



ALMONTY POSTS OPERATIONAL UPDATE ON ITS MINES IN PORTUGAL, SPAIN AND SOUTH KOREA

TORONTO--(BUSINESS WIRE)—September 4, 2019—Almonty Industries Inc. (TSX: AII) (“Almonty”) provides an update on operational development at its wholly owned mines in Portugal, Spain and South Korea:

The Panasqueira Mine in Portugal (“Panasqueira”) announces that the second tailings dam has been completed and is ready for operation. The completion of the second tailings dam (phase one) will enable Panasqueira to process and store tailings for another 6 years at the rate of 800,000 ton mining per annum. € 1,000,000 has been spent over 3 years towards the construction of this new tailings dam. All the pumping and piping systems connecting the processing plant and the new tailings dam have been installed and have completed a trial operation.

The first pumping of tailings to the new tailings dam is expected to begin before January 2020 when the remaining capacity of the old tailings dam would have been fully consumed. The new tailings dam has been designed in compliance with the environmental and safety regulations of Portugal and the EU. In addition to the application of stringent safety standards in the engineering, the new tailings dam is designed for the second phase expansion for an additional 4 years by placing a surrounding 10 meter height retaining wall. A further phase three is now planned to increase capacity by a further 10 years. Thus, a total of 20 years additional capacity is anticipated after the completion of all three phases.

The Los Santos Mine in Spain (“Los Santos”) has achieved an approximate 50% recovery rate of WO₃ from its tailings retreatment as a result of continuing tests and trials -- a substantial improvement from the 35-40% recovery rate attained in the initial stage of tailings retreatment. This improvement in the recovery rate has been obtained through the tuning of processing equipment more apt for fine material like tailings. The Company continues to improve and increase its knowledge in the area of tailings reprocessing and further demonstrates the Company’s commitment to invest into tungsten technologies which is paramount to remain competitive.

On September 3, 2019, the Company’s Sangdong Mine in South Korea has entered into a Contract for Construction of Buildings and Architectural Work with Ilkang K-Span, a local contractor for architectural building of the Milling & Flotation Building, Ore Shed, Office Building and Cranes. The contract price is Korean Won 4,110 million (equivalent to US Dollars \$3.4), with the completion target in early 2021.

With respect to project equipment, Metso, the supplier of primary equipment for the Sangdong processing plant, has completed the locked cycle tests of the Sangdong ore in its laboratory in the USA which has served as a basis for the completion of the processing flow diagram for the Sangdong plant. Detailed engineering work of Metso is now underway. AKT has also begun the detailed engineering work on its backfill plant in coordination with UpMS, a European paste fill specialist firm.

Also during September 2019, at the request of KfW-IPEX Bank (the lending bank for the Sangdong Mine project), Almonty converted a certain amount of its intercompany debt into equity of its wholly-owned subsidiary, Almonty Korea Tungsten Corporation (“AKT”), thereby eliminating any shareholder deficiency on AKT’s balance sheet.

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

"We are pleased to report the meaningful development at each of the Almonty mines. The completion of the second tailings dam at Panasqueira will ensure the tailings to be generated in the next 10 years from this historic mine to find its place in this new tailings dam assuring the continued seamless operation of the mine which has more than 20 years of LOM under NI 41-101 resources. The new tailings dam will be instrumental to this premier mine which still produces the best quality wolframite concentrate, continuing its record-breaking journey at the steady pace of 700,000 to 750,000 tpa mining."

The substantially increased recovery ratio in the tailings retreatment at Los Santos is a remarkable achievement. Close to 50% recovery is unprecedented in the history of tailings retreatment in the Western tungsten space which will help the mine to sustain its competitive cost structure.

Upon the execution of this Building Contract, the Sangdong Mine can get into the process of obtaining clearance on the detailed architectural engineering works from the County government. Such clearance is expected to be granted by January 2020, ahead of the planned groundbreaking in spring 2020. The development with Metso and UpMs is also encouraging as they have proven that the metallurgical performance and environmental treatment would materialize in line with the plan ascertaining the competitiveness of the Sangdong operation."

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 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 SEDAR profile at www.sedar.com.

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Disclaimer Regarding 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. These statements and information are based on management’s beliefs, estimates and opinions on the date such statements are made and reflect Almonty’s current expectations.

Forward-looking statements in this press release include, among others, statements regarding Almonty’s future business plans, operations and achievements, the potential application for and listing of Almonty’s shares on the KRX, the Company’s satisfaction of the KRX’s listing criteria if Almonty’s listing application is submitted, and any future project financing for the development of Almonty’s Sangdong Mine.

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. Such risks include, but are not limited to, the risks discussed in the Company’s management’s discussion and analysis for the three and nine months ended June 30, 2019 and in its annual information form for the year ended September 30, 2018.

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

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