NEW YORK, NY--(Marketwired - August 29, 2017) - Applied Minerals Inc. (the "Company" or "Applied Minerals") (OTCQB: AMNL), a leading global producer of halloysite clay and advanced natural iron oxides, is pleased to announce that it has entered into agreements to amend the terms of its Series A Convertible PIK Notes and Series 2023 Convertible PIK Notes, in conjunction with a financing of $0.9 million that was led by Fimatec, Ltd. ("Fimatec"), one of Japan's leading specialty minerals producers and a strategic distribution partner of the Company focused on sales of DRAGONITE products to the Japanese market.

The Company believes the amendments to the notes will provide it the proper capital structure that will enable the Company to remain focused on supporting its currents customers and converting its growing pipeline of revenue opportunities for both its DRAGONITE „¢ halloysite clay and AMIRON „¢ natural iron oxide products.

Applied Minerals entered into agreements with the holders of its Series A Convertible PIK Notes due November, 2018 and Series 2023 Convertible PIK Notes due August, 2023 to restructure the terms of each series of notes. Upon the approval of an increase in the number of the Company's authorized shares, the maturity date of the Series A Convertible PIK Notes will be extended to May 1, 2023, the interest rates of both series of notes will be reduced from 10% to 3%, the conversion price of the Series A Convertible PIK Notes will be reduced from $0.83 to $0.40 and the conversion price of the Series Convertible PIK 2023 Notes will be reduced from $1.28 to $0.59. Upon the effectiveness of the amendments, each series of notes will still be mandatorily converted into shares of the Company's common stock under certain conditions at the Company's option.

The holders of the Series A Convertible PIK Notes and Series 2023 Convertible PIK Notes, as part of their agreements to amend the terms of their notes, required the Company to raise a minimum of $0.4 million of proceeds through the sale of equity. The Company ultimately raised a total of $0.9 million of cash proceeds from seven investors through the sale of 22,750,000 shares of its common stock and three-year warrants to purchase 5,687,500 shares of its common stock at $0.04 per share. The financing was led by Fimatec, one of Japan's leading specialty minerals producers and a strategic distribution partner of the Company focused on sales of DRAGONITE products to the Japanese market.

According to Andre Zeitoun, President and CEO of Applied Minerals, "We are extremely pleased to have reached this critical agreement with our note holders for the mutual benefit of all stake-holders. We believe that the newly amended terms of the notes will materially improve the Company's capital structure, which facilitated our ability to secure the strategic-led financing. These developments come at a time in which a number of the Company's near-term pipeline opportunities are transitioning to commercial status, which the Company believes will ultimately contribute to an increase in shareholder value."

The Company looks forward to providing stakeholders with further updates regarding its commercial opportunities and, this year, plans to hold its annual shareholder meeting in October rather than December, as it has in previous years.

Odeon Capital acted as an advisor to the Company as part of this transaction.

For additional information, please refer to our Form 8-K filed on August 29, 2017.

About Applied Minerals

Applied Minerals is the leading producer of halloysite clay and advanced natural iron oxide solutions from its wholly owned Dragon Mine property in Utah. Halloysite is aluminosilicate clay that forms naturally occurring nanotubes. In addition to serving the traditional halloysite markets for use in technical ceramics and catalytic applications, the Company has developed niche applications that benefit from the tubular morphology of its halloysite. These applications include carriers of active ingredients in paints, coatings and building materials, environmental remediation, agricultural applications and high-performance additives and fillers for plastic composites. Applied Minerals markets its halloysite products under the DRAGONITE „¢ trade name.

From its Dragon Mine property, the Company also produces a range of ultra-pure natural iron oxides consisting of hematite and goethite. Combining ultra-high purity and consistent quality, the inherent properties of the iron oxide from the Dragon Mine allow for a wide range of end uses in pigment and technical applications. Applied Minerals markets its comprehensive line of advanced natural iron oxide pigments under the AMIRON „¢ trade name. Additional information on the Company can be found at www.appliedminerals.com and www.AMIRONoxides.com.

Safe Harbor Statement

The following are safe harbor statements under the Private Securities Litigation Reform Act of 1995 for Applied Minerals Inc. Some statements contained or implied in this news release may be considered forward-looking statements, which by their nature are uncertain. Consequently, actual results could materially differ. For more detailed information concerning how risks and uncertainties could affect the Company's financial results, please refer to Applied Minerals' most recent filings with the SEC. The Company assumes no obligation to update any forward-looking information.

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