

28 July 2016

- **Almonty announces Signing of a Binding Letter of Commitment with the Korean Development Bank**
- **Almonty Announces Updated Reserve and Resource Estimate at Sangdong Tungsten Mine**

Further to the Announcement on 27 July 2016 of the recommended amended takeover offer for ATC Alloys Limited by Almonty Industries Inc. (Almonty), please see attached an announcement by Almonty of the signing of a binding letter of commitment with the Korean Development Bank and an updated reserve and resource estimate for the Sangdong Tungsten Mine in South Korea. Almonty, through its wholly-owned subsidiary, Wolfe Mining Corp, owns a 100% interest in the Sangdong Tungsten Mine.

For further information on this project please see Almonty's announcement of 6 January 2016 which can be accessed from Almonty's website at [http://almonty.com/resources/news/nr\\_2016\\_01\\_06C.pdf](http://almonty.com/resources/news/nr_2016_01_06C.pdf).

For further information, please contact:

Patrick Burke  
Chairman  
ATC Alloys Limited

Tel: +61 8 9320 5220  
Email: [info@atcalloys.com](mailto:info@atcalloys.com)

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



**ALMONTY ANNOUNCES THE SIGNING OF A BINDING LETTER OF COMMITMENT WITH  
KDB AND AN UPDATED RESERVE AND RESOURCE ESTIMATE FOR THE SANGDONG  
TUNGSTEN MINE**

**The binding Letter of Commitment with the Korea Development Bank for a term loan facility in the amount of KRW50 billion (CAD\$57.9 million) to be utilized for the build-out of the Sangdong Tungsten Mine.**

**The updated reserve estimate of 7,896,000 tonnes at a grade of 0.45% WO<sub>3</sub> represents an increase in the reserve base of over 78%.**

Toronto, July 26, 2016 – Almonty Industries Inc. (“Almonty” or the “Company”) (TSX-V: AII) today announced that the Credit Committee of the Korean Development Bank (the “**KDB**”), a state owned bank in Korea, has entered into a binding Letter of Commitment (the “**LoC**”) for a six (6) year term loan facility of Korean Won 50.0 billion (CAD \$57.9 million at the prevailing exchange rate as at July 26, 2016) with the KDB (the “**KDB Loan**”).

Following the execution of the binding LoC, a definitive loan agreement will be entered into between the KDB and Almonty and the loan will be drawn-down upon the fulfillment of customary conditions precedent, including but not limited to the execution of an engineering, procurement and construction (“**EPC**”) contract, an offtake agreement and Almonty raising equity or equity-linked facilities constituting the balance of the development cost. The KDB Loan will be used for the underground mine development, construction of the processing plant and infrastructure enabling commercial production to be achieved in the second half of calendar 2018.

Almonty is also pleased to announce an update to the reserve estimate at Sangdong, with an increase of over 1,561,000 contained MTUs of WO<sub>3</sub> based on the completion of additional exploration drilling that was carried out at Sangdong since the mine was acquired by Almonty in September 2015. The original and update reserve and resource estimates are as follows:

	AKT October 31, 2015				AKT July 16, 2016				%Increase
	Tonnes	Avg Grade	Contained WO <sub>3</sub>		Tonnes	Avg Grade	Contained WO <sub>3</sub>		
		WO <sub>3</sub>	Tonnes	MTU		WO <sub>3</sub>	Tonnes	MTU	MTU
<b>Reserves</b>									
Proven & Probable	4,744,000	0.42%	19,920	1,992,000	7,896,000	0.45%	35,530	3,553,000	78.4%
Mineralized Tailings	0	0.00%	0	0	0	0.00%	0	0	
Stockpiles	0	0.00%	0	0	0	0.00%	0	0	
<b>Total</b>	<b>4,744,000</b>	<b>0.42%</b>	<b>19,920</b>	<b>1,992,000</b>	<b>7,896,000</b>	<b>0.45%</b>	<b>35,530</b>	<b>3,553,000</b>	<b>78.4%</b>
<b>Resources ( inclusive of reserves)</b>									
Measured	0	0.00%	0	0	0	0.00%	0	0	
Indicated	5,182,000	0.49%	25,390	2,539,000	8,029,000	0.51%	40,950	4,095,000	61.3%
<b>Total</b>	<b>5,182,000</b>	<b>0.49%</b>	<b>25,390</b>	<b>2,539,000</b>	<b>8,029,000</b>	<b>0.51%</b>	<b>40,950</b>	<b>4,095,000</b>	<b>61.3%</b>
<b>Inferred Mineral resources</b>									
Inferred	52,765,000	0.44%	232,170	23,217,000	50,686,000	0.43%	217,950	21,795,000	-6.1%
<b>Cut-off</b>									
Reserves - max span < 3 metres		0.236% WO <sub>3</sub>				0.28% WO <sub>3</sub>			
Reserves - max span > 3 and < 6 metres		0.28% WO <sub>3</sub>				0.28% WO <sub>3</sub>			
Reserves - max span > 6 metres		0.23% WO <sub>3</sub>				0.23% WO <sub>3</sub>			
Resources		0.15% WO <sub>3</sub>				0.15% WO <sub>3</sub>			
Inferred Resources		0.15% WO <sub>3</sub>				0.15% WO <sub>3</sub>			
Level restriction - reserves down to the -2 level						Level restriction - reserves down to the -6 level			
Resource extends down to -13 level						Resource extends down to -13 level			

Almonty expects to be in a position to file an updated National Instrument 43-101 technical report within 45 days of this announcement.

Lewis Black, President & CEO of Almonty commented “The signing of the binding LoC with the KDB, the leading state-owned strategic financial institution in Korea, represents the culmination of a dedicated effort on the part of Almonty’s team to secure the debt financing component of the capital needed to build out the Sangdong Mine. The financing, arranged by Korea’s most renowned sovereign development bank, represents a significant milestone in expediting the long-awaited development and reopening of the Sangdong Mine. This, combined with the announcement of a 78% increase in reserves of contained MTU of WO<sub>3</sub> further positions the Sangdong Mine as one of the largest, lowest cost and long-life tungsten mines globally.”

### Qualified Persons

The updated reserve and resource estimate of the Sangdong Tungsten Mine Project included in this release was prepared by Adam Wheeler. Mr. Wheeler is an independent Qualified Person for the purposes of National Instrument 43-101 and has prepared and approved the scientific and technical disclosure contained in this news release.

### About Almonty Industries Inc.

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, its Wolfram Camp Mine in north Queensland, Australia and its Panasqueira mine in Portugal as well as the development of the Sangdong tungsten mine in Gangwon Province, Korea and 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 Wolfram Camp Mine was acquired by Almonty in September 2014 and is located approximately 130 kilometres west of Cairns in northern Queensland, Australia and produces tungsten and molybdenum

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 51% of, and has an irrevocable option to acquire a 100% ownership interest in, the Valtreixal tin-tungsten project in northwestern Spain. Further information about Almonty's activities may be found at [www.almonty.com](http://www.almonty.com) and under Almonty's profile at [www.sedar.com](http://www.sedar.com).

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in 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 "expect", "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 including combining these companies. 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 in this news release include, but are not limited to, statements regarding the updated reserve and resource estimate for the Sangdong Tungsten Project, Republic of Korea and material improvements therein, the long-term, low-cost potential of the project; completion of the necessary financing arrangements and the entering into a definitive loan agreement with the KDB and commercial production being achieved in the second half of calendar 2018. The forward-looking statements and information in this press release include expectations and information relating to the intentions of management. Such statements and information reflect the current view of Almonty with respect to risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors and assumptions which may cause actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.*

*Investors are cautioned against attributing undue certainty to forward-looking statements. 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.**

For further information, please contact: Lewis Black, President and CEO of Almonty, at (647) 438-9766.