



SANGDONG MINE OPERATIONAL UPDATE AND SECOND KFW DRAWDOWN RECEIVED

Highlights

- **Torrential rainfall event at Sangdong Tungsten Mine in August with >220mm of rain over three-day period.**
- **Underground mine, all associated underground infrastructure and surface infrastructure completely unaffected.**
- **Mine Development reached significant milestone - enabling further exploration and exploitation.**
- **Receipt of second drawdown amount of US\$4.1 million from KfW-IBEX Bank US\$75.1 million project financing loan facility, as scheduled.**

Toronto – 24 August 2022 - Almonty Industries Inc. (“**Almonty**” or the “**Company**”) (TSX: AII / ASX: AII / OTCQX: ALMTF / Frankfurt: ALI) is pleased to announce an operational and financing update in relation to its Sangdong Tungsten Mine, which is currently under construction in South Korea.

Operational update

Earlier this month, the Sangdong region where the Company’s Sangdong Mine is located in South Korea, was hit by some of the heaviest rain in decades. In the 3 days between the 9 and 11 August 2022, the region experienced rainfall of over 220 mm.

Pleasingly, the entire length of the mine was kept stable and all underground infrastructures such as pumping, power ventilation and compressed air operated normally. All surface related infrastructures as mine support office, power supply network, drainage, waste dump, ore stockpiles, batch plant and subcontractors installations also operated as normal.

Following this significant weather event, a technical audit was undertaken on the infrastructure which concluded no issues with the infrastructure.

Mine development works hit an important milestone in late August, with the hanging wall gallery of -1 Level being reached, which is significant as this will allow further exploration and exploitation works of that extensive ore zone.

Almonty is also pleased to note that the second drawdown from the KfW-IBEX Bank US\$75.1 million project financing loan facility of US\$4.1 million has been received in August. Drawdowns are occurring in line with the project drawdown schedule.

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

We are pleased that the Sangdong Mine infrastructure passed this stress test which is a testament to the quality of the engineering works and studies completed over the several years leading to construction of our world class Sangdong Tungsten Mine.

Further, we are pleased to have successfully reached connection to the -1 Level hanging wall gallery, which represents 55% of our reserves, which occurred in August. This is significant because it enables Almonty access to infrastructure previously constructed which can be re-furbished (such as the drainage gallery, or the vertical shaft) and enables further exploration from this zone.

We are also pleased to have received the second drawdown from our financing partners, KfW-IPEX Bank, under the US\$75.1 million project financing loan facility which brings the total amount received to date to US\$16.9 million, as scheduled.

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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