



DRAWDOWN OF KfW US\$75 MILLION LOAN IMMINENT FOLLOWING SATISFACTION OF ALL CONDITIONS PRECEDENT

Toronto – February 7, 2022 - Almonty Industries Inc. (“**Almonty**” or the “**Company**”) (TSX: AII / ASX: AII / OTCQX: ALMTF / Frankfurt: 1MR) is pleased to announce an update in relation to the KfW US\$75.1 million loan facility.

Almonty advises that it is in receipt of the completion of conditions precedent letter from KfW. Almonty has now satisfied all of the 110 conditions precedent.

Once the balance of the equity has been transferred to the loan account held in Korea by Almonty Korea Tungsten Company (AKTC) and the payment of various financing fees is completed, which are customary to project finance lending, the bank can then move to issuing the drawdown letter and the first drawdown will commence.

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

“This is a monumental occasion for Almonty and its shareholders, with the drawdown of the KfW US\$75.1 million loan now imminent after approximately five years of hard work, due diligence and co-operation by all stakeholders.

The completion of the loan for US\$75.1 million from KfW means that the largest tungsten mine outside of China, with one of the highest grades in the world and located in South Korea, the largest per capita user of Tungsten globally, is now positioned to complete construction as intended.

I firmly believe this has been worth the effort and patience required by shareholders, with the KfW loan facility attracting very low interest rates, with an all-in cost expected to be approximately 2-3%. The quality of the lender and their ongoing support for our continued growth will be a decisive factor for Almonty’s continued success and will allow us to respond to the changing demand dynamics that we are now witnessing within the technology sector.

The timing of the drawdown could not come at a better time from a tungsten market perspective, with the tungsten price up 45% in the past 12 months to US\$338 per MTU, at a time when we are experiencing increasing demand from sources outside of China, particularly in the South Korean and EU semiconductor and battery sectors.

We are currently approximately 15% through total construction of Sangdong and now, with drawdown of the KfW loan, the Company can accelerate construction towards commissioning which is on track for Q4 CY 2022. Our underground development is over 27% complete and is already 6 months ahead of schedule. I am immensely pleased that we decided at Almonty to secure and fix pricing last year on much of the equipment on order which has shielded us from more recent inflationary equipment price rises.”

The general terms of the loan facility approved by the credit committee of KfW-IPEX include:

1. The principal amount of senior project finance loan to be US\$75.1 million;
2. Interest rate -- three-month London interbank offered rate (LIBOR), plus 2.5 per cent. LIBOR will be replaced by SOFR. (Secured Overnight Financing Rate);
3. Term of 6.25 years with an initial principal repayment holiday during construction and quarterly instalment repayments of principal commencing after the second anniversary of the initial drawdown; and
4. Oesterreichische Kontrollbank AG (OeKB) is committed to providing an import credit scheme cover

guarantee based on the previously announced long-term offtake agreement, which was issued in February 2020.

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.

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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 (“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.

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