

Comstock Announces Loan Agreement and Intention to Exercise 21,000,000 Rights to Purchase MAS Gold Shares

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Vancouver, August 31, 2023 - [Comstock Metals Ltd.](#) (TSXV: CSL) ("Comstock" or the "Company") is pleased to announce that it has entered into loan agreements dated as of August 31, 2023 to borrow an aggregate of \$210,000. The loan agreements have been entered into with companies controlled by Steven Goldman, the Company's Chief Executive Officer (\$200,000) and Darren Urquhart, the Company's Chief Financial Officer (\$10,000). The proceeds from the loans will be used to exercise 21,000,000 rights of MAS Gold Corp. ("MAS") (TSXV: MAS) held by the Company which expire on September 5, 2023, with each right entitling the holder to acquire one common share in the capital of MAS (each a "MAS Share") at an exercise price of \$0.01 per MAS Share. Immediately following the exercise of the 21,000,000 MAS rights on or before 5:00 p.m. Toronto time on September 5, 2023, Comstock will own 47,095,000 MAS Shares.

Under the terms of the loan agreements the amounts owing under the loans together with interest at 10% per annum will be secured by, and the lenders will have sole recourse to, the 21,000,000 MAS Shares acquired with the proceeds of the loans. The loans will be repaid on a pro rata basis through the net proceeds of any sale of these 21,000,000 MAS Shares. If, following the sale of these MAS Shares there are funds remaining with the Company such funds will be used to first re-pay the amounts owing to Mr. Goldman's consulting company (approximately \$102,975) and Mr. Urquhart's consulting company (approximately \$65,625) for services provided to the Company up to December 31, 2022 on a pro rata basis, and then, if additional funds are remaining, to pay other Company debts and for corporate purposes. If there are insufficient funds from the sale of the MAS Shares to repay the loans then the remaining balance on the loans will be forgiven.

Mr. Goldman and Mr. Urquhart are considered to be "related parties" (within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101")), making the transactions "related party transactions" (within the meaning of MI 61-101) (the "Related Party Subscriptions"). The Company was exempt from obtaining a formal valuation for, and minority approval of, the Related Party Subscriptions pursuant to Section 5.5(b) and 5.7(1)(a) of MI 61-101, respectively. The loan transactions were approved by the disinterested directors of the Company.

About Comstock Metals Ltd.

[Comstock Metals Ltd.](#) is a publicly traded company which formerly operated as a mining exploration company in Canada but is currently focused on identifying new opportunities. On March 31, 2022 Comstock sold its resource stage gold project in the La Ronge district in Saskatchewan to MAS in consideration of 30,000,000 shares in MAS, resulting in the net receipt of 27,775,000 common shares in MAS Gold after payment of fees and bonus.

On June 22, 2023 MAS announced a rights offering to purchase shares in MAS at a purchase price of \$0.01. One right was issued for each MAS Share held. One Right and one cent entitled holders purchase one MAS Share. The MAS rights expire at 5:00 p.m. Toronto time on September 5, 2023.

Comstock had been issued 27,750,000 MAS rights but did not have the funds to exercise the rights. Comstock entered into the loan agreement described above to allow it to exercise 21,000,000 Rights which Comstock's management and board believe is in the best interest of the Company.

Forward-Looking Statements

This news release includes forward-looking information and statements, which may include, but are not

limited to, information and statements regarding or inferring the future business, operations, financial performance, prospects, and other plans, intentions, expectations, estimates, and beliefs of the Company. Forward-looking information and statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors which may cause actual events, results, performance, or achievements of the Company to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking information and statements herein. Although the Company believes that any forward-looking information and statements herein are reasonable, in light of the use of assumptions and the significant risks and uncertainties inherent in such information and statements, there can be no assurance that any such forward-looking information and statements will prove to be accurate, and accordingly readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance upon such forward-looking information and statements. Any forward-looking information and statements herein are made as of the date hereof, and except as required by applicable laws, the Company assumes no obligation and disclaims any intention to update or revise any forward-looking information and statements herein or to update the reasons that actual events or results could or do differ from those projected in any forward-looking information and statements herein, whether as a result of new information, future events or results, or otherwise, except as required by applicable laws.

For more information about Comstock Metals Ltd., please refer to Comstock Metals' website at www.comstock-metals.com or contact:

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