



Dear Investors,

Perth – August 2nd, 2021 - On behalf of global leading tungsten producer and developer, Almonty Industries Inc. (“Almonty” or the “Company”) (ASX:AII / TSX: AII / OTCQX: ALMTF / Frankfurt: ALI.F), I am very pleased to announce the successful capital raising of A\$15.25m and a dual listing on the ASX on 2nd August 2021.

On behalf of the Board of Directors, I would like to welcome new shareholders to the Almonty share register as we continue construction of the world’s largest tungsten mine outside of China, the Sangdong Tungsten Mine in South Korea (“**Sangdong**”). Once Sangdong is in production from Q4 2022, Almonty is expected to produce approximately 30% of all tungsten outside of China and approximately 7-10% of global supply.

The ASX IPO is a key milestone for Almonty for several reasons:

- The receipt of >A\$15m in new equity is the final condition precedent in order for the Company to drawdown on the US\$75.1 million debt package arranged with the German state bank KfW IPEX. The loan has been agreed on compelling terms for Almonty equity holders with all-in costs expected to be circa 2 – 3% per annum. Almonty is now fully funded for construction of Sangdong.
- The ASX listing has granted Almonty access to the deep pool of experienced resource investors found on the ASX which is expected to improve liquidity for the Company.

Funds raised from the IPO will be applied towards planned capital expenditures for the construction of Sangdong, other expenditures relating to Sangdong, refurbishment prior to capital expenditure and for general corporate and administrative expenses and payables reduction. This will sit alongside OeKB (Österreichische Kontrollbank) who has approved the issuance of the final ECA cover for the Sangdong project financing on June 18th, 2021 to underpin the US\$75.1m loan from KfW-IPEX Bank which was executed in December, 2020.

I am pleased to note that Almonty has achieved various construction milestones to date at site. This includes demolition of the old workings, including the old Ammonium Para Tungstate (APT) plant, commencement of the process of land purification and levelling, commencement of the road and drainage diversion, completion of both ore and waste portals, commencement of underground mine development, completion of construction of the administration offices, installation and commissioning of a full testing laboratory, commencement of the civil engineering planning work for surface buildings, ordering and paying the deposits for the long lead time milling equipment, commissioning the onsite Batch plant which is already achieving a rebound rate of 6% and introducing a number of community programs in line with our ESG program. This work was all undertaken prior to financial close to ensure an on-time commissioning.

The Company would also like to announce the appointment of Piers Lewis as our co-company secretary based in Australia.

Almonty is pleased and proud to have the support of the local South Korean government which along with tax and construction subsidies and tax concessions, has assisted and funded development of the necessary infrastructure at and around Sangdong. To date, the local Government has paved a new asphalt road to the mine gate, brought potable water to the site, reconditioned all drainage leading to site, provided numerous cash subsidies for equipment purchased, is currently installing a new 22.5 km power line to site, has given Almonty unfettered access to the government laboratories at the Korea Institute of Geoscience and Mineral Resources for our ongoing research and has built a scale functioning pilot plant at the site (approximately 1/16th in size). To date, over A\$7m in support of the development of Sangdong has been expended by the South Korean government and this support will continue throughout the build and past commissioning.

As China produces approximately 83% of the world's supply of tungsten, it is a lucrative, albeit difficult, market to operate in. As such, we have worked very hard to safeguard the Company's future. In addition to assembling strong and unrivalled in-house operational and tungsten market expertise, we have executed a 15-year offtake with USA based Plansee GTP, global leaders in production of tungsten powders and high-performance end products from tungsten and molybdenum which includes an unprecedented floor price, guaranteeing a minimum of C\$750m of revenue over the 15-year term.

Finally, in striving to become a globally significant mining company, it is critical that we continue our strong focus on ESG. All new facilities at site are designed and will be built in compliance with IFC/ Equatorial Principal standards (<https://equator-principles.com/>). Additionally, Sangdong power will be sourced from 100% renewable energy as the Company targets carbon neutrality.

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 and on behalf of the Board.

Lewis Black
President and Chief Executive Officer
Telephone: +1 647 438-9766
Email: lewis.black@almonty.com

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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 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 PRESS

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