



Almonty Announces Intention to Relocate to the United States

Toronto – 20 January 2025 – Almonty Industries Inc. (“**Almonty**” or the “**Company**”) (*TSX: AII / ASX: AII / OTCQX: ALMTF / Frankfurt: ALI*) is pleased to announce that the Company is planning to change its jurisdiction of incorporation from Canada to the State of Delaware while maintaining its listings for now on the Toronto Stock Exchange and the Australian Securities Exchange. We refer to this transaction as a “US domestication” in this press release. The US domestication reflects the growing importance of the United States in Almonty’s strategic positioning. With its robust regulatory framework for critical materials like tungsten and molybdenum and the evolving global economic landscape, the United States presents a compelling jurisdiction for our incorporation. The State of Delaware, in particular, was chosen as our new domicile because the Delaware General Corporation Law (“**DGCL**”) expressly accommodates continuances under Section 192 of the *Canada Business Corporations Act* and is recognized for its extensive body of corporate law. Supported by decades of case law in Delaware courts, the DGCL provides well-defined guidance on the duties and obligations of directors and officers, offering legal clarity that is expected to benefit both the Company and its shareholders.

“By changing our base of operations and jurisdiction of incorporation from Canada to the United States, we are aligning our corporate structure with the location of a significant portion of our shareholder base and enhancing our ability to access key US markets,” said Lewis Black, CEO. “This move reinforces our strategic focus on growth and operational agility, ensuring we remain competitive and well-positioned to deliver value to stakeholders in an evolving global landscape. We observed ongoing global tensions with export restrictions in China, import duties by the United States and also restrictions on tungsten from China, Russia, Iran, and North Korea by the US Department of Defense. Amid those rising global tensions, Almonty and its South Korean Sangdong Mine are poised to become a cornerstone for a transparent and reliable Western source of tungsten and molybdenum.”

As global geopolitical tensions evolve and policies in key economies shift to encourage domestic sourcing of critical raw materials, the Company’s management believes that being based in the United States will enhance Almonty’s long-term competitiveness and agility in a dynamic global market.

Reasons for US domestication

With rising global tensions, Almonty Industries carefully evaluated various scenarios and concluded that initiating the US domestication process was the most strategic course of action. The decision was motivated by several key factors:

Starting January 1, 2027, the Department of Defense (“**DoD**”) will implement a final rule under Section 844 of the FY 2021 National Defense Authorization Act (“**NDAA**”) and Section 854 of the FY 2024 NDAA. This rule expands existing restrictions on sourcing critical materials like tungsten, tantalum, and certain magnets from “covered countries,” including Iran, Russia, North Korea and China. These restrictions will prohibit not only the melting and production of such materials in covered countries but also their mining, refining, and separation at any stage of the supply chain. This marks a significant shift, aligning with US

efforts to bolster the domestic industrial base for critical minerals and reduce dependency on adversarial nations.

The rule also tightens exemptions for commercially available off-the-shelf items, reducing flexibility for the private sector in sourcing these critical materials.

Adding to these challenges, the United States announced mid-September 2024 the finalized Section 301 tariff increases on imports from China, further complicating the supply chain landscape for critical materials.

Additionally, since December 2024, China has imposed restrictions on 'dual-use' technologies for civilian and military purposes, specifically targeting the United States and including tungsten, gallium, germanium, and antimony. These restrictions have significantly disrupted global supply chains, amplifying the urgency for Western nations to secure independent sources of critical minerals. China's dominance in critical mineral production, bolstered by subsidies and control over key raw materials from Africa and Latin America, continues to pose challenges for nations reliant on these essential resources for advanced technologies, including semiconductors, defense applications, and clean energy solutions.

The latest Chinese export bans extend to super-hard materials, including tungsten, which is indispensable for weapons manufacturing, cutting tools, and aerospace technologies.

Sangdong Mine is uniquely positioned to address these supply chain challenges. Almonty's development of Sangdong represents a significant step toward reducing reliance on China while contributing to the global effort of "friendshoring" critical minerals. Notably, 45% of Sangdong's potential long-term tungsten output is already committed to the United States through a long-term supply agreement with Global Tungsten & Powders who are based in Pennsylvania.

With production expected to ramp up by mid-2025, Sangdong is poised to serve as a cornerstone for Western tungsten supply chains, ensuring greater stability and security in the face of rising demand and geopolitical uncertainty.

The US domestication plan has been unanimously approved by the Company's Board of Directors and executive management team. This decision underscores the shared confidence in the strategic value of redomiciling to the United States and its alignment with the Company's long-term objectives.

Completion of the US domestication remains subject to court, shareholder and regulatory approvals and compliance with all applicable legal requirements. While every effort is being made to ensure a smooth and timely transition, unforeseen regulatory or operational challenges may impact the timeline. The Company is working closely with authorities and partners to manage all regulatory and operational aspects, with completion of the US domestication expected during the first quarter of 2025. Almonty is committed to keeping stakeholders informed of any developments and acknowledges that the timeline may be influenced by the completion of regulatory reviews and the fulfillment of necessary conditions.

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 northwestern 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.sedarplus.ca.

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 the 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.

Cautionary Note Regarding Forward-Looking Information

Certain information in this press release constitutes forward-looking information. In some cases, but not necessarily in all cases, forward-looking information can be identified by the use of forward-looking terminology such as "may", "will", "plan", "expect", "intend", and "believe" or variations of such words and phrases. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances contain forward-looking information. These statements and information are based on management's beliefs, estimates and opinions on the date the 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, performance or achievements of Almonty to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: environmental, economic and political risks of the jurisdictions in which Almonty will carry on business or have operations; the impact of the US domestication on the Company's listings on the Toronto Stock Exchange and the Australian Securities Exchange and the Company's ability to access US markets; an inability to realize the expected benefits of the US domestication or the occurrence of difficulties in connection with the US domestication; adverse tax consequences in connection with the US domestication for the Company, its operations and its shareholders that may differ from the Company's expectations, including that future changes in tax law and disagreements with tax authorities on the Company's determination of value and computations of its tax attributes may result in increased tax costs; the occurrence of material Canadian federal income tax as a result of the US domestication; the impact of uncertainty associated with the US domestication on the Company's business; direct or indirect costs associated with the US domestication,

which could be greater than expected; and the risk that completion of the US domestication may not occur due to the failure obtain shareholder and/or regulatory approval or otherwise.

Forward-looking statements are based on assumptions management believes to be reasonable based on currently available information, including but not limited to assumptions regarding the timely receipt of shareholder, court and regulatory approvals required to complete the US domestication; potential benefits of the US domestication; expectations regarding the legal and tax implications of the US domestication; and the legislative and regulatory environments of the jurisdictions where Almonty will carry on business or have operations. Although Almonty has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in forward-looking statements, there may be other factors that could cause results, 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, 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.

Almonty cautions that the foregoing list of material risks, uncertainties and other factors is not exhaustive. Forward-looking statements are made as of the date of this press release. Except as required by applicable securities laws, the Company does not undertake any obligation to publicly update any forward-looking statements.

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.