

Comstock Mining Inc.
Form 424B5
June 30, 2016

Filed pursuant to Rule 424(b)(5)
Registration No. 333-208824

PROSPECTUS SUPPLEMENT
(To Prospectus dated December 31, 2015)

4,367,896 Shares of Common Stock

We are offering 4,367,896 shares of our common stock to Varilease Finance, Inc. (“Varilease”), pursuant to this prospectus supplement and the accompanying prospectus. The shares to be offered pursuant to this prospectus supplement are being issued in satisfaction of approximately \$1,734,810 of lease payment obligations representing payments scheduled through December 31, 2016, and all or a portion of the \$300,000 purchase option pursuant to that certain Master Lease Agreement, dated as of May 12, 2015, as amended on February 1, 2016 and June 30, 2016, between Varilease and Comstock Mining Inc. (the “Lease”). Based on the closing price of our common stock of \$0.37 on the NYSE MKT LLC on June 29, 2016, the shares issued would have an aggregate value of \$1,616,122.

Our common stock is listed on the NYSE MKT LLC under the symbol “LODE.” The aggregate market value of our outstanding voting common stock held by non-affiliates, based upon a closing sale price of our common stock on June 29, 2016 was \$0.37. During the 12 calendar month period that ends on, and includes, the date of this sales agreement prospectus, we have offered securities with an aggregate offering price of \$10,970,000 pursuant to General Instruction I.B.6. of Form S-3. Pursuant to General Instruction I.B.6 of Form S-3, in no event will we sell securities registered on this registration statement in a public primary offering with a value exceeding more than one-third of the aggregate market value of the voting and non-voting common equity in any 12 month period so long as our public float remains below \$75 million.

Investing in our common stock involves significant risk. Please read carefully the section entitled “Risk Factors” beginning on page PS1-7 of this prospectus supplement.

Neither the Securities and Exchange Commission (the “Commission”) nor any state securities commission has approved or disapproved of the common stock or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We expect to deliver our common stock against payment on or about June 30, 2016.

The date of this prospectus supplement is June 30, 2016.

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Prospectus dated December 31, 2015

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the terms of the offering and also adds to and updates information contained in the accompanying prospectuses and the documents incorporated by reference into this prospectus supplement and the accompanying prospectuses. The second part consists of a prospectus dated December 31, 2015, included in the registration statement on Form S-3 (No. 333-208824), all of which provide more general information. Generally, when we refer to this prospectus, we are referring to both parts of this document combined. This prospectus supplement contains information about the securities offered in this offering and may add, update or change information in the accompanying prospectuses. To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectuses or any document incorporated by reference in this prospectus supplement or the accompanying prospectuses, on the other hand, you should rely on the information in this prospectus supplement. We may also authorize one or more “free writing prospectuses” (i.e., written communications concerning the offering that are not part of this prospectus supplement) that may contain certain material information relating to this offering. Before you invest in the common stock offered under this prospectus supplement, you should carefully read both this prospectus supplement and the accompanying prospectuses together with additional information under the heading “Where You Can Find More Information” and “Incorporation of Certain Documents by Reference.”

You should only rely on the information contained or incorporated by reference in this prospectus supplement and in the accompanying prospectuses or any free writing prospectus that we may provide. We have not authorized anyone to provide you with different information. If anyone provides you with different or additional information, you should not rely on it. You should not assume that the information contained in this prospectus supplement, the accompanying prospectuses, any free writing prospectus that we may provide or any document incorporated by reference is accurate as of any date other than the date mentioned on the cover page of these documents. We are not making offers to sell the securities in any jurisdiction in which an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make an offer or solicitation.

References in this prospectus supplement and the accompanying prospectus to the terms “we,” “us,” “our” “Comstock” or “the Company” or other similar terms mean Comstock Mining Inc. and its consolidated subsidiaries, unless we state otherwise or the context indicates otherwise.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the informational reporting requirements of the Securities Exchange Act of 1934. We file reports, proxy statements and other information with the Commission. Our Commission filings are available over the Internet at the Commission’s website at <http://www.sec.gov>. You may read and copy any reports, statements and other information filed by us at the Commission’s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call 1-800-SEC-0330 for further information on the Public Reference Room.

We make available, free of charge, on our website at <http://www.comstockmining.com>, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports and statements as soon as reasonably practicable after they are filed with the Commission. The contents of our website are not part of this prospectus supplement or the accompanying prospectus, and the reference to our website does not constitute incorporation by reference into this prospectus supplement or the accompanying prospectus of the information contained at that site, other than documents we file with the Commission that are incorporated by reference into this prospectus supplement and the accompanying prospectus.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Commission allows us to “incorporate by reference” into this prospectus supplement and the accompanying prospectus the information in documents we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus supplement and the accompanying prospectus, and information that we file later with the Commission will automatically update and supersede this information. Any statement contained in any document incorporated or deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus shall be deemed to be modified or superseded to the extent that a statement contained in or omitted from this prospectus supplement or the accompanying prospectus, or in any other subsequently filed document that also is or is deemed to be incorporated by reference, modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement or the accompanying prospectus.

We incorporate by reference the documents listed below and any future documents that we file with the Commission under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus supplement:

- (a) Our annual report on Form 10-K for the fiscal year ended December 31, 2015, filed with the Commission on January 28, 2016 (the “2015 Form 10-K”);
- (b) Our quarterly report on Form 10-Q for the fiscal quarter ended March 31, 2016, filed with the Commission on May 5, 2016 (the “First Quarter 10-Q”);
- (c) Our current reports on Form 8-K filed with the Commission on February 3, 2016, March 30, 2016, March 31, 2016, April 13, 2016 and May 13, 2016; and
- (d) The description of our common stock contained in our Form 8-A (File No. 001-35200), filed with the Commission under Section 12 of the Exchange Act on June 8, 2011 (the “Form 8-A”).

We will not, however, incorporate by reference in this prospectus supplement or the accompanying prospectus any documents or portions thereof that are not deemed “filed” with the Commission, including any information furnished pursuant to Item 2.02 or Item 7.01 of our current reports on Form 8-K unless, and except to the extent, specified in such current reports.

We will provide you with a copy of any of these filings (other than an exhibit to these filings, unless the exhibit is specifically incorporated by reference into the filing requested) at no cost if you submit a request to us by writing or telephoning us at the following address and telephone number:

Comstock Mining Inc.
P.O. Box 1118
Virginia City, Nevada 89440
Attention: Investor Relations
Telephone: (775) 847-0545

FORWARD-LOOKING STATEMENTS

The information appearing under “Statement Regarding Forward Looking Statements” or “Forward Looking Statements,” as the case may be, in the 2015 Form 10-K is hereby incorporated by reference.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information contained or incorporated by reference in this prospectus supplement and the accompanying prospectuses. This summary may not contain all of the information that you should consider before investing in our common stock. We urge you to read this entire prospectus and the documents incorporated by reference carefully, including the section entitled “Risk Factors” and the financial statements and other information included or incorporated by reference in this prospectus.

Overview

Comstock Mining Inc. is a Nevada-based, gold and silver mining company with extensive, contiguous property in the historic Comstock and Silver City mining districts (collectively, the “Comstock District”). The Company has been producing gold and silver from the Lucerne mine since 2012, with significant exploration and development targets throughout the Comstock District. The Comstock District is located within the western portion of the Basin and Range Province of Nevada, between Reno and Carson City. We began acquiring properties and developing projects in the Comstock District in 2003. Since then, we have consolidated a substantial portion of the historic Comstock District, secured permits, built an infrastructure and brought exploration projects into production. We also received the 2015 Nevada Excellence in Mine Reclamation award, voted on unanimously by five participating Federal and State of Nevada agencies.

Because of the Comstock District’s historical significance, the geology is well known and has been extensively studied by us and our advisors and many independent researchers. We have expanded our understanding of the geology of the project area through vigorous surface mapping and drill hole logging. The volume of geologic data is immense, and thus far the reliability has been excellent, particularly in the various Lucerne Mine areas. We have amassed a large library of historic data and detailed surface mapping of Comstock District properties and continue to obtain historic information from private and public sources. We use such data in conjunction with information obtained from our current operations, to target geological prospective exploration areas and plan exploratory drilling programs, including expanded surface and underground drilling.

Our business plan is to deliver stockholder value by validating qualified resources (measured and indicated) and reserves (proven and probable) from our first two resource areas, Lucerne and Dayton, and grow the commercial development of our operations through coordinated district wide plans that are economically feasible, socially responsible and operated in a lean and low cost manner. The plans are focused on expanding both the Lucerne and Dayton Mine plans, both with surface and underground exploration and development opportunities. We also plan to develop longer-term exploration plans for the remaining areas, which include the Spring Valley, Occidental, Northern Extension and Northern Target areas, subsequent to and in some cases, concurrent with the exploration and development of Lucerne and Dayton. Our plans also include the identification, assessment and acquisition of similarly situated gold and silver mining assets.

We achieved initial production and held our first pour of gold and silver on September 29, 2012. We produced approximately 22,925 gold equivalent ounces in 2014, and 18,455 gold equivalent ounces in 2015 (that is, we produced 19,601 ounces of gold and 222,416 ounces of silver in 2014 and 15,451 ounces of gold and 221,723 ounces of silver in 2015). During the first three months ended March 31, 2016, the Company produced 1,702 ounces of gold and 29,438 ounces of silver, representing approximately 2,073 gold equivalent ounces. The recovery rate for gold increased from an estimated 85% to an estimated 87.5%.

The Company’s headquarters, technical resources, mine operations and heap leach processing facility are located in Storey County, Nevada, at 1200 American Flat Road, approximately three miles south of Virginia City, Nevada and 30 miles southeast of Reno, Nevada. The Company now owns or controls approximately 8,545 acres of mining claims and parcels in the Comstock and Silver City Districts. The acreage is comprised of approximately 2,245 acres of patented claims (private lands) and surface parcels (private lands) and approximately 6,301 acres of unpatented mining claims, which the Bureau of Land Management (“BLM”) administers.

Our real estate segment owns significant non-mining properties, the Gold Hill Hotel and other lands, homes and cottages. The Gold Hill Hotel consists of an operating hotel, restaurant and a bar. In 2015, we entered into an agreement to lease the Gold Hill Hotel to independent operators while retaining ownership. The initial term of the

lease agreement was effective on April 1, 2015, and ends in March 2020. The tenant may renew the lease for two extended terms of five years each. Lease payments are due in monthly installments.

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Current Projects

Storey County, Nevada

The Lucerne Resource area is located in Storey County, Nevada, approximately three miles south of Virginia City and 30 miles southeast of Reno. To date, the Lucerne Resource area has and continues to be one of our two primary exploration and development targets, including both surface and underground development opportunities. Activity within the Lucerne Resource area includes both surface and underground exploration and underground drift (tunnel) development. The Company plans to conduct additional exploration during 2016, within the Lucerne Resource area, including the Quartz Porphyry (PQ), Succor and Woodville targets.

Lyon County, Nevada

The Dayton Resource area is the other primary target and is located in Lyon County, Nevada, approximately six miles south of Virginia City and is a concurrent exploration and development target. Activity within the Dayton Resource area has included geological studies, drilling, resource modeling and initial exploration permitting, near surface drilling and geological modeling of the area. The Company plans to conduct additional exploration and development activities in this area during 2016.

Exploration

During the first half of 2016, the Company focused on exploration and development in the Lucerne Resource area, primarily in the Quartz Porphyry (PQ) and Succor geological target areas, and to a lesser extent, the Dayton Resource area. Lucerne activity included underground core drilling, underground drift (tunnel) development, and underground sampling and internal resource and reserve modeling. Dayton activity included surface and underground sampling and internal resource and reserve modeling. The Company plans to conduct additional, near term exploration within the Succor target area and the Dayton Resource area. Additional programs are planned to infill near term targets including the Succor and Woodville areas as well as northern development of the PQ. Longer-term exploration targets include the southern portion of the Dayton, Spring Valley, Occidental, and Northern (Gold Hill Group) Targets.

The remaining phases of the road realignment and Lucerne reclamation activities, including the final waste dump removal, grading and drainage reestablishment are scheduled for completion in 2016.

Lucerne Area

During the first quarter of 2016, about 12,380 feet of HQ-3 and NQ core was produced from the Harris Drift. The drilling configuration was in the form of 'fans' that comprise a group of holes having the same azimuth but different dips (between -50 and +40 degrees from horizontal). Each drill bay has two or three fans of drill holes extending into the primary target. The core locations and orientations were specifically designed to infill and expand the areas of known, high-grade mineralization identified from previous surface drilling programs.

The Company encountered longer mineralized intercepts (10 to 40 feet thick) from bays 3 through 6 as it moved north of the Silver City/Succor structural intersection and within and bordering the PQ mass. The configuration of the longer and higher grade intercepts occur along the hanging wall contact of the PQ intrusive mass within both the Alta Andesite and PQ host rocks. The intervals show continuity laterally and vertically along the structural contact. Throughout the PQ drill program, geologic cross sections oriented along the drill fans and level plans on 20 foot spacing were fashioned for the target area. With completion of drilling, core logging and assaying through Drill Bay 6, these cross sections and level plans were reviewed, updated and digitized. The model was further refined as these sections were tied together to form a three dimensional triangulation using Maptek Vulcan software.

Using the geologic model and assay data as a base, multiple grade shells were produced in the same manner. Starting with cross sections and level plans, the shells were digitized and then refined as they were tied together to form three dimensional triangulations. These shells form the base of the block model used for internal planning and resource development.

The block model uses the grade shells to constrain grade estimation and sample selection to specific areas. Grades are then estimated in those areas keeping grades in ranges seen by statistical analysis of the drill assays.

The Company considers the initial 800 feet of advance within the Harris Drift as a first phase of development towards a longer-term exploration and development objective targeting a three quarter mile long mineralized corridor that includes the Lucerne (including the PQ target), Succor, Woodville, and Chute zone systems. Most of these systems remain open to the north and east and particularly at depth. A second phase of development was completed by advancing a crosscut out of Drill Bay 2 to a total length of 450 feet, toward the structural intersection of the Silver City fault zone and Succor vein zone. The design of the crosscut is geared toward favorable underground drilling position. The Succor represents an important target in conjunction with the PQ zone based on its location (perpendicular and adjacent to the PQ), past production history and the results from the Company's 2011, and 2012, reverse circulation drill programs.

The Succor Vein Target has a strike length of greater than 1000 feet, an average true width of 15 feet and an average dip of 55 degrees. The structure has reported historic mining grades of approximately 0.620 ounces per ton of recovered gold equivalent grade and is open to the east and at depth, along the entire structure. The proposed drill holes are designed to extend the depth of known mineralization identified by surface drilling.

The Company is currently evaluating the results of the core program. Future drill programs are being developed with a phased approach to extend the PQ mineralization and scope the Succor and Woodville targets.

Additionally a series of cyanide bottle roll tests have been completed using assay pulp reject material. The results of the bottle roll testing help determine how quickly and completely the gold and silver will leach from the material. The test results were used to identify similar rock types suitable for column leach tests. Using the remaining half core, composite samples were assembled to meet the material requirements. In total five composite columns tests have been started. These tests are being performed by McClelland Laboratories of Reno, NV. The columns are 4 inches in diameter, 10 feet tall and the rock is crushed to ¾ inches. The leach test will last 90 days. Column tests mimic the conditions in a leach pad to determine 90 day recovery of gold and silver as well as test the physical stability of the stacked leach material.

Exploration and Development of Dayton Surface and Underground Targets

Our technical staff (geologic, environmental and engineering) also completed underground mapping, sampling, and surveying in a number of historic mine tunnels on and near the Dayton Resource area. Several historic mines operated in the Dayton area leaving access to multiple structures from underground. Some adits have remained open or have been uncovered by the Company. Where accessible, the workings were and are being inspected and mineralized material sampled. Geologic mapping is also done at this time. Once sampling is completed, the workings are surveyed to model the size and location of the openings as well as locate the samples. The samples are then assayed at the Company's own metallurgical laboratory for gold and silver.

This underground sampling program has not only provided a wealth of assay information but it has also provided critical information for furthering the geologic understanding of the Dayton. In some cases structures identified on the surface can be traced underground and in other cases structures that do not have obvious surface expression are identified.

Production

The Company operates a heap leach based, gold and silver production system, including a zinc-precipitate based Merrill-Crowe processing plant. The Company, under the existing water pollution control permit with the State of Nevada, has the crushing and processing capacity to operate at a rate of up to 4.0 million tons of material crushed and stacked, per annum. The Merrill-Crowe system facilitates that capacity with an operating fluid processing rate of over 1,000 gallons per minute.

During 2014, the Company completed the transition from the Billie the Kid and Hartford patented claims in the Lucerne West-side Mine to the higher-grade Justice and Lucerne patents, also in the Lucerne West-side Mine. During the first and second quarters of 2015, the Company, in preparation for underground development, substantially completed mining of those Lucerne West-side surface patents. Substantially all of the operations for the second half of 2015 were focused on the extraction of the mineralized material contained in historic mine dumps while also completing the realignment of SR-342, establishing a drift into the higher-grade PQ and Woodville targets, and developing those targets towards the establishment of reserves for potential future mining.

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The Company substantially completed the extraction and remediation of the historic dump materials during the third quarter of 2015, and stacked the material on the leach pads where the mineralized material continues under solution until the target gold and silver recovery rates have been achieved. The Company has not mined or crushed any material during the first quarter of 2016, but anticipates continued gold and silver recovery through at least the end of the third quarter of 2016.

During the first three months of 2016, the Company poured 1,702 ounces of gold and 29,438 ounces of silver.

Throughout the first three months of 2016, the Company realized an average price of \$1,184.91 price per ounce of gold and a \$13.37 average sales price per ounce of silver. In comparison, commodity market prices in the first three months of 2016 averaged \$1,181.21 per ounce of gold and \$14.83 per ounce of silver.

Our Comstock exploration activities through 2015, also included open pit gold and silver test mining. As defined by the Securities Exchange Commission (“SEC”) Industry Guide 7 (“Guide 7”), we have not yet established any proven or probable reserves at our Comstock Lode Project. Production decisions for this test mining were not based on a feasibility study of mineral reserves demonstrating economic and technical viability prepared in accordance with Guide 7. Readers are cautioned that there is increased uncertainty and higher risk of economic and technical failure associated with such production decisions.

Operating Costs

During the first three months of 2016, actual costs applicable to mining revenue were approximately \$1.8 million, \$1.4 million net of silver credits, as compared to \$4.9 million, \$3.7 million net of silver credits, during the first three months of 2015. This 63% reduction of net costs applicable to mining revenue is primarily a result of significantly lower labor and processing costs due to the Company’s transition from surface mining to underground exploration and development and higher experienced metallurgical yields. Costs applicable to mining revenue include processing labor, processing maintenance, processing reagents and assaying costs, among others. Costs applicable to mining revenue for the first three months of 2016 and 2015 also include depreciation of \$0.7 million and \$1.5 million, respectively.

During the first three months of 2016, the Company continued reducing costs applicable to mining revenue, and also targeting \$3 million in additional reductions in all non-mining costs this year as compared to 2015. The Company has already realized \$1.6 million of cost reductions in non-mining costs and expenses, excluding exploration and mine development, but including \$1.1 million from general and administrative expenses in the first three months of 2016, as compared to the same period in 2015. The Company incurred approximately \$0.2 million in severance costs during the first three months of 2016, in mining and general and administrative expenses, associated with organizational cost reductions. General and administrative costs are also expected to decline significantly, resulting in savings in all non-mining costs of over \$5.5 million during 2016, as compared to 2015, an increase of 80% over the previous disclosed target of \$3 million.

Outlook

The Company commenced the underground drift tunnel and drilling, associated with the first underground exploration phase of a PQ geological target in September 2015, and completed drift-sampling, drilling and metallurgical test work of the PQ target during the first quarter. The Succor vein system is being considered as an easterly extension of the first phase of development beyond the high-grade PQ target. This will positively expand the scope of Phase 1, through the second half of 2016. The drift tunnels are designed to conduct an underground exploration program directed at a series of geological targets in the Silver City Branch of the Comstock Lode, including the PQ target, the Succor vein systems and the historic Woodville Bonanza system. These initial targets represent the core of a broader geological corridor. Previous surface drilling in the area, including the Succor-Holman drilling from 2015 had suggested that a greater than 1,000 feet of mineralized strike in the Succor zone, lying generally adjacent to and below the Lucerne Cut, has the potential to yield high-grade gold and silver. The current program has been geared toward defining that potential.

Drill results from the PQ drilling continued yielding wider and longer high-grade intercepts. These results were published via press releases throughout the first quarter of 2016. The Company also completed a crosscut tunnel, drifting to the Succor vein system. This drift positions the Company for efficient scope drilling from an underground platform that compliments additional scope drilling from the surface, ultimately to confirm the extent of the length

and depth of the Succor target.

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The Company plans similar scope drilling on the Woodville target during the fourth quarter, to further assess its potential for Lucerne mine planning. Ultimately, these efforts are designed to develop mine plans of sufficient grade and quantities for longer-lived production plans for the Lucerne mine.

During the second half of 2016, the Company also plans limited core drilling in Dayton, sufficient to finalize the parameters of a mine plan and commence the permitting for the Dayton Mine. The resulting mine plans should allow us to initiate permitting during the latter part of 2016. The Company has developed grade shells with higher average grades and believes the Dayton to have economically feasible potential and plans on developing those mine plans in the latter half of 2016. Infill drilling is expected to expand the reserve potential for the Dayton mine plans.

The Company will report the results of the Lucerne and Dayton exploration and development programs, as they become available.

Production during 2016, is currently limited to processing of existing leach pad materials. Considering the improved estimates of gold and silver recoveries, that is, 87.5% for gold and 59.5% for silver, the current leach cycle will continue well into the third quarter, likely through October 2016, or later. All operating costs associated with hauling, crushing and other ancillary activities have been reduced or eliminated as we transition the full organizational focus toward the discovery, development and establishment of reserves from Lucerne and Dayton, for future mining. We are currently operating with less than 15 employees and expect to maintain that lower level during our exploration and development activities in 2016. General and administrative costs are also expected to decline significantly, resulting in savings in all non-mining costs of over \$5.5 million during 2016, as compared to 2015, an increase of 80% over the previous disclosed target of \$3 million.

Recent Developments

In February 2016, the Nevada Division of Environmental Protection Bureau of Mining Regulation and Reclamation (NDEP-BMRR) issued a Notice of Decision (NoD) approving a Major Modification to the Company's Water Pollution Control Plan for various expansions of the heap leach facility. This modification authorizes the construction of "Cell 10," located adjacent to and north of the existing leaching operation, and also identifies multiple, future heap leach pad expansions, south and southwest of the existing heap leach pad and existing facilities. The modification also allows both surface and underground mine processing at the heap leach facility. This proactive permitting authorizes significant future heap leach capacity on Company's existing private lands. These approvals provide all of the leaching capacity needed for the foreseeable future. The approved Cell 10 addition, the Company's largest leach pad design to date, will provide an estimated 2.9 million tons of additional capacity. It also allows for phased construction, at the Company's preference, with an ultimate footprint of 12.27 acres. Unique to this modification is the identification and inclusion of future expansions for Cells 11 and 12, located adjacent to and southwest of the existing facilities. Those potential expansions would cover approximately 90 acres of land located entirely within the Company's private property.

The Company completed a positive restructuring of certain equipment obligations and consummated a forbearance agreement on June 27, 2016 with Caterpillar Financial Services Corporation relating to certain finance and lease agreements (the "Forbearance"). The Company entered into the Forbearance to permit the Company to complete the orderly sale of certain leased equipment against a modified payment schedule under the related lease arrangements. Under the terms of the Forbearance, the Company will pay down its lease obligations with the net proceeds from the leased equipment sold during the second half of 2016 with any remaining balance to be paid off with \$25,000 monthly payments until the leases have been paid in full. Presently, the total outstanding lease obligations are approximately \$3.7 million.

Corporate Information

The Company's executive offices are located at 1200 American Flat Road, Virginia City, Nevada 89440 and its telephone number is (775) 847-7325. The Company's mailing address is P.O. Box 1118, Virginia City, Nevada 89440. The Company's website address is www.comstockmining.com. The Company's website and the information contained on, or that can be accessed through, the website are not part of this prospectus.

The Offering

Common stock offered by us 4,367,896 shares of common stock, \$0.000666 par value, per share, with an aggregate offering price of \$1,616,122.

Common stock outstanding before this offering 178,925,356 as of June 29, 2016

Use of proceeds The sole consideration to be received by the Company from the offering of the shares of common stock is the satisfaction of certain amounts payable to Varilease for the lease and ultimate purchase of mining equipment under the Lease. See "Use of Proceeds."

Risk factors You should carefully read and consider the information set forth in "Risk Factors" beginning on the next page of this prospectus supplement before investing in our common stock.

NYSE MKT symbol LODE

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RISK FACTORS

Investing in our common stock involves significant risk. Prior to making a decision about investing in our common stock, you should carefully consider the specific risk factors included below, as well as the risk factors discussed under the heading “Risk Factors” in the 2015 Form 10-K, which are incorporated by reference in this prospectus supplement and the accompanying prospectus and may be amended, supplemented or superseded from time to time by other reports we file with the Commission in the future. The risks and uncertainties we have described are not the only ones we may face. Additional risks and uncertainties not currently known to us or that we currently deem immaterial may also affect our operations. If any of these risks actually occurs, our business, results of operations and financial condition could suffer. In that case, the trading price of our common stock decline, and you could lose all or a part of your investment.

Risks Relating to the Company’s Common Stock and this Offering

You may lose all or part of your investment.

If we are unable to find and mine adequate quantities of gold and silver ore, it is unlikely that the cash generated from our internal operations will suffice as a primary source of the liquidity necessary for anticipated working capital requirements. There is no assurance that the Company’s initiatives to improve its liquidity and financial position will be successful. Accordingly, there is substantial risk that the Company will be unable to continue as a going concern. In the event of insolvency, liquidation, reorganization, dissolution or other winding up of the Company, the Company’s creditors and preferred stockholders would be entitled to payment in full out of the Company’s assets before holders of common stock would be entitled to any payment and the claims on such assets may exceed the value of such assets.

The Company may issue additional common stock or other equity securities in the future that could dilute the ownership interest of existing shareholders.

The Company is currently authorized to issue up to 3,950,000,000 shares of Common Stock, of which 178,925,356 shares were issued and outstanding as of June 29, 2016, and 50,000,000 shares of preferred stock, of which zero shares were issued and outstanding as of June 29, 2016. To maintain its capital at desired levels or to fund future growth, the Company’s board of directors may decide from time to time to issue additional shares of common stock, or securities convertible into, exchangeable for or representing rights to acquire shares of common stock. The sale of these securities may significantly dilute its shareholders’ ownership interest as a shareholder and the market price of the common stock. New investors in other equity securities issued by the Company in the future may also have rights, preferences and privileges senior to its current shareholders that may adversely impact its current shareholders.

The price of the Company’s common stock may fluctuate significantly, which could negatively affect the Company and holders of its common stock.

The market price of the Company’s common stock may fluctuate significantly from time to time as a result of many factors, including:

- investors’ perceptions of the Company’s and its prospects;
- investors’ perceptions of the Company’s and/or the industry’s risk and return characteristics relative to other investment alternatives;
- investors’ perceptions of the prospects of the mining and commodities markets;
- differences between actual financial and operating results and those expected by investors and analysts;
- our inability to commence production, obtain permits or otherwise fail to reach Company objectives;
- actual or anticipated fluctuations in quarterly financial and operating results;

- volatility in the equity securities market; and
- sales, or anticipated sales, of large blocks of the Company's common stock.

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If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our stock price and trading volume could decline.

The trading market for our common stock will depend in part on the research and reports that securities or industry analysts publish about us or our business. We currently have analysts with research report coverage on the Company, but we may not be able to sustain existing or obtain new research coverage by securities and industry analysts. If no new securities or industry analysts commence coverage of the Company or if existing coverage is discontinued, the trading price for our common stock would be negatively impacted. If we maintain or obtain securities or industry analyst coverage and if one or more of the analysts who cover us downgrades our common stock or publishes inaccurate or unfavorable research about our business, our stock price would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, demand for our common stock could decrease, which could cause our stock price and trading volume to decline.

We do not expect to pay any cash dividends for the foreseeable future.

We currently expect to retain all available funds and future earnings, if any, for use in the operation and growth of our business and do not anticipate paying any cash dividends in the foreseeable future. Any future determination to pay dividends will be at the discretion of our Board, subject to compliance with applicable law, our organizational documents and any contractual provisions, including under agreements for indebtedness we may incur, that restrict or limit our ability to pay dividends, and will depend upon, among other factors, our results of operations, financial condition, earnings, capital requirements and other factors that our Board deems relevant. Accordingly, if you purchase shares in this offering, realization of a gain on your investment will depend on the appreciation of the price of our common stock, which may never occur. Investors seeking cash dividends in the foreseeable future should not purchase our common stock.

If we are unable to maintain the listing standards of the NYSE MKT, our common stock may be delisted, which may have a material adverse effect on the liquidity and value of our common stock.

Our common stock is traded on the NYSE MKT. To maintain our listing on the NYSE MKT, we must meet certain financial and liquidity criteria. The market price of our common stock has been and may continue to be subject to significant fluctuation as a result of periodic variations in our revenues and results of operations. If we fail to meet any of the NYSE MKT's listing standards, we may be delisted. In the event of delisting, trading of our common stock would most likely be conducted in the over the counter market on an electronic bulletin board established for unlisted securities, which could have a material adverse effect on the market liquidity and value of our common stock.

Estimates of our mineral resources could be inaccurate, which could cause actual production and costs to differ from estimates and adversely impact the value of the common stock.

There are numerous uncertainties inherent in estimating measured, indicated and inferred mineral resources, including many factors beyond our control. The accuracy of estimates of mineral reserves and non-reserves is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation, which could prove to be unreliable. These estimates of mineral resources may not be accurate, and mineral resources may not be able to be mined or processed profitably. Moreover, depletion of mineral resources that are not replaced may adversely impact the Company's financial condition and prospects.

Fluctuation in gold prices, results of drilling, metallurgical testing, changes in operating costs, production, and the evaluation of mine plans subsequent to the date of any estimate could require revision of the estimates. The volume and grade of mineral resources mined and processed and recovery rates might not be the same as currently anticipated. Any material reductions in estimates of our mineral resources, or of our ability to extract these mineral resources,

could have a material adverse effect on our results of operations and financial condition and the value of our common stock.

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USE OF PROCEEDS

The sole consideration to be received by the Company from the offering of the shares of common stock is the satisfaction of certain amounts payable to Varilease for the lease and ultimate purchase of mining equipment under the Lease. The shares are being issued in satisfaction of approximately \$1,734,510 of lease payment obligations representing payments scheduled through December 31, 2016, and all or a portion of the \$300,000 purchase option pursuant to the Lease.

DESCRIPTION OF COMMON STOCK

The information appearing under “Item 1. Description of Registrant’s Securities to be Registered” in the Form 8-A, is hereby incorporated by reference.

PLAN OF DISTRIBUTION

Pursuant to this prospectus supplement, we are offering 4,367,896 shares of our common stock to Varilease in satisfaction of up to \$1,734,810 of lease payment obligations and all or a portion of the \$300,000 purchase option pursuant to the Lease. Based on the closing price of our common stock of \$0.37 on the NYSE MKT LLC on June 29, 2016, the shares issued would have an aggregate value of \$1,616,122.

We estimate that our out-of-pocket expenses for this offering will be approximately \$10,000.

The closing of this offering is anticipated to occur on June 30, 2016.

LEGAL MATTERS

The validity of the issuance of the securities offered in this offering has been passed upon for us by McDonald Carano Wilson LLP.

EXPERTS

The consolidated financial statements, and the related financial statement schedule, incorporated in this Prospectus by reference from the Company’s Annual Report on Form 10-K for the year ended December 31, 2015 have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is incorporated herein by reference. Such consolidated financial statements and financial statement schedule have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

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SALES AGREEMENT PROSPECTUS

Up to \$5,000,000

Common Stock

We have entered into a Sales Agreement with International Assets Advisory LLC, or IAA, relating to shares of our common stock offered by this sales agreement prospectus and the accompanying prospectus. In accordance with the terms of the sales agreement, we may offer and sell shares of our common stock having an aggregate offering price of up to \$5,000,000 from time to time through IAA as our sales agent.

Our common stock is listed on the NYSE MKT LLC under the symbol "LODE." The aggregate market value of our outstanding voting common stock held by non-affiliates, based upon a closing sale price of our common stock on June 29, 2016 was \$0.37. During the 12 calendar month period that ends on, and includes, the date of this sales agreement prospectus, we have offered securities with an aggregate offering price of \$10,970,000 pursuant to General Instruction I.B.6. of Form S-3. Pursuant to General Instruction I.B.6 of Form S-3, in no event will we sell securities registered on this registration statement in a public primary offering with a value exceeding more than one-third of the aggregate market value of the voting and non-voting common equity in any 12 month period so long as our public float remains below \$75 million.

Sales of our common stock, if any, under this sales agreement prospectus and the accompanying prospectus may be made in sales deemed to be "at-the-market" equity offerings as defined in Rule 415 promulgated under the Securities Act of 1933, as amended, or the Securities Act, including sales made directly on or through our then-existing trading market for our common stock, sales made to or through a market maker other than on an exchange or otherwise, in negotiated transactions at market prices prevailing at the time of sale or at prices related to such prevailing market prices, and/or any other method permitted by law, including in privately negotiated transactions. IAA will act as sales agent on a best efforts basis and use commercially reasonable efforts to sell on our behalf all of the shares of common stock requested to be sold by us, consistent with its normal trading and sales practices, on mutually agreed terms between IAA and us. There is no arrangement for funds to be received in any escrow, trust or similar arrangement. IAA, by and through its OSJ Branch Office Rockport Global Advisors has also agreed to provide financial advisory services to the Company for which it will be entitled to compensation in the amount of \$5,000 per month through the end of the term of the agreement, provided however, that either party may terminate the relationship at any time upon thirty (30) days' written notice to the other party.

IAA will be entitled to compensation at a fixed commission rate of up to 2.5% of the gross sales price per share sold, subject to an agreed upon minimum per share commission. In connection with the sale of our common stock on our behalf, IAA will be deemed to be an "underwriter" within the meaning of the Securities Act and the compensation of IAA will be deemed to be underwriting commissions or discounts. We have also agreed to provide indemnification and contribution to IAA with respect to certain liabilities, including liabilities under the Securities Act.

Investing in our common stock involves significant risk. Please read carefully the section entitled "Risk Factors" beginning on page PS2-7 of this sales agreement prospectus and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, which have been filed with the Securities and Exchange Commission (the "Commission") and are incorporated by reference in this sales agreement prospectus and the accompanying prospectus. Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the common stock or determined if this sales agreement prospectus or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

International Assets Advisory, LLC

The date of this prospectus is June 30, 2016.

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ABOUT THIS SALES AGREEMENT PROSPECTUS

This prospectus is part of a registration statement that we have filed with the U.S. Securities and Exchange Commission, or the SEC, utilizing a “shelf” registration process. By using a shelf registration statement, we may offer shares of our common stock having an aggregate offering price of up to \$5,000,000 from time to time under this prospectus at prices and on terms to be determined by market conditions at the time of offering.

We provide information to you about this offering of shares of our common stock in two separate documents that are bound together: (1) this sales agreement prospectus, which describes the specific details regarding this offering; and (2) the accompanying base prospectus, which provides general information, some of which may not apply to this offering. Generally, when we refer to this “prospectus,” we are referring to both documents combined. If information in this sales agreement prospectus is inconsistent with the accompanying base prospectus, you should rely on this prospectus. However, if any statement in one of these documents is inconsistent with a statement in another document having a later date—for example, a document incorporated by reference in this prospectus—the statement in the document having the later date modifies or supersedes the earlier statement as our business, financial condition, results of operations and prospects may have changed since the earlier dates.

You should rely only on the information contained in, or incorporated by reference into, this prospectus and in any free writing prospectus that we may authorize for use in connection with this offering. We have not, and International Assets Advisory LLC, or IAA, has not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and IAA is not, making an offer to sell or soliciting an offer to buy our securities in any jurisdiction where an offer or solicitation is not authorized or in which the person making that offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make an offer or solicitation. You should assume that the information appearing in this prospectus, the documents incorporated by reference into this prospectus, and in any free writing prospectus that we may authorize for use in connection with this offering, is accurate only as of the date of those respective documents. Our business, financial condition, results of operations and prospects may have changed since those dates. You should read this prospectus, the documents incorporated by reference into this prospectus, and any free writing prospectus that we may authorize for use in connection with this offering, in their entirety before making an investment decision. You should also read and consider the information in the documents to which we have referred you in the sections of this prospectus entitled “Where You Can Find More Information” and “Incorporation by Reference.”

We are offering to sell, and seeking offers to buy, shares of common stock only in jurisdictions where offers and sales are permitted. The distribution of this prospectus and the offering of the common stock in certain jurisdictions may be restricted by law. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the common stock and the distribution of this prospectus outside the United States. This prospectus does not constitute, and may not be used in connection with, an offer to sell, or a solicitation of an offer to buy, any securities offered by this prospectus by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

We may also authorize one or more “free writing prospectuses” (i.e., written communications concerning the offering that are not part of this sales agreement prospectus) that may contain certain material information relating to this offering. Before you invest in the common stock offered under this sales agreement prospectus, you should carefully read both this sales agreement prospectus and the accompanying prospectuses together with additional information under the heading “Where You Can Find More Information” and “Incorporation of Certain Documents by Reference.” References in this sales agreement prospectus and the accompanying prospectus to the terms “we,” “us,” “our” “Comstock” or “the Company” or other similar terms mean Comstock Mining Inc. and its consolidated subsidiaries, unless we state otherwise or the context indicates otherwise.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the informational reporting requirements of the Securities Exchange Act of 1934. We file reports, proxy statements and other information with the Commission. Our Commission filings are available over the Internet at the Commission’s website at <http://www.sec.gov>. You may read and copy any reports, statements and other information filed by us at the Commission’s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549.

Please call 1-800-SEC-0330 for further information on the Public Reference Room.

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We make available, free of charge, on our website at <http://www.comstockmining.com>, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports and statements as soon as reasonably practicable after they are filed with the Commission. The contents of our website are not part of this sales agreement prospectus or the accompanying prospectus, and the reference to our website does not constitute incorporation by reference into this sales agreement prospectus or the accompanying prospectus of the information contained at that site, other than documents we file with the Commission that are incorporated by reference into this sales agreement prospectus and the accompanying prospectus.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Commission allows us to “incorporate by reference” into this sales agreement prospectus and the accompanying prospectus the information in documents we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this sales agreement prospectus and the accompanying prospectus, and information that we file later with the Commission will automatically update and supersede this information. Any statement contained in any document incorporated or deemed to be incorporated by reference in this sales agreement prospectus and the accompanying prospectus shall be deemed to be modified or superseded to the extent that a statement contained in or omitted from this sales agreement prospectus or the accompanying prospectus, or in any other subsequently filed document that also is or is deemed to be incorporated by reference, modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this sales agreement prospectus or the accompanying prospectus.

We incorporate by reference the documents listed below and any future documents that we file with the Commission under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this sales agreement prospectus:

(a) Our annual report on Form 10-K for the fiscal year ended December 31, 2015, filed with the Commission on January 28, 2016 (the “2015 Form 10-K”);

(b) Our quarterly report on Form 10-Q for the fiscal quarter ended March 31, 2016, filed with the Commission on May 5, 2016 (the “First Quarter 10-Q”);

(c) Our current reports on Form 8-K filed with the Commission on February 3, 2016, March 30, 2016, March 31, 2016, April 13, 2016 and May 13, 2016; and

(d) The description of our common stock contained in our Form 8-A (File No. 001-35200), filed with the Commission under Section 12 of the Exchange Act on June 8, 2011 (the “Form 8-A”).

We will not, however, incorporate by reference in this sales agreement prospectus or the accompanying prospectus any documents or portions thereof that are not deemed “filed” with the Commission, including any information furnished pursuant to Item 2.02 or Item 7.01 of our current reports on Form 8-K unless, and except to the extent, specified in such current reports.

We will provide you with a copy of any of these filings (other than an exhibit to these filings, unless the exhibit is specifically incorporated by reference into the filing requested) at no cost if you submit a request to us by writing or telephoning us at the following address and telephone number:

Comstock Mining Inc.
P.O. Box 1118
Virginia City, Nevada 89440
Attention: Investor Relations
Telephone: (775) 847-0545

FORWARD LOOKING STATEMENTS

The information appearing under “Cautionary Notice Regarding Forward Looking Statements” or “Statement Regarding Forward Looking Statements,” as the case may be, in the 2015 Form 10-K, and the First Quarter 10-Q is hereby

incorporated by reference.

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PROSPECTUS SUMMARY

This summary highlights information contained or incorporated by reference in this prospectus supplement and the accompanying prospectuses. This summary may not contain all of the information that you should consider before investing in our common stock. We urge you to read this entire prospectus and the documents incorporated by reference carefully, including the section entitled “Risk Factors” and the financial statements and other information included or incorporated by reference in this prospectus.

Overview

Comstock Mining Inc. is a Nevada-based, gold and silver mining company with extensive, contiguous property in the historic Comstock and Silver City mining districts (collectively, the “Comstock District”). The Company has been producing gold and silver from the Lucerne mine since 2012, with significant exploration and development targets throughout the Comstock District. The Comstock District is located within the western portion of the Basin and Range Province of Nevada, between Reno and Carson City. We began acquiring properties and developing projects in the Comstock District in 2003. Since then, we have consolidated a substantial portion of the historic Comstock District, secured permits, built an infrastructure and brought exploration projects into production. We also received the 2015 Nevada Excellence in Mine Reclamation award, voted on unanimously by five participating Federal and State of Nevada agencies.

Because of the Comstock District’s historical significance, the geology is well known and has been extensively studied by us and our advisors and many independent researchers. We have expanded our understanding of the geology of the project area through vigorous surface mapping and drill hole logging. The volume of geologic data is immense, and thus far the reliability has been excellent, particularly in the various Lucerne Mine areas. We have amassed a large library of historic data and detailed surface mapping of Comstock District properties and continue to obtain historic information from private and public sources. We use such data in conjunction with information obtained from our current operations, to target geological prospective exploration areas and plan exploratory drilling programs, including expanded surface and underground drilling.

Our business plan is to deliver stockholder value by validating qualified resources (measured and indicated) and reserves (proven and probable) from our first two resource areas, Lucerne and Dayton, and grow the commercial development of our operations through coordinated district wide plans that are economically feasible, socially responsible and operated in a lean and low cost manner. The plans are focused on expanding both the Lucerne and Dayton Mine plans, both with surface and underground exploration and development opportunities. We also plan to develop longer-term exploration plans for the remaining areas, which include the Spring Valley, Occidental, Northern Extension and Northern Target areas, subsequent to and in some cases, concurrent with the exploration and development of Lucerne and Dayton. Our plans also include the identification, assessment and acquisition of similarly situated gold and silver mining assets.

We achieved initial production and held our first pour of gold and silver on September 29, 2012. We produced approximately 22,925 gold equivalent ounces in 2014, and 18,455 gold equivalent ounces in 2015 (that is, we produced 19,601 ounces of gold and 222,416 ounces of silver in 2014 and 15,451 ounces of gold and 221,723 ounces of silver in 2015). During the first three months ended March 31, 2016, the Company produced 1,702 ounces of gold and 29,438 ounces of silver, representing approximately 2,073 gold equivalent ounces. The recovery rate for gold increased from an estimated 85% to an estimated 87.5%.

The Company’s headquarters, technical resources, mine operations and heap leach processing facility are located in Storey County, Nevada, at 1200 American Flat Road, approximately three miles south of Virginia City, Nevada and 30 miles southeast of Reno, Nevada. The Company now owns or controls approximately 8,545 acres of mining claims and parcels in the Comstock and Silver City Districts. The acreage is comprised of approximately 2,245 acres of patented claims (private lands) and surface parcels (private lands) and approximately 6,301 acres of unpatented mining claims, which the Bureau of Land Management (“BLM”) administers.

Our real estate segment owns significant non-mining properties, the Gold Hill Hotel and other lands, homes and cottages. The Gold Hill Hotel consists of an operating hotel, restaurant and a bar. In 2015, we entered into an agreement to lease the Gold Hill Hotel to independent operators while retaining ownership. The initial term of the lease agreement was effective on April 1, 2015, and ends in March 2020. The tenant may renew the lease for two

extended terms of five years each. Lease payments are due in monthly installments.

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Current Projects

Storey County, Nevada

The Lucerne Resource area is located in Storey County, Nevada, approximately three miles south of Virginia City and 30 miles southeast of Reno. To date, the Lucerne Resource area has and continues to be one of our two primary exploration and development targets, including both surface and underground development opportunities. Activity within the Lucerne Resource area includes both surface and underground exploration and underground drift (tunnel) development. The Company plans to conduct additional exploration during 2016, within the Lucerne Resource area, including the Quartz Porphyry (PQ), Succor and Woodville targets.

Lyon County, Nevada

The Dayton Resource area is the other primary target and is located in Lyon County, Nevada, approximately six miles south of Virginia City and is a concurrent exploration and development target. Activity within the Dayton Resource area has included geological studies, drilling, resource modeling and initial exploration permitting, near surface drilling and geological modeling of the area. The Company plans to conduct additional exploration and development activities in this area during 2016.

Exploration

During the first half of 2016, the Company focused on exploration and development in the Lucerne Resource area, primarily in the Quartz Porphyry (PQ) and Succor geological target areas, and to a lesser extent, the Dayton Resource area. Lucerne activity included underground core drilling, underground drift (tunnel) development, and underground sampling and internal resource and reserve modeling. Dayton activity included surface and underground sampling and internal resource and reserve modeling. The Company plans to conduct additional, near term exploration within the Succor target area and the Dayton Resource area. Additional programs are planned to infill near term targets including the Succor and Woodville areas as well as northern development of the PQ. Longer-term exploration targets include the southern portion of the Dayton, Spring Valley, Occidental, and Northern (Gold Hill Group) Targets.

The remaining phases of the road realignment and Lucerne reclamation activities, including the final waste dump removal, grading and drainage reestablishment are scheduled for completion in 2016.

Lucerne Area

During the first quarter of 2016, about 12,380 feet of HQ-3 and NQ core was produced from the Harris Drift. The drilling configuration was in the form of 'fans' that comprise a group of holes having the same azimuth but different dips (between -50 and +40 degrees from horizontal). Each drill bay has two or three fans of drill holes extending into the primary target. The core locations and orientations were specifically designed to infill and expand the areas of known, high-grade mineralization identified from previous surface drilling programs.

The Company encountered longer mineralized intercepts (10 to 40 feet thick) from bays 3 through 6 as it moved north of the Silver City/Succor structural intersection and within and bordering the PQ mass. The configuration of the longer and higher grade intercepts occur along the hanging wall contact of the PQ intrusive mass within both the Alta Andesite and PQ host rocks. The intervals show continuity laterally and vertically along the structural contact.

Throughout the PQ drill program, geologic cross sections oriented along the drill fans and level plans on 20 foot spacing were fashioned for the target area. With completion of drilling, core logging and assaying through Drill Bay 6, these cross sections and level plans were reviewed, updated and digitized. The model was further refined as these sections were tied together to form a three dimensional triangulation using Maptek Vulcan software.

Using the geologic model and assay data as a base, multiple grade shells were produced in the same manner. Starting with cross sections and level plans, the shells were digitized and then refined as they were tied together to form three dimensional triangulations. These shells form the base of the block model used for internal planning and resource development.

The block model uses the grade shells to constrain grade estimation and sample selection to specific areas. Grades are then estimated in those areas keeping grades in ranges seen by statistical analysis of the drill assays.

The Company considers the initial 800 feet of advance within the Harris Drift as a first phase of development towards a longer-term exploration and development objective targeting a three quarter mile long mineralized corridor that includes the Lucerne (including the PQ target), Succor, Woodville, and Chute zone systems. Most of these systems remain open to the north and east and particularly at depth. A second phase of development was completed by advancing a crosscut out of Drill Bay 2 to a total length of 450 feet, toward the structural intersection of the Silver City fault zone and Succor vein zone. The design of the crosscut is geared toward favorable underground drilling position. The Succor represents an important target in conjunction with the PQ zone based on its location (perpendicular and adjacent to the PQ), past production history and the results from the Company's 2011, and 2012, reverse circulation drill programs.

The Succor Vein Target has a strike length of greater than 1000 feet, an average true width of 15 feet and an average dip of 55 degrees. The structure has reported historic mining grades of approximately 0.620 ounces per ton of recovered gold equivalent grade and is open to the east and at depth, along the entire structure. The proposed drill holes are designed to extend the depth of known mineralization identified by surface drilling.

The Company is currently evaluating the results of the core program. Future drill programs are being developed with a phased approach to extend the PQ mineralization and scope the Succor and Woodville targets.

Additionally a series of cyanide bottle roll tests have been completed using assay pulp reject material. The results of the bottle roll testing help determine how quickly and completely the gold and silver will leach from the material. The test results were used to identify similar rock types suitable for column leach tests. Using the remaining half core, composite samples were assembled to meet the material requirements. In total five composite columns tests have been started. These tests are being performed by McClelland Laboratories of Reno, NV. The columns are 4 inches in diameter, 10 feet tall and the rock is crushed to ¾ inches. The leach test will last 90 days. Column tests mimic the conditions in a leach pad to determine 90 day recovery of gold and silver as well as test the physical stability of the stacked leach material.

Exploration and Development of Dayton Surface and Underground Targets

Our technical staff (geologic, environmental and engineering) also completed underground mapping, sampling, and surveying in a number of historic mine tunnels on and near the Dayton Resource area. Several historic mines operated in the Dayton area leaving access to multiple structures from underground. Some adits have remained open or have been uncovered by the Company. Where accessible, the workings were and are being inspected and mineralized material sampled. Geologic mapping is also done at this time. Once sampling is completed, the workings are surveyed to model the size and location of the openings as well as locate the samples. The samples are then assayed at the Company's own metallurgical laboratory for gold and silver.

This underground sampling program has not only provided a wealth of assay information but it has also provided critical information for furthering the geologic understanding of the Dayton. In some cases structures identified on the surface can be traced underground and in other cases structures that do not have obvious surface expression are identified.

Production

The Company operates a heap leach based, gold and silver production system, including a zinc-precipitate based Merrill-Crowe processing plant. The Company, under the existing water pollution control permit with the State of Nevada, has the crushing and processing capacity to operate at a rate of up to 4.0 million tons of material crushed and stacked, per annum. The Merrill-Crowe system facilitates that capacity with an operating fluid processing rate of over 1,000 gallons per minute.

During 2014, the Company completed the transition from the Billie the Kid and Hartford patented claims in the Lucerne West-side Mine to the higher-grade Justice and Lucerne patents, also in the Lucerne West-side Mine. During the first and second quarters of 2015, the Company, in preparation for underground development, substantially completed mining of those Lucerne West-side surface patents. Substantially all of the operations for the second half of 2015 were focused on the extraction of the mineralized material contained in historic mine dumps while also completing the realignment of SR-342, establishing a drift into the higher-grade PQ and Woodville targets, and developing those targets towards the establishment of reserves for potential future mining.

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The Company substantially completed the extraction and remediation of the historic dump materials during the third quarter of 2015, and stacked the material on the leach pads where the mineralized material continues under solution until the target gold and silver recovery rates have been achieved. The Company has not mined or crushed any material during the first quarter of 2016, but anticipates continued gold and silver recovery through at least the end of the third quarter of 2016.

During the first three months of 2016, the Company poured 1,702 ounces of gold and 29,438 ounces of silver.

Throughout the first three months of 2016, the Company realized an average price of \$1,184.91 price per ounce of gold and a \$13.37 average sales price per ounce of silver. In comparison, commodity market prices in the first three months of 2016 averaged \$1,181.21 per ounce of gold and \$14.83 per ounce of silver.

Our Comstock exploration activities through 2015, also included open pit gold and silver test mining. As defined by the Securities Exchange Commission (“SEC”) Industry Guide 7 (“Guide 7”), we have not yet established any proven or probable reserves at our Comstock Lode Project. Production decisions for this test mining were not based on a feasibility study of mineral reserves demonstrating economic and technical viability prepared in accordance with Guide 7. Readers are cautioned that there is increased uncertainty and higher risk of economic and technical failure associated with such production decisions.

Operating Costs

During the first three months of 2016, actual costs applicable to mining revenue were approximately \$1.8 million, \$1.4 million net of silver credits, as compared to \$4.9 million, \$3.7 million net of silver credits, during the first three months of 2015. This 63% reduction of net costs applicable to mining revenue is primarily a result of significantly lower labor and processing costs due to the Company’s transition from surface mining to underground exploration and development and higher experienced metallurgical yields. Costs applicable to mining revenue include processing labor, processing maintenance, processing reagents and assaying costs, among others. Costs applicable to mining revenue for the first three months of 2016 and 2015 also include depreciation of \$0.7 million and \$1.5 million, respectively.

During the first three months of 2016, the Company continued reducing costs applicable to mining revenue, and also targeting \$3 million in additional reductions in all non-mining costs this year as compared to 2015. The Company has already realized \$1.6 million of cost reductions in non-mining costs and expenses, excluding exploration and mine development, but including \$1.1 million from general and administrative expenses in the first three months of 2016, as compared to the same period in 2015. The Company incurred approximately \$0.2 million in severance costs during the first three months of 2016, in mining and general and administrative expenses, associated with organizational cost reductions. General and administrative costs are also expected to decline significantly, resulting in savings in all non-mining costs of over \$5.5 million during 2016, as compared to 2015, an increase of 80% over the previous disclosed target of \$3 million.

Outlook

The Company commenced the underground drift tunnel and drilling, associated with the first underground exploration phase of a PQ geological target in September 2015, and completed drift-sampling, drilling and metallurgical test work of the PQ target during the first quarter. The Succor vein system is being considered as an easterly extension of the first phase of development beyond the high-grade PQ target. This will positively expand the scope of Phase 1, through the second half of 2016. The drift tunnels are designed to conduct an underground exploration program directed at a series of geological targets in the Silver City Branch of the Comstock Lode, including the PQ target, the Succor vein systems and the historic Woodville Bonanza system. These initial targets represent the core of a broader geological corridor. Previous surface drilling in the area, including the Succor-Holman drilling from 2015 had suggested that a greater than 1,000 feet of mineralized strike in the Succor zone, lying generally adjacent to and below the Lucerne Cut, has the potential to yield high-grade gold and silver. The current program has been geared toward defining that potential.

Drill results from the PQ drilling continued yielding wider and longer high-grade intercepts. These results were published via press releases throughout the first quarter of 2016. The Company also completed a crosscut tunnel, drifting to the Succor vein system. This drift positions the Company for efficient scope drilling from an underground platform that compliments additional scope drilling from the surface, ultimately to confirm the extent of the length

and depth of the Succor target.

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The Company plans similar scope drilling on the Woodville target during the fourth quarter, to further assess its potential for Lucerne mine planning. Ultimately, these efforts are designed to develop mine plans of sufficient grade and quantities for longer-lived production plans for the Lucerne mine.

During the second half of 2016, the Company also plans limited core drilling in Dayton, sufficient to finalize the parameters of a mine plan and commence the permitting for the Dayton Mine. The resulting mine plans should allow us to initiate permitting during the latter part of 2016. The Company has developed grade shells with higher average grades and believes the Dayton to have economically feasible potential and plans on developing those mine plans in the latter half of 2016. Infill drilling is expected to expand the reserve potential for the Dayton mine plans.

The Company will report the results of the Lucerne and Dayton exploration and development programs, as they become available.

Production during 2016, is currently limited to processing of existing leach pad materials. Considering the improved estimates of gold and silver recoveries, that is, 87.5% for gold and 59.5% for silver, the current leach cycle will continue well into the third quarter, likely through October 2016, or later. All operating costs associated with hauling, crushing and other ancillary activities have been reduced or eliminated as we transition the full organizational focus toward the discovery, development and establishment of reserves from Lucerne and Dayton, for future mining. We are currently operating with less than 15 employees and expect to maintain that lower level during our exploration and development activities in 2016. General and administrative costs are also expected to decline significantly, resulting in savings in all non-mining costs of over \$5.5 million during 2016, as compared to 2015, an increase of 80% over the previous disclosed target of \$3 million.

Recent Developments

In February 2016, the Nevada Division of Environmental Protection Bureau of Mining Regulation and Reclamation (NDEP-BMRR) issued a Notice of Decision (NoD) approving a Major Modification to the Company's Water Pollution Control Plan for various expansions of the heap leach facility. This modification authorizes the construction of "Cell 10", located adjacent to and north of the existing leaching operation, and also identifies multiple, future heap leach pad expansions, south and southwest of the existing heap leach pad and existing facilities. The modification also allows both surface and underground mine processing at the heap leach facility. This proactive permitting authorizes significant future heap leach capacity on Company's existing private lands. These approvals provide all of the leaching capacity needed for the foreseeable future. The approved Cell 10 addition, the Company's largest leach pad design to date, will provide an estimated 2.9 million tons of additional capacity. It also allows for phased construction, at the Company's preference, with an ultimate footprint of 12.27 acres. Unique to this modification is the identification and inclusion of future expansions for Cells 11 and 12, located adjacent to and southwest of the existing facilities. Those potential expansions would cover approximately 90 acres of land located entirely within the Company's private property.

The Company completed a positive restructuring of certain equipment obligations and consummated a forbearance agreement on June 27, 2016 with Caterpillar Financial Services Corporation relating to certain finance and lease agreements (the "Forbearance"). The Company entered into the Forbearance to permit the Company to complete the orderly sale of certain leased equipment against a modified payment schedule under the related lease arrangements. Under the terms of the Forbearance, the Company will pay down its lease obligations with the net proceeds from the leased equipment sold during the second half of 2016 with any remaining balance to be paid off with \$25,000 monthly payments until the leases have been paid in full. Presently, the total outstanding lease obligations are approximately \$3.7 million.

Corporate Information

The Company's executive offices are located at 1200 American Flat Road, Virginia City, Nevada 89440 and its telephone number is (775) 847-7325. The Company's mailing address is P.O. Box 1118, Virginia City, Nevada 89440. The Company's website address is www.comstockmining.com. The Company's website and the information contained on, or that can be accessed through, the website are not part of this prospectus.

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THE OFFERING

Common stock to be offered by us	14,285,714 shares of common stock, \$0.000666 par value, per share, with an aggregate offering price of \$5,000,000.
Common stock outstanding before and after this offering..	The number of shares of common stock to be outstanding after the offering is based on 178,925,356 shares of common stock issued and outstanding as of June 29, 2016*.
Manner of offering.....	“At-the-market” offering that may be made from time to time through our sales agent, IAA. See “Plan of Distribution” on page PS2-10.
Use of Proceeds	We will use the net proceeds from this offering for the drilling and development of the Lucerne underground drift and drilling program, the next phase of Dayton drilling and general corporate purposes. See “Use of Proceeds.”
Risk Factors	You should carefully read and consider the information set forth in “Risk Factors” beginning on the next page of this prospectus before investing in our common stock.
NYSE MKT symbol	LODE

* The number of shares of common stock shown above to be outstanding after this offering is based on 178,925,356 shares of common stock issued and outstanding as of June 29, 2016 and:
 - excludes 50,000 shares of common stock issuable upon the exercise of options outstanding as of December 31, 2015, with a weighted average exercise price of \$4.00 per share;
 - excludes 661,200 additional shares of common stock reserved for future issuance under the Comstock Mining Inc. 2011 Equity Incentive Plan as of December 31, 2015.

RISK FACTORS

Investing in our common stock involves significant risk. Prior to making a decision about investing in our common stock, you should carefully consider the specific risk factors included below, as well as the risk factors discussed under the heading “Risk Factors” in the 2015 Form 10-K, and the First Quarter 10-Q, which are incorporated by reference in this prospectus and may be amended, supplemented or superseded from time to time by other reports we file with the Commission in the future. The risks and uncertainties we have described are not the only ones we may face. Additional risks and uncertainties not currently known to us or that we currently deem immaterial may also affect our operations. If any of these risks actually occurs, our business, results of operations and financial condition could suffer. In that case, the trading price of our common stock decline, and you could lose all or a part of your investment.

Risks Relating to the Company’s Common Stock and this Offering

You will be a minority stockholder of the Company.

Prior to the completion of this Offering, the Winfield Group owns approximately 26% of the Company’s common stock. In addition, pursuant to the operating agreement governing the Northern Comstock LLC joint venture, the Company may issue additional shares of common stock to the Winfield Group. As a result, the Winfield Group holds substantial ownership of the Company and the ability of other holders of common stock to determine the management and policies of the Company may be limited.

The Company may issue additional common stock or other equity securities in the future that could dilute the ownership interest of existing shareholders.

The Company is currently authorized to issue up to 3,950,000,000 shares of Common Stock, of which 178,925,356 shares were issued and outstanding as of June 29, 2016, and 50,000,000 shares of preferred stock, of which zero shares were issued and outstanding as of June 29, 2016. To maintain its capital at desired levels or to fund future growth, the Company’s board of directors may decide from time to time to issue additional shares of common stock, or securities convertible into, exchangeable for or representing rights to acquire shares of common stock. The sale of these securities may significantly dilute its shareholders’ ownership interest as a shareholder and the market price of the common stock. New investors in other equity securities issued by the Company in the future may also have rights, preferences and privileges senior to its current shareholders that may adversely impact its current shareholders.

You may experience immediate and substantial dilution in the net tangible book value per share of the common stock you purchase.

If the price per share of our common stock is offered at price that is substantially higher than the net tangible book value per share of our common stock, you will suffer substantial dilution in the net tangible book value of the common stock you purchase in this offering. For example, if you were to purchase our common stock at a public offering price of \$0.35 per share, you would suffer an immediate and substantial dilution of approximately \$0.21 per share, based on the net tangible book value of our common stock on December 31, 2015. See the section entitled “Dilution” in this prospectus for a more detailed discussion of the dilution you will incur if you purchase common stock in this offering. If we are unable to maintain the listing standards of the NYSE MKT, our common stock may be delisted, which may have a material adverse effect on the liquidity and value of our common stock.

Our common stock is traded on the NYSE MKT. To maintain our listing on the NYSE MKT, we must meet certain financial and liquidity criteria. The market price of our common stock has been and may continue to be subject to significant fluctuation as a result of periodic variations in our revenues and results of operations. If we fail to meet any of the NYSE MKT’s listing standards, we may be delisted. In the event of delisting, trading of our common stock would most likely be conducted in the over the counter market on an electronic bulletin board established for unlisted securities, which could have a material adverse effect on the market liquidity and value of our common stock.

Estimates of our mineral resources could be inaccurate, which could cause actual production and costs to differ from estimates and adversely impact the value of the common stock.

There are numerous uncertainties inherent in estimating measured, indicated and inferred mineral resources, including many factors beyond our control. The accuracy of estimates of mineral reserves and non-reserves is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation, which could prove to be unreliable. These estimates of mineral resources may not be accurate, and mineral resources may not be able to be mined or processed profitably. Moreover, depletion of mineral resources that are not replaced may adversely impact the Company's financial condition and prospects.

Fluctuation in gold prices, results of drilling, metallurgical testing, changes in operating costs, production, and the evaluation of mine plans subsequent to the date of any estimate could require revision of the estimates. The volume and grade of mineral resources mined and processed and recovery rates might not be the same as currently anticipated. Any material reductions in estimates of our mineral resources, or of our ability to extract these mineral resources, could have a material adverse effect on our results of operations and financial condition and the value of our common stock.

We will have broad discretion in how we use the proceeds, and we may use the proceeds in ways in which you and other stockholders may disagree.

We intend to use the net proceeds from this offering to advance our projects, to fund our general and administrative costs (including annual mining claim and concession maintenance fees) and for general working capital purposes. See the section entitled "Use of Proceeds." Our management will have broad discretion in the application of the proceeds from this offering and could spend the proceeds in ways that do not necessarily improve our operating results or enhance the value of our common stock.

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USE OF PROCEEDS

We currently intend to use the net proceeds of this offering for general corporate purposes, including the settlement of certain land and equipment purchase obligations associated with our mining operations, certain acquisition assessment activities and the precious metal drilling and development objectives of the broader Comstock District, toward the goal of establishing broader resources, reserves and extended mine lives.

Pending the application of the net proceeds as described above, we may invest the net proceeds from this offering in short-term, investment grade, interest-bearing securities.

DILUTION

Investors in shares of our common stock offered in this offering will experience an immediate dilution in the net tangible book value of their common stock from the public offering price of the common stock. The net tangible book value of our common stock as of December 31, 2015, was approximately \$18.8 million, or approximately \$0.12 per share of common stock. Net tangible book value per share of our common stock is calculated by subtracting our total liabilities from our total tangible assets (which is equal to total assets less intangible assets) and dividing this amount by the number of shares of common stock outstanding.

Dilution per share represents the difference between the public offering price per share of our common stock and the adjusted net tangible book value per share of our common stock included in this offering after giving effect to this offering. After giving effect to the sale of all of the securities offered in this offering at the offering price of \$0.35 per share, and after deducting the underwriter's discounts estimated offering expenses payable by us, our as adjusted net tangible book value as of December 31, 2015, would have been approximately \$23.9 million, or approximately \$0.14 per share of common stock. This change represents an immediate increase in the net tangible book value of \$0.02 per share of common stock to our existing stockholders and an immediate and substantial dilution in net tangible book value of \$0.21 per share of common stock to new investors purchasing shares in the offering. The following table illustrates this per share dilution:

Offering price per share	\$0.35
Net tangible book value per share as of December 31, 2015	\$0.12
Increase in net tangible book value per share attributable to new investors	\$0.02
As adjusted net tangible book value per share as of December 31, 2015, after this offering	\$0.14
Dilution per share to new investors	\$0.21

For purposes of this section of the prospectus, we have assumed a hypothetical offering price per share of \$0.35 for the shares sold to IAA pursuant to the sales agreement. If the net tangible book value of the Company has not increased, the immediate dilution per share to new investors would increase if the actual public offering price per share were greater than the assumed public offering price and. For illustrative purposes, the following table illustrates the per share dilution to new investors assuming an actual price per share greater than the assumed public offering price used herein.

Increase in Actual Price Per Share Sold	Immediate Dilution per Share to New Investors
10 % (i.e., actual price per share of (\$0.39)	\$ 0.25
20 % (i.e., actual price per share of (\$0.42)	\$ 0.28
30 % (i.e., actual price per share of (\$0.46)	\$ 0.32
40 % (i.e., actual price per share of (\$0.49)	\$ 0.35
50 % (i.e., actual price per share of (\$0.53)	\$ 0.39
100% (i.e., actual price per share of (\$0.70)	\$ 0.56