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**ALMONTY ANNOUNCES THE FILING OF ITS FINANCIAL STATEMENTS AND  
MD&A FOR THE PERIOD JUNE 9 TO SEPTEMBER 30, 2011 AND PROVIDES  
UPDATE ON THE LOS SANTOS PROJECT**

January 27, 2011 – Almonty Industries Inc. (“**Almonty**”) (TSX-V: AII) today announced the filing of its Audited Consolidated Financial Statements and management discussion & analysis (“**MD&A**”) for the period June 9 to September 30, 2011 and an operational update for the Los Santos Project for the period July 1 to September 30, 2011. The Los Santos Project is wholly-owned by Almonty’s indirect subsidiary, Daytal Resources Spain, S.L. (“**Daytal**”). The operating results of Daytal reflect the operations of the Los Santos Project prior to Almonty acquiring control of Daytal on September 23, 2011. Unless otherwise indicated, all currency amounts contained herein are in thousands of Canadian dollars.

Almonty’s Audited Consolidated Financial Statements and corresponding MD&A represent the results of Daytal being acquired by 7887523 Canada Inc. (“**Almonty Sub**”), now a wholly-owned subsidiary of Almonty, from Heemskirk Consolidated Limited (“**Heemskirk**”), and Almonty Sub then being acquired by RCG Capital Inc. (“**RCG**”), a capital pool company listed on the TSX Venture Exchange, pursuant to a reverse take-over transaction. Following closing of the transaction on September 23, 2011, RCG changed its name to “Almonty Industries Inc.” and changed the ticker symbol of its common shares to “AII”. The Audited Consolidated Financial Statements represent Almonty Sub as the surviving entity from an accounting perspective under International Financial Reporting Standards. Almonty Sub was incorporated on June 9, 2011 for the express and sole purpose of completing the acquisition of Daytal. The period covered by the Audited Consolidated Financial Statements and corresponding MD&A is from June 9, 2011 (being the date of incorporation of Almonty Sub) to September 30, 2011. As such there are no comparative year figures available.

Summary operating information for Daytal<sup>1</sup>:

	Quarter Ended Sept 30, 2011	Quarter Ended June 30, 2011	Year Ended Sept 30, 2011	Year Ended Sept 30, 2010
Ore treated (tonnes)	115,689	124,143	441,976	268,634
WO <sub>3</sub> Concentrate produced (mtu)	14,320	16,063	61,598	22,398
WO <sub>3</sub> Concentrate sold (mtu)	13,436	14,393	52,807	20,752
Sales revenue (US\$ million)	4.7	4.6	15.0	3.5
Cash operating costs (US\$/mtu)	183	187	223	473

<sup>1</sup> Information for Daytal is based on the operating results of Daytal under its previous owner, Heemskirk, prior to Daytal being acquired by Almonty. See Heemskirk’s Fourth Quarter Activities Report which can be found on Heemskirk’s website: [www.heemskirk.com/public\\_reports/Quarterly\\_Reports/Fourth%20Quarter%20Activities%20Report.pdf](http://www.heemskirk.com/public_reports/Quarterly_Reports/Fourth%20Quarter%20Activities%20Report.pdf).

The Los Santos Project was originally opened in June 2008 and commissioned in July 2010 and, consequently, any pre-commissioning revenues were deducted from capitalized mining development costs and revenue was therefore nil for the sales of tungsten for the comparative periods.

Lewis Black, Chief Executive Officer of Almonty commented, “The operational results of the Los Santos Project for the 12 and 51 week periods ended September 23, 2011 represent the final operational results of the mine under previous management. Almonty, having taken control of the operations on September 23, 2011, has already begun implementing a number of operational enhancements to improve tungsten recoveries to meet what we believe are industry standard levels. Results from these improvements are already being realized and we expect to achieve our target rate of a minimum of 65% recoveries by December 31, 2012. Further details on the enhancements will be provided when Almonty files its interim financial results for the three months ended December 31, 2011, the first full quarter that the mine will have been under Almonty’s control.” Almonty anticipates releasing its interim results for Q1 no later than February 29, 2012.

Almonty is continuing with exploration programmes currently in place at the Los Santos Project in an effort to increase its reserve and resource estimates. The company plans on completing up to 7,000 metres of infill drilling and will provide an update on drill results and mineral resource and reserve estimates once it has completed the program, currently estimated to be in the fourth quarter of 2012. Almonty intends to continue its exploration campaign in order to further delineate the reserves and resources at the Los Santos Project and has budgeted 7,000 metres per year of drilling at the site over the next 4 years. This exploration campaign is expected to be funded out of the operating cash flow of the Los Santos Project.

The following financial information is for the period June 9, 2011 to September 30, 2011 and reflects the seven day period following Almonty’s acquisition of Daytal and subsequent reverse-take-over of RCG:

	\$'000
Revenue	-
Cost of sales	-
Gross profit	-
Bargain purchase gain	68
SG&A costs	(326)
Transaction costs	(786)
Listing expense	(698)
Non-cash compensation costs (options issued to directors, officers and key management)	(363)
<u>Net loss for the period</u>	<u>(2,105)</u>
<u>Loss per share basic and diluted</u>	<u>(\$0.06)</u>
<u>Dividends</u>	<u>-</u>
Cash flows used in operating activities	(593)
Cash flows used in investing activities	(14,152)
Cash flows provided by financing activities	15,901

	\$'000
	<b><u>At September 30, 2011</u></b>
Cash	1,156
Total assets	31,315
Long-term debts	503
Capital lease obligations	50
Shareholders' equity	21,177
<b>Other</b>	
Outstanding shares ('000)	37,011
Weighted average outstanding shares ('000)	
Basic	37,011
Fully diluted	42,702
Closing share price	\$1.00

Almonty owned Daytal for 7 days during the period ended September 30, 2011. During this one week period, Daytal did not ship any tungsten concentrate and as such did not record or recognize any revenue for the period. SG&A costs relate to expenses incurred during the one week period and include severance costs at Daytal, accrued salaries and wages and accrued audit fees for the period. Transaction costs are costs (legal, accounting and other professional services costs) that were incurred by Almonty on the acquisition of Daytal and the associated reverse take-over involving RCG. Non-cash listing expenses associated with the reverse take-over transaction of \$698 were also recognized during the period. Non-cash compensation expenses relate to the granting of stock options to officers, directors and key employees during the period (see the press release of Almonty dated September 27, 2011). Net loss for the period was (\$2,105) or (\$0.06) per share.

During the period Almonty raised net proceeds of \$15,901 through a private placement financing that closed on September 23, 2011. A portion of the capital raised was used to fund the cash portion of the acquisition of Daytal in the amount of \$14,152. Cash used in operations represents cash used to pay for transaction expenses and other SG&A costs.

### **About Almonty**

The principal business of Almonty is the advancement of the exploration, development and production activities at the Los Santos Project. The Los Santos Project is a tungsten mine located about 50 kilometres from Salamanca, in western Spain. The Los Santos Project has been in production since 2008 and produces tungsten product which is currently sold under an off-take agreement. In 2011 the Los Santos Project had an annual output of approximately 441,976 tonnes of ore (at 0.27% WO<sub>3</sub>). Tungsten is a unique metal due to its high temperature properties and exceptionally high density, and has widespread use as metal in alloys, steels and chemicals.

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#### **Disclaimer for Forward-Looking Information**

This press release contains forward-looking statements and information that are based on the beliefs of management and reflect Almonty's current expectations. 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.

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 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.

Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and Almonty undertakes no obligation to update forward looking statements if these beliefs, estimates and opinions or other circumstances should change.

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 FORWARDLOOKING 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.**