

Press Release Archives: 08/15/2007

### **Itronics Increases Second Quarter 2007 Sales by 11 Percent; First Half Sales Up 24 Percent**

RENO, Nev., Aug. 15 /PRNewswire-FirstCall/ -- Itronics Inc. (OTC Bulletin Board: ITRO; Frankfurt and Berlin Stock Exchanges: ITG) has filed its second quarter 2007 report on Form 10QSB, which is now available on the Securities and Exchange Commission web site at sec.gov. The Company reported sales increases of 11 percent for the quarter ended June 30, 2007 and 24 percent for the first six months of 2007 compared to 2006 results.

Key accomplishments for the quarter were a 487 percent increase in liquid photowaste volume, completion of a draft label for GOLD'n GRO Guardian, preparation and submittal of product samples to a laboratory for toxicity and physical property measurements, and negotiation of an agreement to enter into a long term supply arrangement with a foreign manufacturer of the repelling ingredient used in GOLD'n GRO Guardian, a deer repellent.

The increase in used photochemical volume was more than sufficient to supply raw materials for GOLD'n GRO fertilizer manufacturing in the quarter. Completion of the listed steps in preparing to register GOLD'n GRO Guardian with the U.S. Environmental Protection Agency means that Itronics is on schedule to complete the registration process in early 2008. Arranging for supply of a key ingredient is an important step in preparation for manufacturing and sale of GOLD'n GRO Guardian, expected to begin in the second quarter 2008. GOLD'n GRO Guardian deer repellent fertilizer is expected to produce the next major sales expansion for Itronics.

Goals outlined for the balance of 2007 are to continue the steady expansion of GOLD'n GRO liquid fertilizer sales and silver sales; increase the number of photowaste service customers to continue expansion of photochemical raw material supply; continue to advance registration of GOLD'n GRO Guardian liquid animal repellent fertilizer; and continue to acquire financing to support growth, all being implemented pursuant to Itronics eight-part, five-year business plan that was summarized in a press release on June 3, 2005.

Silver production increases expected in the second quarter were not achieved due to repeated damage to the refining furnaces because of electrical power surges from the power grid supplying the Company's factory. The Company is working with its electrical power supplier to correct the problem. Meantime, the planned expansion of the refinery is continuing. The Company's silver inventory increased in the second quarter and will continue to increase until the power supply problem is solved. Stable silver output is expected for the rest of the year. Silver is continuing to trade in the price range of \$12.50 to \$13.50 per troy ounce. These prices, which are about 10 percent higher than in 2006, are benefiting silver sales.

Photo Service revenues more than doubled in the second quarter and the Company continued discussions with photowaste service businesses to acquire additional supplies of photochemical raw material for fertilizer manufacturing. Early in the third quarter the Company shipped a photochemical concentrator to a customer, and replacement parts to another customer. Sales for this segment are expected to be up by more than 600 percent in the third quarter 2007 compared to the same quarter in 2006.

Mining Technical Services were stable at a low level in the second quarter while this division continued to advance its web based <http://www.OutsideMetals.com> Gold Producer Stocks information portal. The Company launched an advertising campaign to junior gold and mineral exploration companies late in the second quarter which is expected to identify new technical services opportunities and could start generating advertising revenue in the third quarter.

Operating loss increased 37 percent compared to the prior year, principally due to a combination of the effects of the reduced silver sales and increased sales and marketing expenses. Net loss increased due primarily to a large swing in non cash "loss on derivative instruments" calculated and reported as required by current accounting standards

Results for the three and six months ended June 30, 2007, together with comparative figures for 2006 are summarized and can be viewed at the following link:

<http://biz.yahoo.com/prnews/070815/law047.html?v=101>

About Itronics

Itronics, through its subsidiary, Itronics Metallurgical, Inc., is the only company in the world with a fully permitted "Beneficial Use Photochemical, Silver, and Water Recycling" plant located in the United States which can convert used photoliquids into pure silver and liquid fertilizers. At the Company's Reno, Nevada factory more than 99 percent of the silver and virtually all the other toxic heavy metals are extracted from used photoliquids. The purified liquids are converted into environmentally beneficial, chelated,

micronutrient and multinutrient liquid fertilizers sold under the GOLD'n GRO trademark. The silver is refined and sold as bullion and 5 troy ounce, 0.999 pure, Silver Nevada Miner numismatic bars. The environmentally friendly liquid fertilizers can be used for lawns and houseplants, and are available, along with GOLD'n GRO liquid fertilizer injectors, at the Company's "e-store" catalog at <http://goldngro.com> . The popular Silver Nevada Miner bars are available at the Company's 'e-store' catalog at <http://www.itromet.com> .

Headquartered in Reno, Nevada, Itronics Inc. is a "Creative Environmental Technology" company and a world leader in photochemical recycling. The Company also provides project planning and technical services to the gold mining industry and operates the popular InsideMetals.com web site, <http://www.insidemetals.com>. which provides a value-added WORLD VIEW of Gold Producer Stocks and Junior Gold Stocks. Itronics has received numerous domestic and international awards that recognize its ability to successfully create and implement new recycling and fertilizer technologies.

VISIT OUR WEB SITE: <http://www.itronics.com>

("Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: This press release contains or may contain forward-looking statements such as statements regarding the Company's growth and profitability, growth strategy, liquidity and access to public markets, operating expense reduction, and trends in the industry in which the Company operates. The forward-looking statements contained in this press release are also subject to other risks and uncertainties, including those more fully described in the Company's filings with the Securities and Exchange Commission. The Company assumes no obligation to update these forward-looking statements to reflect actual results, changes in risks, uncertainties or assumptions underlying or affecting such statements, or for prospective events that may have a retroactive effect.)

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Source: Itronics, Inc.