



**ALMONTY INDUSTRIES INC. COMPLETES A NON-BROKERED PHASE ONE FINANCING
FOR THE CONSTRUCTION OF THEIR SANGDONG MINE
OF EUR3.25 MILLION PLUS US\$500,000**

Toronto – July 13, 2020 - Almonty Industries Inc. (“Almonty”) (TSX: AII / OTCQX: ALMTF / Frankfurt: 1MR) announces it has completed a non-brokered private placement of secured convertible bonds in the principal amount of EUR 3,250,000 (equivalent to approximately US\$3,675,000 or Cdn\$5,000,000) (the “Bond Offering”) as well as a secured loan of US\$500,000 (approximately Cdn\$680,000) for a total of Cdn\$5,680,000. All securities issued pursuant to the Bond Offering are subject to a six month non-exercise period expiring on January 14th, 2021. Almonty intends to use the net proceeds of the Bond Offering for Sangdong Mine project financing expenses and for general corporate purposes.

The secured convertible bonds (the “Bonds”) will mature on July 13, 2023, and will bear interest at a rate of 10% per annum, payable semi-annually, in cash. The outstanding principal amount of the Bonds plus any related unpaid accrued interest is convertible into common shares of Almonty at the option of the holder at the fixed conversion price of EUR 0.35 (equivalent to CDN\$0.54) per share for the principal and at the conversion price of the greater of i) EUR 0.35 (equivalent to CDN\$0.54) and ii) the EUR equivalent of the volume weighted average price of the Common Shares on the Toronto Stock Exchange for the five trading days immediately preceding the date of conversion for related accrued interest.

The secured loan bears interest at the rate of 6% per annum payable upon the maturity date, being January 22, 2021.

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

“We are very pleased to announce that we have closed on the US\$4.1 million owner’s cost portion of the financing. This represents Phase I of the financing for the build-out of our Sangdong Mine Project in South Korea which is described as Owner’s Costs within the financial model that is driving the project financing.

This leaves approximately US \$23.1 million to be raised, of which US \$10 million for the DSRA (debt service reserve account) is expected to be met with a bank guarantee or line of credit, with the remaining US \$13.1 million to be raised through a hybrid/mezzanine/bond financing structure. This mixed structure Owner’s Cost financing, combined with the already announced US\$75 million Project financing note at libor plus 2.3%, creates in its entirety, an affordable Total project financing package while simultaneously minimizing shareholder dilution.

Almonty is now in possession of the definitive loan documents for the KfW-IPEX Bank Project financing, which we expect to execute later in July 2020.

We are now beginning the scheduling work with POSCO, the EPC contractors, for mobilization dates and with Metso, the plant equipment supplier, for the order dates for the long lead time equipment for the crushing circuit. We are also commencing the construction of the Monty B portal in August which is the main ore portal. The waste portal Alphonse D was completed late last year.”

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, 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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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 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 of the listing of Almonty shares on the TSX.

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, 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.

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