



Almonty Announces Execution of Memorandum of Understanding with Provincial and County Governments for Collaboration and Support for Sangdong Mine Development Project

TORONTO--(BUSINESS WIRE)—May 11, 2020—Almonty Industries Inc. (TSX:AII) (“Almonty”) announces the execution of a Memorandum of Understanding (“MOU”) amongst Gangwon Provincial Government, Yeongwol County Government and Almonty Korea Tungsten (“AKT”), Almonty’s wholly-owned subsidiary in South Korea, on the 7th of May, 2020.

The MOU was signed in the Office of the Gangwon Provincial Government by Governor Moon-Soon Choi, Mayor Myeong-Seo Choi of Yeongwol County, Mr. Tiger Kim, Almonty’s Korea Representative, and Mr. Lewis Black, President & CEO of AKT who joined the ceremony via video conferencing due to travel restrictions set by COVID-19.

The MOU stipulates that, in recognition of the importance of tungsten and the development of the Sangdong Mine to the national economy and competitiveness, both municipal governments shall cooperate as much as possible for administrative and financial support including the granting of permits, and the provision of certain subsidies and tax exemptions. It also states that the municipal governments shall fully cooperate and support in providing required infrastructure for the successful development of the Sangdong Mine.

In the press conference that followed, the Governor and the Mayor disclosed the plan to reinforce the Provincial and County Decrees to include the development of tungsten, one of the ‘5 Critical Materials’ designated by the Korean government, as the strategic area of thrust for the Province, together with rare earth elements, which will materialize the long-cherished plan for developing the Province as the hub of strategic minerals taking advantage of its mineral richness and geographical proximity to North Korea.

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

“We recognize the execution of this MOU as a meaningful event in the development of the Sangdong tungsten mine. In addition to the administrative support provided by both municipal governments to date, this MOU will surely provide the momentum to the facilitation of the ongoing process of the US\$76 million KfW IPEX-Bank project loan closure.

The designation of tungsten as one of ‘5 Critical Materials’ of the nation, and the declaration of the Sangdong project as one of the backbones of the strategic mineral hub, signify how importantly the governments of Korea view the Sangdong Mine project.

As stated in the MOU signing ceremony to His Excellency Governor Choi, Mayor Choi and the press, it is our duty and obligation to return the overwhelming support of the municipal governments and the community through the successful completion of the Sangdong project, making it the representative mine of Korea in every aspect. Particularly, we will do our best to

complete the mission given to us by the Governor and the Mayor to develop Sangdong as a center of Korea's global competitiveness in the era of intensifying resource war.”

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, 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 SEDAR profile at www.sedar.com.

For further information, please contact:

Almonty

Lewis Black

Chairman, President and CEO

Telephone: +1 647 438-9766

Email: lewis.black@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 nor its Regulation Services Provider (as that term is defined in the policies of the TSX) 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. 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 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, 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.