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**ALMONTY ANNOUNCES CLOSING OF AUD\$500,000 CONVERTIBLE DEBENTURE
PRIVATE PLACEMENT AND SHARES FOR DEBT SETTLEMENT**

Toronto – July 29, 2016 - Almonty Industries Inc. (“Almonty” or the “Company”) (TSXV: AII) announces that it has closed the first tranche of its previously announced private placement issuing AUD\$500,000 of unsecured convertible debentures (the “Debentures”). The Debentures will mature two (2) years from the date of issue, will bear interest at a rate of 5% per annum paid semi-annually in cash and will be unsecured obligations of the Company. The principal amount of the Debentures together with any accrued and unpaid interest shall be convertible at any time at the option of the holder into common shares of the Company (the “Common Shares”) at a price of CAD\$0.55 per Common Share (the “Conversion Price”).

All securities issued pursuant to the Offering are subject to resale restrictions for a period of four months and a day until November 30, 2016 as prescribed by the TSX Venture Exchange and applicable securities laws.

Somers and Partners Pty Ltd acted as lead manager of the Offering. Almonty paid a commission of equal to \$20,000 being 4% of the gross proceeds raised on the financing.

Up to AUD\$150,000 of the net proceeds from the Offering will be advanced to ATC Alloys Ltd. (“ATC Alloys”) as a loan for its working capital purposes in connection with the previously announced binding Heads of Agreement with ATC Alloys pursuant to which Almonty agreed to make a recommended offmarket takeover offer under the Australia Corporations Act 2001 (Cth) for all of the issued, and to be issued, shares of ATC Alloys (the “ATC Transaction”). The balance of any net proceeds from the Offering will be used for general working capital purposes.

The Company also announces that it has entered into a settlement agreement (the "Settlement Agreement") with a creditor of the Company whereby Almonty would issue common shares of the Company at a deemed price of \$0.40 per common share in full and final settlement of the amounts owing to such creditor (the "Shares for Debt Settlement"). Pursuant to the Settlement Agreement, USD\$100,000 (equal to CAD\$131,700 as of the noon exchange rate on July 28, 2016) in debts would be settled and a total of 329,250 common shares would be issued to the creditors, which would represent 0.31% of the issued and outstanding common shares of Almonty following the completion of the Shares for Debt Settlement. The common shares received as part of the Shares for Debt Settlement will be subject to a four month and one-day statutory hold period.

The board and management of Almonty believe that the proposed Shares for Debt Settlement is in the best interests of Almonty in order to preserve cash and improve the Company’s balance sheet pending completion of the previously announced recommended off-market takeover bid of ATC alloys Limited to be made by Almonty.

None of the creditors of the Company participating in the Shares for Debt Settlement are non-arms length to the Company.

The Shares for Debt Settlement has been conditionally approved by the TSX Venture Exchange.

About Almonty

The principal business of Almonty is the mining, processing and shipping of tungsten concentrate from its Los Santos Mine in western Spain, its Wolfram Camp Mine in north Queensland, Australia and its Panasqueira mine in Portugal as well as the development of the Sangdong tungsten mine in Gangwon Province, Korea and the Valtreixal tin/tungsten project in north western Spain. The Los Santos Mine was acquired by Almonty in September 2011 and is located approximately 50 kilometres from Salamanca in western Spain and produces tungsten concentrate. The Wolfram Camp Mine was acquired by Almonty in September 2014 and is located approximately 130 kilometres west of Cairns in northern Queensland, Australia and produces tungsten and molybdenum concentrate. The Panasqueira mine, which has been in production since 1896, is located approximately 260 kilometres northeast of Lisbon, Portugal, was acquired in January 2016 and produces tungsten concentrate. The Sangdong mine, which was historically one of the largest tungsten mines in the world and one of the few long-life, high-grade tungsten deposits outside of China, was acquired in September 2015 through the acquisition of a 100% interest in Woulfe Mining Corp. Almonty owns 51% of, and has an irrevocable option to acquire a 100% ownership interest in, the Valtreixal tin-tungsten project in northwestern Spain. Further information about Almonty's activities may be found at www.almonty.com and under Almonty's profile at www.sedar.com.

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Disclaimer for Forward-Looking Information

When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. This press release contains forward-looking statements and information including, without limitation, the completion of the ATC Take-over by Almonty. These statements and information are based on management's beliefs, estimates and opinions on the date that statements are made and reflect Almonty's current expectations.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Almonty to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: any specific risks relating to fluctuations in the price of ammonium para tungstate ("APT") from which the sale price of Almonty's tungsten concentrate is derived, actual results of mining and exploration activities, environmental, economic and political risks of the jurisdictions in which Almonty's operations are located and changes in project parameters as plans continue to be refined, forecasts and assessments relating to Almonty's business, risks relating to production forecasts

and estimates from the ATC ferrotungsten plant, credit and liquidity risks, ATC shareholders acceptance of the take-over bid, hedging risk, competition in the mining industry, risks related to the market price of Almonty's shares, the ability of Almonty and ATC to retain key management employees or procure the services of skilled and experienced personnel, risks related to claims and legal proceedings against Almonty and any of its operating mines, risks relating to unknown defects and impairments, risks related to the adequacy of internal control over financial reporting, risks related to governmental regulations, including environmental regulations, risks related to international operations of Almonty, risks relating to exploration, development and operations at Almonty's tungsten mines, the ability of Almonty and ATC to obtain and maintain necessary permits, the ability of Almonty and ATC to comply with applicable laws, regulations and permitting requirements, lack of suitable infrastructure and employees to support Almonty's mining operations, uncertainty in the accuracy of mineral reserves and mineral resources estimates, production estimates from Almonty's mining operations and ATC's ferrotungsten plant, inability to replace and expand mineral reserves, uncertainties related to title and indigenous rights with respect to mineral properties owned directly or indirectly by Almonty, the ability of Almonty to obtain adequate financing, the ability of Almonty to complete permitting, construction, development and expansion, challenges related to global financial conditions, risks related to future sales or issuance of equity securities, differences in the interpretation or application of tax laws and regulations or accounting policies and rules and acceptance of the ASX of the listing of Almonty shares on the exchange.

Forward-looking statements are based on assumptions management believes to be reasonable, including but not limited to, no material adverse change in the market price of APT, the continuing ability to fund or obtain funding for outstanding commitments, expectations regarding the resolution of legal and tax matters, no negative change to local Australian laws, the ability to secure local contractors, employees and assistance as and when required and on reasonable terms, the ability to sell the ferrotungsten produced from the ATC's operations and such other assumptions and factors as set out herein. Although Almonty has attempted to identify important factors that could cause actual results, level of activity, performance or achievements to differ materially from those contained in forward-looking statements, there may be other factors that cause results, level of activity, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate and even if events or results described in the forward-looking statements are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, Almonty. Accordingly, readers should not place undue reliance on forward-looking statements and are cautioned that actual outcomes may vary.

Investors are cautioned against attributing undue certainty to forward-looking statements. Almonty cautions that the foregoing list of material factors is not exhaustive. When relying on Almonty's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events.

Almonty has also assumed that material factors will not cause any forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS PRESS RELEASE REPRESENTS THE EXPECTATIONS OF ALMONTY AS OF THE DATE OF THIS PRESS RELEASE AND, ACCORDINGLY, IS SUBJECT TO CHANGE AFTER SUCH DATE. READERS SHOULD NOT PLACE UNDUE IMPORTANCE ON FORWARD-LOOKING INFORMATION AND SHOULD NOT RELY UPON THIS INFORMATION AS OF ANY OTHER DATE. WHILE ALMONTY MAY ELECT TO, IT DOES NOT UNDERTAKE TO

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