



Almonty Announces the Signing of the Power Supply and Consumption Agreement for the Sangdong Mine Development with Korea Electric Power Corporation

TORONTO--May 29, 2019--Almonty Industries Inc. (“Almonty” or the “Company”) (TSX: AII / OTCQX: ALMTF / Frankfurt: 1MR) announces that it has signed a Power Supply and Consumption Agreement with Korea Electric Power Corporation (“KEPCO”) for the construction and supply of a power line to the Sangdong Tungsten Mine located in the Republic of Korea.

The Power Supply and Consumption Agreement, entered into on May 29, 2019 between Almonty Korea Tungsten Corp. (“AKTC”), a wholly-owned subsidiary of Almonty, and KEPCO, a state-owned monopoly power supplier, is for the construction and installation of a 10MW exclusive power line to the site of the Sangdong Mine. Under the Power Supply & Consumption Agreement, KEPCO is responsible for building the high voltage power line (22.9kV) of 22.8 km and auxiliary facilities connecting the Taebaek Sub-station of KEPCO and the transfer point designated inside the Sangdong Mine site.

The construction cost of KRW2,044 million (approx. US\$1.7 million) will be entirely borne by KEPCO as a part of its power line subsidy program for industrial promotion. KEPCO will commence the construction of the power line with the target completion by June 23, 2020, which will be several months before the scheduled completion of the processing plant at the mine.

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

“The signing of the Power Supply and Consumption Agreement for the Sangdong Mine development will be another important and meaningful step to Almonty for bringing what was historically one of the largest and lowest-cost tungsten mines in the world back into production. We are particularly pleased and grateful for KEPCO’s subsidized construction of the power line.

The subsidized power line extension by the government power company, in addition to the subsidized connection of potable water line by the County Government in 2017, signifies the continued support of the South Korean government for the development of the Sangdong Mine. The in-time supply of power will contribute to ensuring the scheduled completion of the processing plant and other facilities at the Sangdong Mine, enabling AKTC to meet targeted commercial production in Q4 2020.”

About Almonty Industries Inc.

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 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 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 and under Almonty’s profile at www.sedar.com.

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Disclaimer for Forward-Looking Statements

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. 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 in this press release include, but are not limited to, statements regarding the expected use of proceeds of the Debenture Offering. 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 vary. 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: the receipt of all required approvals, unanticipated costs and expenses, general market and industry conditions and operational risks, including large project risk and contractual factors, 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, 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 of the TSX.

Forward-looking statements are based on assumptions management believes to be reasonable, including but not limited to, the receipt of all required final approvals, no unanticipated delays in the project financing, no material unanticipated costs and expenses, no material adverse change in general market and industry conditions and no unanticipated material operational risks, including large project risk and contractual factors, 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 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 DO SO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME EXCEPT AS REQUIRED IN ACCORDANCE WITH APPLICABLE LAWS.

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