as required by applicable securities legislation.

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