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**ALMONTY ANNOUNCES POSITIVE \$951,000 Q2 EBITDA FROM MINING  
OPERATIONS AND THE FILING OF ITS UNAUDITED INTERIM FINANCIAL  
STATEMENTS AND MD&A FOR THE THREE AND SIX-MONTH PERIODS ENDED  
MARCH 31, 2017**

Toronto - May 31<sup>st</sup>, 2017 – Almonty Industries Inc. (“**Almonty**” or the “**Company**”) (TSX-V: AII) today announced the filing of its unaudited interim condensed consolidated financial statements and management’s discussion & analysis (“MD&A”) for the three and six-month periods ended March 31<sup>st</sup>, 2017. Unless otherwise indicated, all currency amounts contained in this news release are in thousands of Canadian dollars.

The following financial information is for the three and six months ended March 31<sup>st</sup>, 2017, and 2016:

	Three Months Ended 31-Mar-17 \$'000	Three Months Ended 31-Mar-16 \$'000	Six Months Ended 31-Mar-17 \$'000	Six Months Ended 31-Mar-16 \$'000
Gross Revenue	10,175	10,377	17,235	18,558
Mine production costs	9,224	10,908	16,170	19,590
Inventory write-down	-	-	548	-
Depreciation and amortization	1,553	3,081	2,494	5,100
Earnings (loss) from mining operations	(602)	(3,612)	(1,977)	(6,132)
General and administrative costs	2,529	2,139	4,227	3,757
Earnings (loss) before the under noted items	(3,131)	(5,751)	(6,204)	(9,889)
Interest expense	621	555	1,277	1,090
Foreign exchange (gain) loss	(253)	(1,447)	570	(878)
Tax provision	-	(392)	-	(392)
<b>Net income (loss) for the period</b>	<b>(3,499)</b>	<b>(4,467)</b>	<b>(8,051)</b>	<b>(9,709)</b>
Income (loss) per share basic	(\$0.03)	(\$0.05)	(\$0.07)	(\$0.11)
Income (loss) per share diluted	(\$0.03)	(\$0.05)	(\$0.07)	(\$0.11)
Dividends	-	-	-	-
Cash flows provided by (used in) operating activities	2,002	(631)	2,697	262
Cash flows provided by (used in) investing activities	(3,261)	(3,657)	(8,004)	(5,583)
Cash flows provided by (used in) financing activities	58	7,680	2,492	7,973

The following financial information is as at March 31<sup>st</sup>, 2017, and September 30, 2016:

	31-Mar-17	30-Sep-16
	\$'000	\$'000
Cash	1,266	4,215
Restricted cash	1,351	1,336
Total assets	167,079	167,766
Bank indebtedness	7,904	4,456
Long-term debt	59,327	56,497
Shareholders' equity	25,804	35,569
<u>Other</u>		
Outstanding shares ('000)	110,896	110,896
Weighted average outstanding shares ('000)		
Basic	110,896	107,871
Fully diluted	110,896	107,871
Closing share price	\$0.28	\$0.27

Lewis Black, Chief Executive Officer of Almonty, commented: “These results represent the turning point for Almonty’s operations. The implementation of fixed price contracts for over 80% of our production, which came into full effect on February 1, 2017, significantly improved results from mining operations. We have now returned to positive EBITDA from mining operations. We expect this trend to continue throughout the balance of the year as we benefit from higher tungsten prices and the improving production profile at our Los Santos Mine and our Panasqueira mine. During Q2 we also turned our attention to strengthening Almonty’s balance sheet and the recently announced shares for debt settlement agreements will provide significant balance sheet relief to Almonty with over \$10m of debt converting into equity at a 33% premium to the market price of Almonty shares. Our target is to bring debt levels down to under \$32m this fiscal year and we expect significant reductions to our ongoing SG&A with further announcements coming in due course. This is in conjunction with the finalising of the 100% financing of our Sangdong project in Korea.”

## **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 and its Panasqueira mine in Portugal as well as the refurbishment of its Wolfram Camp Mine in north Queensland, Australia, the development of its Sangdong tungsten mine in Gangwon Province, South Korea and the development of 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 owns 100% of the Valtreixal tin-tungsten project in north-western Spain. Further information about Almonty's activities may be found at [www.almonty.com](http://www.almonty.com) and under Almonty's profile at [www.sedar.com](http://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 These results represent the turning point for Almonty's operations, We expect this trend to continue throughout the balance of the year as we benefit from higher tungsten prices and the improving production profile at our Los Santos Mine, and the recently announced shares for debt settlement agreements will provide significant balance sheet relief to

Almonty with over \$10,000 of debt converting into equity at a premium to the market price of Almonty shares. 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.**