



**ALMONTY ANNOUNCES THE FILING OF ITS
AUDITED ANNUAL CONSOLIDATED FINANCIAL STATEMENTS,
MD&A AND AIF FOR THE YEAR ENDED DECEMBER 31, 2020**

Toronto – May 14, 2021 - Almonty Industries Inc. (“**Almonty**” or the “**Company**”) (TSX: AII / OTCQX: ALMTF / Frankfurt: 1MR) today announced the filing of its audited annual consolidated financial statements, management’s discussion & analysis (“**MD&A**”) and Annual Information Form (“**AIF**”) for the year ended December 31, 2020. Unless otherwise indicated, all currency amounts contained in this news release are expressed in Canadian dollars.

During the fifteen months ended December 31, 2019, the Company, pursuant to Section 4.8(2) of National Instrument 51-102, provided notice that it changed its financial year end from September 30 to December 31 and, accordingly, the financial information presented below is as at and for the twelve months ended December 31, 2020 with comparatives as at and for the fifteen months ended December 31, 2019.

The following financial information is for the twelve months ended December 31, 2020 and the fifteen months ended December 31, 2019:

| | Twelve months ended | Fifteen months ended |
|---|--------------------------------|---------------------------------|
| | 31-Dec-20 | 31-Dec-19 |
| | \$'000 | \$'000 |
| Gross Revenue | 25,095 | 54,634 |
| Mine production costs | 23,394 | 38,194 |
| Impairment | - | 10,112 |
| Care and maintenance | 997 | - |
| Depreciation and amortization | 2,075 | 4,487 |
| Earnings from mining operations | (1,371) | 1,841 |
| General and administrative costs | 6,964 | 10,124 |
| Non-cash compensation costs | 612 | 68 |
| Loss before the under noted items | (8,947) | (8,351) |
| Interest expense | 3,139 | 3,049 |
| Financing fees | 697 | - |
| (Gain) Loss on debt settlement | (1,777) | (401) |
| Gain on deconsolidation | - | (4,150) |
| Foreign exchange (gain) loss | (863) | (1,785) |
| Tax provision | (1,086) | 169 |
| Net income (loss) for the period | (9,057) | (5,233) |
| Income (loss) per share - basic | (\$0.05) | (\$0.03) |
| Income (loss) per share - diluted | (\$0.05) | (\$0.03) |
| Dividends | - | - |
| Cash flows provided by (used in) operating activities | (4,831) | 4,210 |
| Cash flows provided by (used in) investing activities | (6,294) | (7,798) |
| Cash flows provided by (used in) financing activities | 11,906 | (3,556) |

The following financial information is as at December 31, 2020 and 2019:

| | 31-Dec-20 | 31-Dec-19 |
|--|-----------|-----------|
| | \$'000 | \$'000 |
| Cash | 2,372 | 1,496 |
| Total assets | 151,063 | 133,646 |
| Long-term debt | 61,524 | 49,499 |
| Shareholders' equity | 29,169 | 33,816 |
| <u>Other</u> | | |
| Outstanding shares ('000) | 183,464 | 182,717 |
| Weighted average outstanding shares ('000) | | |
| Basic | 183,364 | 181,493 |
| Fully diluted | 183,364 | 181,493 |
| Closing share price | \$0.65 | \$0.42 |

Lewis Black, Chief Executive Officer of Almonty commented: “2020 was a difficult but ultimately extraordinarily successful year for the Company. Despite the disproportionate costs of placing Los Santos into care and maintenance during the pandemic and being under the backdrop of the endless lock downs due to the Covid-19 pandemic in Europe, we maintained production at our site in Portugal ensuring supply to our customers which has maintained our global operational track record of reliability. We executed the KFW-IPEX Bank loan in December 2020 for US\$75.1m libor plus 2.3% term loan for the construction of the world’s largest tungsten mine, our Sangdong mine in Korea. We completed all ore and waste portals at site in Korea and sterilized the site to prepare for construction. We commenced the transition of both our operational team and corporate team to Korea and laid the groundwork for the preparation of an ASX listing and, ultimately, a Korean listing too. We significantly strengthened our balance sheet, and the audit has confirmed this with the removal of the emphasis of matter in relation to going concern . All short-term liabilities have been pushed out another 3 years on the same terms meaning all shareholders continue to value benefit from the low interest rates and friendly terms applied to these loans. We received a reclassification of land use in Spain for our Valtreixal project meaning permitting can now be completed and significantly adding forward value to this project now. The Company began trading on Xetra in Germany which has seen significant increases in trading volumes for the Company. Despite the global slowdown in 2020, the Company has pushed forward on all fronts.

Tungsten prices continue to strengthen having risen 25% in 2021. Traditionally Tungsten price lags by 6 months the copper price so the Company expects to see strong increases in Q3/Q4 2021, and we are seeing demand now start to recover. As I have said before, 2021 will be the pivotal moment in the Company’s history as we become primarily a development company as we accelerate the already on-going construction of our Sangdong mine. As tungsten is increasingly recognised as one of the primary technology metals used in everything from EV’s, 5G to semiconductors, Almonty is well positioned to provide ultimately almost 30% of non-Chinese produced tungsten concentrate just from Sangdong alone which firmly establishes South Korea as a leading alternative for the Plansee group and all our customers looking to ensure further diversification of their existing supply chains.”

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 profile at www.sedar.com.

For further information, please contact:

Lewis Black
Chairman, President and CEO
Telephone: +1 647 438-9766
Email: info@almonty.com

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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. 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 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 (“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, 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 paratungstate (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, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME EXCEPT AS REQUIRED IN ACCORDANCE WITH APPLICABLE LAWS.