

Press Release Archives: 11/20/2006

Itronics Increases Third Quarter 2006 Sales by 22 Percent, Nine Months Sales Increased 34 Percent

RENO, Nevada, November 20, 2006 -- Itronics Inc. (OTC BB: ITRO; Frankfurt and Berlin Stock Exchanges: ITG) said today the Company achieved a 22 percent increase in sales in the third quarter ended September 30, 2006 and a 77 percent reduction in gross loss compared to the 2005 third quarter. Nine month sales in 2006 increased 34 percent to \$1.4 million.

For the nine month period in 2006, gross profit was \$121,200 compared to a gross loss of \$81,800 in the prior year, an improvement of \$202,900. The sales increase was achieved in spite of a delay in the northern and central California harvesting season due to late spring rains which postponed planting. The reduction in gross loss was achieved as a result of increased GOLD'n GRO liquid fertilizer sales, which were up 30 percent in the nine month period, and silver sales, which were up 161 percent. Itronics' third quarter 2006 report on Form 10QSB is now available on the U.S. Securities & Exchange Commission web site at www.sec.gov.

"While 2006 is shaping up to be a pivotal year in the photographic industry with many new participants and rapid changes in the use of digital cameras to capture images, the use of silver halide photochemistry to make photographic prints is continuing to grow as is the use of returnable 35 mm cameras. The on-going use of silver halide photo print technology produces the photochemicals needed for use as base liquids for production of GOLD'n GRO fertilizers and provides a positive outlook for the future of Itronics 'Beneficial Use Photochemical, Silver, and Water Recycling Technology.' Demand for Itronics' environmentally beneficial recycling services is expected to continue to increase as restrictions on alternative methods of liquid photochemical disposal continue to tighten," said Dr. John Whitney, Itronics President.

The Company is meeting its goals outlined for the balance of 2006, which include continuing to expand GOLD'n GRO liquid fertilizer sales and silver sales; increasing the number of photowaste services customers to expand photochemical raw material supply; registering GOLD'n GRO Guardian liquid deer repellent fertilizer; and continuing to acquire financing to support growth. All goals are being implemented according to Itronics' eight-part, five-year business plan that was summarized in a press release on June 3, 2005.

The Company expects to report a positive gross profit for the GOLD'n GRO fertilizer segment for the full year 2006, a historical first. New photochemical service contracts that are now in place are expected to produce a significant increase in photochemical services revenue in the fourth quarter and through 2007. The increase in photochemical supplies is expected to support further increases in silver sales in 2007.

The Company has been performing research to produce a stable GOLD'n GRO Guardian liquid deer repellent fertilizer mix. A number of technical challenges have been overcome and the work is nearing completion. Once additional test work is completed in early 2007, the registration process can be implemented.

During the third quarter Itronics continued to work towards implementing its new iron and sulfur leach process that reduces the amount of solids delivered to its silver refinery by 50 percent, effectively doubling refining capacity again while reducing refining costs by more than half. Work is underway to size and lay out a pilot leaching circuit that is planned to be partially assembled in the fourth quarter 2006 and to begin intermittent operation. Planning also continued for a further increase in silver refining capacity which will include an expansion of material drying, sampling, and preparation capacity and will be implemented in 2007 and 2008.

The Company began installation of an air purification system for the refining operation in the third quarter and this is expected to be completed in the fourth quarter. Late in the third quarter the Company began construction of the new liquid fertilizer load out tank module. Construction of the tank foundation and containment is expected to be completed by the end of 2006.

Mining Technical Services declined in the third quarter while this division continues to advance its web based InsideMetals.com Gold Producer Stocks information portal: <http://www.insidemetals.com>. A "Gold Exploration Shopping Mall" is being developed and can be accessed through the Inside Metals web page. Traffic volume on the InsideMetals.com web page has increased to levels that make it worthwhile for Gold Exploration Companies to begin paid advertising there. The Company hired a marketing and sales manager early in the fourth quarter to be responsible for marketing InsideMetals advertising and Whitney & Whitney, Inc. mining technical services. A paid advertising program has been developed and is now being offered to Gold Exploration Companies. The Company expects Mining Technical Services revenues to begin to increase in the first quarter 2007 and to continue to expand throughout 2007.

One of the Company's business objectives is to establish revenue growth in each one of its revenue generating segments. The GOLD'n GRO liquid fertilizer segment has three revenue generating sub segments: GOLD'n GRO liquid fertilizers, Silver, and

Photochemical Services. With the recent acquisition of significant new photochemical services accounts, the Company has now established the basis for continuing revenue growth in each of the three sub segments. The Company is now expecting to achieve revenue growth in each of its revenue segments in 2007 and beyond.

Operating loss decreased 4% and 19% for the three and nine months ended September 30, 2006, compared to the prior year periods, principally due to a combination of the effects of the increased silver and fertilizer sales and improved margins on silver sales due to a rapidly increasing silver price. An increased net loss was generated in the third quarter due to an increase in the "loss on derivative instruments," calculated as required by current accounting standards.

Results for the third quarter and nine months ended September 30, 2006, together with comparative figures for 2005 are summarized below:

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About Itronics

Itronics, through its subsidiary, Itronics Metallurgical, Inc., is the only company in the world with a "Beneficial Use Photochemical, Silver, and Water Recycling" facility that extracts more than 99 percent of the silver and virtually all the other toxic heavy metals from used photoliquids and converts the resulting liquids into environmentally beneficial, chelated, multinutrient liquid fertilizer products sold under the GOLD'n GRO trademark, 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 mining industry and operates the global Gold Producing Stocks web site, <http://www.insidemetals.com>. Itronics was one of five finalists for the 2001 Kirkpatrick Chemical Engineering Award, the most prestigious worldwide award in chemical engineering technologies. Itronics was awarded second place, Highly Commended in the Environmental Technology category, at the prestigious Institution of Chemical Engineers (IChemE) 2005 Worldwide Environmental Award ceremonies at the Royal Courts of Justice in London, England in September 2005. Itronics was awarded the USA Gold Award at the House of Commons in London in November 2005 as part of the International Green Apple Environmental Awards contest, one of the largest and most prestigious of its kind in the world and the International Green Hero award in 2006 for its leadership on environmental issues. Itronics' GOLD'n GRO fertilizer was named one of the top 10 new technologies representing the best of agricultural innovation by the Canadian Association of Agri-Retailers in its December 2005 publication "Communicator". Dr. John Whitney, Itronics President, was selected as Nevada's Inventor of the Year for 2000 and is a member of the Inventor's Hall of Fame at the University of Nevada, Reno.

("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.)