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**ALMONTY ANNOUNCES INITIATIVES TO ENHANCE TAILINGS RECOVERY AT
ITS PANASQUIERA MINE AND THE FILING OF AN UPDATED TECHNICAL
REPORT ON ITS WOLFRAM CAMP MINE**

Toronto – May 15, 2017. Almonty Industries Inc. (TSX-V:AI) (“Almonty”) is very happy to announce that its fully owned subsidiary, Beralit Tin and Wolfram (Portugal) S.A., which operates the Panasqueira Tungsten Mine in Portugal, has reached a comprehensive agreement with Crominet Mining Processing SA (PTY) Ltd. (“Crominet”), which is expected to result in an increase to its overall recovery.

Currently, at Panasqueira, a Heavy Media Separation unit generates a pre-concentrate which is then upgraded by gravimetric methods to produce an outstanding final concentrate containing 75% WO₃, considered to be the highest commercially available grade in the world.

Tailings from the said Heavy Media Separation unit containing, in average, 0.03% WO₃, were sent to Crominet facilities where XRT sorting tests showed a possible recovery of up to 93.6% of the contained tungsten. The pre-concentrate here obtained will be upgraded on the existing installations together with the pre-concentrate referred above.

Under the agreement with Crominet, Crominet will install and operate at Panasqueira an XRT ore sorter and respective ancillary equipment with enough capacity to treat the totality of the tailings generated by the Heavy Media Separation unit.

This XRT ore sorter installation is scheduled to start operating by October 2017.

The extra recovery expected to be achieved could represent a conservative increase of 10% on Panasqueira’s annual production. Depending on how the extra recovery is ultimately measured, the installation of more XRT ore sorters to reclaim material from other tailings facilities may be considered.

Almonty also announced the filing of an updated technical report under National Instrument 43-101 *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators to reflect developments at the Wolfram Camp Mine. The technical report provides for updated operational costs, both in mine, plant and G&A.

Plant upgrades are currently being implemented which are expected to increase plant processing capacity from 400,000 tpa to 518,000 tpa.

The design focus for recent updates to the plant process has been to improve the recovery of wolframite by minimising over-grinding of the ore. This will be achieved by increasing the number of ore crushing and screening stages, thereby improving the control of the grinding process. By removing the ball mill (as used previously) and using instead additional cone crushers, it is intended that the generation of excessive quantities of ultra-fines will be avoided.

As a result of the plant updates, a different type of tailings will be produced. Rather than a homogenous tailings, the tailings will be classified into a fine and a coarse fraction. The coarse fraction can then be dry-stacked efficiently, with the advantage of not occupying volume within the tailings dam. This material may also potentially be used to facilitate site rehabilitation works. It is expected that the fine fraction will represent approximately 10% of the tailings generated instead of the entire amount as previously was happening. Along with the mass reduction obtained using the ore sorters, the gravimetric circuit will only be fed with 55.6% of the overall processed tonnage. Therefore, the fine tailings fraction tonnage will be 5.56 % of the overall plant feed. Based on current modelling, the plant feed is expected to be 518,400 tpa, meaning the fine tailings fraction will be 28,823 tonnes/annum. This much reduced fine tailings output will delay the need for developing a new tailings storage facility.

Alternative methods for disposal of fine tailings are also being considered, which include use of a filter press to produce a filter cake, and possible use of the current Main Pit when it has been

exhausted.

Current modelling implies that 90% of the total tailings produced will be coarse tailings, which represents approximately 50% of the total plant feed. It is planned that the coarse tailings fraction will be stored downstream of the TSF2 embankment. This will initially permit the collection of the residual process water in the existing mine water dam (MWD) for re-use in the plant. During this stage, another water dam that is already approved as the Mine Water Management Dam (MWMD) will be constructed downstream of both the MWD and TSF3. This would permit the former MWD to be backfilled with tailings and subsequently permit use of the entire area between the TSF3 and TSF2 walls to be used to store coarse tailings. It would also provide a more suitable dam for water storage and recovery.

It is planned to utilise a water treatment plant to thicken the fine tailings fraction and to provide clarified water for re-use in the processing plant. Historically, the lack of clean recycled water has caused problems in the processing plant, with accelerated wear of equipment and diminished separation performance in the flotation and gravity circuits. It is anticipated that in addition to improving the physical properties of the water, there will be an increased water recovery efficiency, as the tailings are better dewatered prior to disposal.

Almonty's Chairman, President and CEO Lewis Black said:

“We anticipate that this agreement with Crominet will allow us to enhance productivity at Panasqueira and this contribute to improved financial performance. We continue to work with Crominet to assess all our current projects in Spain, Australia and Korea in regard to efficient reprocessing of our tailings. Crominet have expressed that they are extremely comfortable in working with what they consider to be an extremely professional and knowledgeable Tungsten team at Almonty. In addition, the conclusions of the updated technical report at the Wolfram Camp Mine equally are expected to drive further efficiency of production. These represent further measures deployed by Almonty to provide for increased efficiency in its operations which has allowed us to weather the down-turn in pricing for tungsten concentrate.”

About Almonty

The principal business of Toronto, Canada-based Almonty Industries Inc. 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 has produced tungsten and molybdenum concentrate, although the Wolfram Camp Mine is not currently producing due to ongoing refurbishment of the processing plant. 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 has a 100% ownership interest in, the Valtreixal tin-tungsten project in north-western 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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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 increasing its plant recovery at Panasqueira; obtaining a possible recovery of up to 93.6% of the contained tungsten from tailings; the commencement of operations of the XRT ore sorter by October 2017; that the extra recovery expected to be achieved could represent an increase of 10% on Panasqueira’s annual production; the expected increase in plant processing capacity at the Wolfram Camp Mine from 400,000 tpa to 518,000 tpa; that the fine fraction of tailings will represent approximately 10% of the tailings generated at Wolfram Camp; and that reduced fine tailings output will delay the need for developing a new tailings storage facility. 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, credit and liquidity risks, hedging risk, competition in the mining industry, risks related to the market price of Almonty’s shares, the ability of Almonty 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 to obtain and maintain necessary permits, the ability of Almonty 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, 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 TSX-V of the listing of Almonty shares on the TSX-V.

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 ammonium para tungstate (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 applicable laws, the ability to secure local contractors, employees and assistance as and when required and on reasonable terms, and such other assumptions and factors as are 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 UPDATE THIS INFORMATION AT ANY PARTICULAR TIME EXCEPT AS REQUIRED IN ACCORDANCE WITH APPLICABLE LAWS.