



Sangdong Downstream Extension Project Progressing

Toronto - September 21, 2022 - Almonty Industries Inc. ("**Almonty**" or the "**Company**") (TSX: AII / ASX: AII / OTCQX: ALMTF / Frankfurt: ALI) is pleased to announce an update in relation to the proposed nano tungsten oxide downstream processing plant.

As announced on March 30, 2022, Almonty is investigating the construction of a vertically integrated nano tungsten oxide downstream processing plant (Sangdong Downstream Extension Project) to supply the South Korean battery anode and cathode manufacturing industry. As also announced, the funding for the Sangdong Downstream Extension Project is expected to be sourced from KfW IPEX-Bank ("KfW"), the Company's existing debt provider which has already executed a letter of intent ("**LOI**") for up to US\$50 million of additional funding for this purpose.

Almonty is pleased to announce that it is consulting with IAF Holding GmbH, a process engineering firm that specialises in the design and construction of specialist processing facilities, to design and construct the Sangdong Downstream Extension Project processing facility.

Almonty is also pleased to advise that it has determined that the Sangdong Downstream Extension Project processing facility should be located at the Seok Moon Industrial Complex in South Korea. This site has been selected due to its excellent existing infrastructure, i.e. access to sufficient water, electricity, communications and gas as well as existing environmental permitting.

In Q4 of this year, key board and staff members will visit the proposed location of the Sangdong Downstream Extension Project, along with KfW and its independent consultants, Hatch, to progress the LOI to more definitive agreements.

The Company looks forward to keeping shareholders informed as the Sangdong Downstream Extension Project progresses.

Lewis Black CEO comments:

"At site the underground mine development is still some 6 months ahead of schedule and our block model is proving to show we have taken an extremely conservative view. The deposit is clearly demonstrating to us why it is so revered within our industry. Equipment continues to arrive in country and the mills will begin assembly shortly and we are finalising with the EPC regarding the detailed engineering study for the surface plant to then commence construction on surface. We are still comfortably within budget despite the inflationary pressures and we have successfully navigated these pressures by anticipating them early last year. The upcoming visit by KfW and Hatch is to view our progress so far at site and to view the potential new site for the Tungsten oxide plant as we now accelerate that project.

As for the recent stock activity, I want assure all shareholders that the Company is on track, and we will make the third utilisation request shortly to KfW. We are aware of some unusually aggressive selling from a European based individual/group who is not part of our core group.

So as we now enter our next phase of our growth I would like to share with all shareholders a Tungsten fact. There is 1.4kgs of Tungsten used in the manufacturing or contained in every new EV. This is expected to increase to closer to 2kgs over the next three years as electrical components develop and could top out at 2.5kgs as tungsten-based cathode coatings in lithium-ion batteries are introduced.”

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.

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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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