



**SIGNIFICANT MAIDEN MOLYBDENUM RESOURCE DEFINED ADJACENT TO
THE TUNGSTEN OREBODY AT SANGDONG MINE IN SOUTH KOREA
PROVIDES POTENTIAL FOR MATERIAL INCREASE IN SHAREHOLDER VALUE
GIVEN SYNERGIES THAT EXIST WITH SANGDONG MINE, CURRENTLY UNDER
CONSTRUCTION**

Highlights

- **Maiden Independent Inferred Molybdenum Mineral Resource Estimate of 21.48Mt @ 0.26% MoS₂ at the 0.19% MoS₂ reporting cut-off.**
- **Molybdenum Resource is located adjacent to the Tungsten Resource at the Sangdong Tungsten project, on a fully permitted, mining lease.**
- **Company will investigate integration into the Sangdong Tungsten Mine which is currently under construction.**
- **Previous drilling has indicated that the deposit is open in several directions and that higher grade zone may be delineated. Both factors will be assessed with further drilling in the future.**

Toronto – July 18, 2022 - Almonty Industries Inc. (“**Almonty**” or the “**Company**”) (TSX: AII / ASX: AII / OTCQX: ALMTF / Frankfurt: ALI) is pleased to announce a maiden JORC 2012-compliant Inferred Mineral Resource Estimate (**MRE**) of 21.48Mt @ 0.26% MoS₂ at the 0.19% MoS₂ reporting cut-off for the Almonty Korea Moly Project (**AKM Project**), which is located on the existing Sangdong Tungsten Mine, which is currently under construction in South Korea.

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

“The AKM Project is a major growth plank for Almonty and is conveniently located immediately adjacent to the tungsten mine, on our fully permitted, under construction Sangdong Tungsten Mine. We are pleased to report our maiden Mineral Resource Estimate which could be a globally relevant project in its own right.

We are pleased to note that based on a review of previous exploration work, the MRE has significant upside, given the deposit appears to be open in multiple directions and further that potential exists to delineate a high grade zone within the current orebody.

We are also excited to formulate a robust mining plan so that this project will run alongside our tungsten mine simultaneously given that both can share the same existing mining infrastructure and the dramatic development cost savings it presents. Being LME traded, it is also pleasing to note the hedging and pricing transparency of molybdenum. We look forward continuing further exploration works to integrating the AKM Project into the Sangdong Tungsten Mine.”

The MRE has been independently estimated by Adam Wheeler, an independent mining consultant, was prepared according to the guidelines of the JORC Code dated 2012 and has also been prepared in accordance with the 2015 edition of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (“VALMIN Code”).

The Resource estimate was based on a drillhole database stemming from underground drilling, and some surface drilling, completed prior to 1992 by the Korea Tungsten Mining Company Ltd. (**KTMC**), as well

by Oriental Minerals OTL during 2006-2008. The KTMC drilling covers 14,300m over 27 holes. Almonty notes that, based on a review of historical drilling, the molybdenum zone may continue to the northeast and northwest, where significant MoS₂ was intersected in historical exploration drilling.

The molybdenum deposit of the AKM Project is located adjacent to the tungsten mine of Sangdong and appears to be hydrothermal and with two different mineralisation stages.

Further, it was noted that sections with zones of higher grade do occur, but insufficient drilling has been carried out to properly assess the grade distribution. The company will further assess both the full size and scale and higher-grade zones in future exploration work.

Mineral Resource Estimate

The current evaluation work has been carried out and prepared according to the guidelines of the JORC Code (2012). The current resource estimation is shown below, for a cut-off of 0.19%MoS₂. This cut-off level was derived from a molybdenum price of 14.25\$/lb Mo. The resource model uses a maximum lateral extrapolation of 100m.

AKM Project – Inferred Mineral Resource Estimate

Host Rock Type	Tonnes Mt	MoS₂ %
Slate	4.34	0.28
Quartzite	17.14	0.26
Total	21.48	0.26

Notes:

- As of 31st May, 2022
- Block Size 25m x25m x 5m
- Cut-off 0.19% MoS₂
- All resources categorised as Inferred

Geology and geological interpretation

The Jangsan quartzite underlies the main tungsten skarn deposit of the Sangdong mine. This formation contains the Sangdong Molybdenum Stockwork (SMS), a zone of quartz veins hosting predominantly molybdenum mineralisation (Kuehnbaum, 2006 and Le, 2001). The mineralisation appears to be hydrothermal in nature and with two stages of mineral deposition; the first molybdenum-poor scheelite mineralisation was related to skarn alteration, which was followed by quartz-scheelite-molybdenite-bismuthenite vein emplacement. It is currently considered that the deep molybdenum mineralisation is likely to comprise a system of sheeted or stockwork veins.

In previous evaluation work, a mineralised envelope had been defined which terminated upwards at the top of the quartzite. However, it is clear that the MoS₂ mineralisation continues up into the overlying slates. The upper part of the overall MoS₂ mineralisation overlaps with the tungsten-bearing beds and underground mine workings. The current interpretation has been based on capturing the majority of the +0.1%MoS₂ assays.

Drilling Database

The drillhole database stems from underground drilling, and some surface drilling, completed prior to 1992 by the Korea Tungsten Mining Company Ltd. (“KTMC”), as well by Oriental Minerals OTL during 2006-2008. The KTMC drilling covers 14,300m over 27 holes. The OTL drilling which intersected the area of molybdenum mineralisation, covers 4,000m over 6 holes. The sample database is in the form of an Excel spreadsheets.

The majority of the holes are vertical with an average lateral spacing of approximately 100m. Once within the overall extents of the molybdenum zone, most of the holes exhibit marked alternating nature of high and low grade assays, consistent with an overall stockwork interpretation. The nature and dip of the higher grade intersections is not clear. The upper 25% of the overall MoS₂ mineralisation continues is hosted in slates. The lower 75% of the overall MoS₂ mineralisation is hosted in quartzite.

Mineral Resource Estimation Methodology

An updated mineral resource estimation was completed by the Competent Person. This estimation employed a three-dimensional block modelling approach, using Datamine software. The block model was set up with a 25m x 25m x 5m parent cell size and a cutoff grade of 0.19% MoS₂. Grade estimation was done using ordinary kriging (OK) for the waste/mineralisation fractions, as well as low and high MoS₂ grade portions. These estimated values were combined to give overall MoS₂ grades for each parent block.

All of these modelled resources were classified with an Inferred category, reflecting the spacing and quality of available data, as well as the geological understanding of the deposit.

Drilling Techniques, Sampling and assaying

The following information was based on the Wardrop. “Sangdong Project Scoping Study” published in April 2010.

Sample Preparation

Sample preparation from core to pulps for analysis was completed on-site. Core was sawn in half, half placed in a plastic sample bag and half replaced in the core box for archival storage. Sample tags were placed in the core box and in the sample bag and the sample number was written on the sample bag as well. Standards were placed into the sample stream at this point in the sampling process, in accordance with a sample list that had been drawn up by the geologist responsible for logging the hole. Core samples were dried, split, crushed and pulverized on-site by WMC personnel in a preparation lab that was purchased as a modular unit. Equipment was cleaned by brushing and the use of compressed air between each sample. An approximately 50g split portion of the pulverized sample was sent to Perth, Australia, for analysis. Blanks are inserted one in every twenty samples to ensure there is no contamination.

Analyses

From 2006 to 2008 samples were analysed at an external laboratory in Brisbane by inductively coupled plasma mass spectrometry (ICP- MS) for 41 elements and for ore grade quantities of specific elements by aqua regia or four-acid digestion followed by ICP analysis. All quantities are reported in parts per million (ppm).

Sample Security and Chain of Custody

The sample preparation facility comprised a fenced area beside the WMC accommodation facility. A split portion of the pulp from each sample and coarse rejects were retained in a locked facility at the project site. The pulps are placed in brown paper envelopes and sent by courier to Perth.

Quality Assurance/Quality Control

The QA/QC protocol included the insertion of the following control samples in the assay batches, as summarised below:

- Pulp duplicates (one in 50, or 2%), consisting of second splits of the pulverized samples that are submitted to the primary laboratory for analysis in the same batches as the original samples, but with different numbers.
- Certified reference materials (CRMs, three in 50, or 6%).

- Coarse blanks (one in 50, or 2%) and fine blanks (one in 50, or 2%), consisting of coarse (approximately 1" diameter) and pulverized material, respectively, whose blank character was demonstrated by laboratory analysis. Initially ground glass was used as blank for Phases #1 to #4 drilling, but was subsequently changed to coarse crystalline feldspar for Phase #5 drilling.
- Check samples (two in 50, or 4%), collected from pulps that were previously assayed at the primary laboratory, were resubmitted to another laboratory in Perth Australia for external control. The check sample batch included an appropriate proportion of control samples (pulp duplicates, CRMs and fine blanks).

The Competent Person considers that the sample preparation, security, analytical procedures and supporting QA/QC results, relating to the 2006- 2008 drilling campaign, were collected in line with industry good practice.

Data Verification

Data verification procedures were applied by at the Sangdong Project since 2006. The Competent Person last visited the Sangdong site in August 2015, and discussed with site geologists all aspects of sample collection, preparation and storage, as well as visiting the core storage and sample preparation areas. The sample database was also reviewed and during the resource estimation update, many aspects of the drillhole data were checked by communication with the Sangdong geologists. The Competent Person, after also checking the Phase 7 (2016 drilling) results, considers these new results to be demonstrating the same accuracy as previously, which therefore supports their use in Mineral Resource Estimation. In the Competent Person's opinion, the geological data stemming from drilling data after 2006 were collected in line with good industry practice, allowing the results to be reported according to the guidelines of the JORC Code. It is not known what quality control procedures were applied to data derived prior to 2006.

Bulk Density

In the current resource estimation work, global average density values (t/m³) were applied, of 2.63 t/m³ for Quartzite and 2.7 t/m³ for Slate. It is considered that the density values applied do take adequate account of void spaces. There is no basis for any particular relationship between density and MoS₂ grade values.

Classification

All of these modelled resources were classified with an Inferred category, reflecting the spacing and quality of available data, as well as the geological understanding of the deposit.

Mining factors or Assumptions

A minimum thickness of 5m was applied in the Mineral Resource estimation, as being a realistic minimum height for underground mining.

Metallurgical Testing

No metallurgical test work has been completed on the AKM Project by Almonty to date.

Environmental Permitting

The AKM Project is located on the Sangdong Tungsten Mine which is fully permitted, with all environmental requirements for the current development of the Sangdong Tungsten Mine have been met. There are no areas requiring special protection or significant natural environmental resources or wildlife habitats in the area surrounding the Project site.

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 further information, please contact:

Lewis Black

Chairman, President and CEO

Telephone: +1 647 438-9766

Email: info@almonty.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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