

**NOT FOR DISTRIBUTION TO U.S. NEWSWIRE
SERVICES OR DISSEMINATION IN THE UNITED
STATES**



**ALMONTY ANNOUNCES THE FILING OF ITS FINANCIAL STATEMENTS AND
MD&A FOR THE THREE AND NINE MONTHS ENDED JUNE 30, 2014**

INVESTOR CONFERENCE CALL WEDNESDAY AUGUST 27, 2014 AT 8:30am EST

**Revenue of \$7.4 million and EBITDA¹ of \$4.0 million and Net Loss of \$0.0 million and
record operating cash flow of \$5.0 million for Q3 2014**

Toronto, August 26, 2014 – Almonty Industries Inc. (“Almonty” or the “Company”) (TSX-V: AII) today announced the filing of its unaudited consolidated interim financial statements and management discussion & analysis (“MD&A”) for the three and nine month periods ended June 30, 2014. Unless otherwise indicated, all currency amounts contained in this news release are in thousands of Canadian dollars.

Almonty reported revenue of \$7,368, gross profit of \$5,112 representing a gross profit margin of 69.4%, EBITDA¹ of \$4,023, net loss of (\$13) and operating cash flow of \$5,029 for the three month period ended June 30, 2014.

Summary operating information:

	Nine Months Ended June 30, 2014	Nine Months Ended June 30, 2013	Three Months Ended June 30, 2014	Three Months Ended June 30, 2013	Year Ended September 30, 2013	Year Ended September 30, 2012
Ore treated (tonnes)	360,988	339,074	111,082	114,347	456,895	476,591
WO ₃ concentrate produced (MTU)	65,316	47,796	23,533	12,336	67,435	65,848
WO ₃ concentrate sold (MTU)	66,652	52,119	24,266	12,963	66,807	66,419
Sales revenue (US\$ million)	19.3	13.7	7.0	3.7	17.8	21.5
Cash operating costs (US\$/MTU)	119	160	114	198	177	183
Cash operating costs (€/MTU)	80	123	83	152	135	141
Ore mined (tonnes)	332,125	400,974	112,960	113,160	556,861	462,221
Average grade WO ₃ mined	0.51%	0.34%	0.53%	0.28%	0.33%	0.28%
Average WO ₃ recovery rate	52.6%	56.3%	52.1%	46.0%	55.2%	57.8%

Production volumes for both the three and nine month period ended June 30, 2014 continued on pace with the sales volume and production recorded during Q2 2014 and were at record levels for the nine month period. Production increased 87.2% and 27.9% over the three and nine month

¹ EBITDA is a non-GAAP metric of the Company’s financial performance that measures earnings prior to deductions of interest, taxes, depreciation and amortization.

comparative periods from 2013. Operating cash costs in US \$ decreased 42.4% and 25.6% over the three and nine month comparative periods.

APT prices average US\$ 370/MTU and US\$375/MTIU for the three and nine month periods ended June 30, 2014 (US\$365/MTU and US\$339/MTU for the three and nine month periods ended June 30, 2013).

The following financial information is for three and nine month periods ended June 30, 2014 and 2013:

	Three Months Ended June 30, 2014 \$'000	Three Months Ended June 30, 2013 \$'000	Three Months Ended March 31, 2014 \$'000
Gross Revenue	7,368	3,574	8,327
Cost of sales	2,256	2,179	2,468
Gross profit	5,112	1,395	5,859
General and administrative costs	751	780	956
Other expense (income)	338	81	259
Non-cash compensation costs (options issued to directors, officers and key management)	-	166	-
Earnings (loss) before the undernoted items	4,023	368	4,644
Depreciation and amortization	3,924	1,421	2,118
Interest expense	112	76	100
Loss due to fire	-	527	-
Net income (loss) for the period	(13)	(1,656)	2,426
Income (loss) per share basic	\$0.00	(\$0.04)	\$0.07
Income (loss) per share diluted	\$0.00	(\$0.04)	\$0.07
Dividends	-	-	-
Cash flows provided by (used in) operating activities	5,029	(36)	1,140
Cash flows provided by (used in) investing activities	(3,886)	(3,352)	(2,791)
Cash flows provided by (used in) financing activities	2,777	5,949	1,670

	Nine Months Ended June 30, 2014 \$'000	Nine Months Ended June 30, 2013 \$'000
Gross Revenue	21,158	13,611
Cost of sales	7,220	7,138
Gross profit	13,938	6,473
General and administrative costs	2,511	2,318
Other expense (income)	502	127
Non-cash compensation costs (options issued to directors, officers and key management)	56	196
Earnings (loss) before the undernoted items	10,869	3,822
Depreciation and amortization	7,108	4,414
Interest expense	304	117
Loss from fire	-	527

Net income (loss) for the period	3,457	(1,226)
Income (loss) per share basic	\$0.09	(\$0.03)
Income (loss) per share diluted	\$0.09	(\$0.03)
Dividends	-	-
Cash flows provided by (used in) operating activities	8,775	4,526
Cash flows provided by (used in) investing activities	(9,536)	(8,631)
Cash flows provided by (used in) financing activities	3,859	5,918

	<u>June 30, 2014</u>	<u>September 30, 2013</u>
Cash	4,154	1,083
Restricted cash	-	237
Total assets	43,562	36,676
Long-term trade payables	648	617
Long-term debt	10,775	5,946
Capital lease obligations	333	108
Shareholders' equity	25,421	21,857
<u>Other</u>		
Outstanding shares ('000)	36,787	37,044
Weighted average outstanding shares ('000)		
Basic	36,916	37,044
Fully diluted (treasury method)	36,923	37,044
Closing share price	\$0.76	\$0.93

Lewis Black, Chief Executive Officer of Almonty commented, "Almonty has been able to maintain the robust production and sales volumes in Q3 and is on pace to match or exceed them again in Q4. The efficiency gains and our focus on cost control are continuing to pay off and should be further enhanced as our tungsten recovery rate improves going forward. This quarter saw us complete mining activity on one pit with a high capitalized cost base that we inherited at the time of the acquisition of the Los Santos Project. This led to a higher than anticipated amortization charge during Q3 that had a negative impact on net income and earnings per share but did not impact operating cash flow, which reached record levels during the quarter. The return of mining activity to the main pits at Los Santos should see Almonty's financial performance improve significantly in Q4 and during fiscal 2015."

A teleconference to review the third quarter results will be held at 8:30 a.m. ET on Wednesday August 27, 2014. Representing management will be Lewis Black, chairman, president & chief executive officer, and Dennis Logan, chief financial officer. A question and answer period will follow brief remarks from management.

To participate in the teleconference:

- if calling from North America: +1-888-390-0546
- if calling from outside North America: +1-416-764-8688

An archive of the conference call will be available until September 27, 2014.

To access the archive:

- from North America: +1 888-390-0541 (pass code: 475068)

- from outside North America: +1-416-764-8677 (pass code: 475068)

About Almonty

The principal business of Toronto, Canada based Almonty Industries Inc. (TSX-V: AII) is the mining, processing and shipping of tungsten concentrate from its tungsten mine at the Los Santos Project. The Los Santos Project was acquired by Almonty in September 2011. The Los Santos Project is located approximately 50 kilometres from Salamanca in western Spain and produces tungsten concentrate. Almonty also has an option to acquire a 100% ownership interest in the Valtreixal tin-tungsten project in north western Spain.

For further information please contact:

Dennis Logan, Director & Chief Financial Officer
Telephone: (647) 438-9766
Email: info@almonty.com

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, production volumes, tungsten recovery rates, unit costs, future APT prices and future financial performance. 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.

The forward-looking statements and information in this press release include information relating to the intentions of management. Such statements and information reflect the current view of Almonty with respect to risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors and assumptions which may cause actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

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.