

**NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES
OR DISSEMINATION IN THE UNITED STATES**



Toronto - September 15, 2017. Further to its news release dated August 29, 2017, Almonty Industries Inc. (TSX-V:AII) (“**Almonty**”) announces that it has completed the transaction with Deutsche Rohstoff AG (“**DRAG**”) whereby DRAG converted its secured convertible debenture of Almonty in the principal amount of CAD\$4,000,000 (the “**Debenture**”) into 6,646,667 common shares of Almonty at a deemed price of \$0.60 per share (the “**Conversion**”). In addition, under the Conversion, Almonty also issued 1,083,167 common shares at a deemed price of \$0.3015 to DRAG in satisfaction of \$326,575 of accrued and unpaid interest owed to DRAG under the Debenture. The shares issued to DRAG are subject to a regulatory hold period ending on January 15, 2018.

DRAG Early Warning Disclosure

Under the Conversion, DRAG has acquired beneficial ownership of, and control and direction over, 7,729,834 Common Shares, representing approximately 4.6% of the issued and outstanding Common Shares.

Prior to the Conversion, DRAG owned and controlled: (i) the Debenture; (ii) 15,253,790 Common Shares, representing approximately 9.4% of the issued and outstanding Common Shares; and (iii) an unsecured convertible debenture of Almonty in the principal amount of \$6,000,000 (the “**Unsecured Debenture**”), maturing in March 2019, bearing interest at a rate of 4% per annum and being convertible into Common Shares at the option of DRAG at a conversion price of \$1.45 per share.

As a result of its acquisition of the Common Shares under the Conversion, immediately after the Conversion, DRAG owns and controls (i) 22,983,624 Common Shares, representing approximately 13.6% of the issued and outstanding Common Shares; and (ii) the Unsecured Debenture.

In the event that the principal amount of the Unsecured Debenture was converted, DRAG would have ownership and control of an additional 4,137,931 Common Shares, representing approximately 2.4% of the then issued and outstanding Common Shares, and ownership and control over a total of 27,121,555 Common Shares, representing approximately 15.6% of the then issued and outstanding Common Shares post-conversion.

DRAG acquired the Common Shares for investment purposes and has no present intention to acquire further securities of Almonty except as described below, although it may in the future acquire or dispose of securities of Almonty, through the market, privately or otherwise, as circumstances or market conditions warrant. In connection with the conversion of the Debenture, DRAG has agreed with Almonty to purchase US\$250,000 of Common Shares on or before December 31, 2017 on the stock exchange on which the Common Shares are then listed or in one or more off-market transactions or in a capital increase, subject to an extension of this period by six months from Almonty (such request not to be unreasonably denied) if it is unreasonable to purchase shares, for example, but not exclusively, if the share

price is trading above \$0.60 per Common Share, not enough Common Shares are offered or DRAG is not allowed to buy Common Shares due to insider trading laws for an extended period.

A copy of the early warning report required to be filed by DRAG with applicable securities commissions in connection with this acquisition will be available for viewing under Almonty's profile on SEDAR at www.sedar.com and a copy of the early warning report may also be obtained by contacting Thomas Gutschlag, the Chief Executive Officer of DRAG, at Q7, 24, Mannheim, Germany, 68161, Telephone +49 621 490 871 0.

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 refurbishment of its Wolfram Camp Mine in north Queensland, Australia, the development of its Sangdong tungsten mine in Gangwon Province, South Korea and the development 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 Wolfram Camp Mine was acquired by Almonty in September 2014 and is located approximately 130 kilometres west of Cairns in northern Queensland, Australia and has produced tungsten and molybdenum concentrate, although the Wolfram Camp Mine is not currently producing due to ongoing refurbishment of the processing plant. 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

Legal Notice

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which this announcement is released, published or distributed should inform themselves about and observe such restrictions.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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. This press release contains 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-V of the listing of Almonty shares on the TSX-V.

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 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.