# Deutsche Rohstoff AG: Almonty signs further fixed price contract

02.03.2017 | DGAP

**Strong increase of Panasqueira resources/Quarterly results published**

Mannheim/Toronto. Almonty Industries has announced today that it entered into a fixed price contract for the majority of the production at its Los Santos mine in Spain. The net price to be received under the contract is USD 192.50 per MTU of contained tungsten, equating to an effective APT price of USD 240 per MTU, which is 20% above current spot price. This contract is effective for all material shipped after February 1, 2017.

Almonty also filed an updated NI 43-101 compliant reserve and resource estimate for the Panasqueira tungsten mine in Portugal. The reserve estimate of 1,951,000 tonnes at a grade of 0.20% WO3 represents an increase in the reserve base of over 14% and a 125% increase in inferred resources to 10.3 million tonnes. In addition, Almonty is continuing its test work on the large tailings stock piles at the mine, which has been in operation for over 100 years.

Furthermore, Almonty published unaudited interim consolidated financial statements for the three months ended December 31, 2016. The company generated revenues of CAD 7 million (Three months ended December 31, 2015: CAD 8.2 million). The total loss for the period amounts to CAD 4.5 million (three months ended December 31, 2015: CAD 5.2 million).

Lewis Black, CEO of Almonty commented: "These results are not reflecting of the go-forward cost structure and production profile of Almonty. We determined it was in the best interest of the company to utilize the low pricing environment and carry out extensive pit development at Los Santos that dramatically reduced production during Q1 2017. The cash flow profile of Panasqueira and Los Santos has stabilized during Q2 2017 with the implementation of fixed price contracts. Production at Los Santos has also begun to return to normalized levels and we anticipate producing over 7,800 MTU in the month of March. With 80% of our production now under fixed priced contracts we have stepped away from market pricing which will allow us to strengthen our balance sheet going forward."

Further details and the full releases can be found here: http://www.almonty.com/investors/news/

Mannheim, March 2, 2017

Deutsche Rohstoff identifies, develops and divests attractive resource projects in North America, Australia and Europe. The focus is on the development of oil and gas opportunities within the United States. Metals, such as gold, copper, rare earth elements, tungsten and tin complete our portfolio. For more information please visit www.rohstoff.de.

**Contact:**

Deutsche Rohstoff AG
Thomas Gutschlag, CEO
Tel. +49 0621 490 817 0
info@rohstoff.de