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HYPROMAG TO PARTICIPATE IN INNOVATIVE PROJECT TO DEVELOP THE UK'S FIRST CIRCULAR SUPPLY CHAIN FOR WIND TURBINE RARE EARTH MAGNETS

HIGHLIGHTS:

- HyProMag to participate in grant funded project with European Metal Recycling Limited (EMR), the Offshore Renewable Energy (ORE) Catapult, Magnomatics and University of Birmingham
- Re-RE Wind aims to establish the UK's first circular supply chain for rare earth magnets used in wind turbines:
 - sustainable and safe decommissioning of wind turbine nacelles;
 - applications in a new custom-designed generator;
 - design for recycling; and
 - life cycle and techno-economic assessment.
- The first generation of wind turbines are now nearing their end-of-life, and the Project aims to catalyse a low-carbon decommissioning programme, unlocking a new domestic source of rare earths for the UK
- The Project further cements HyProMag's position as the UK's leading rare earth magnet recycler and underpins plans for scale-up of recycling and magnet manufacturing in the UK

London / Vancouver: September 12, 2023 – Mkango Resources Ltd. (AIM/TSX-V: MKA) (the "Company" or "Mkango") is pleased to announce that HyProMag Limited ("HyProMag") is collaborating with EMR, the Offshore Renewable Energy (ORE) Catapult, Magnomatics and University of Birmingham in a £1.5 million project, Re-RE Wind ("Re-RE Wind" or the "Project"), of which £1.0 million or 67% will be funded by Innovate UK's circular critical materials supply chains (CLIMATES) programme. The budget for HyProMag's portion of the Project is circa £350,000 of which 70% will be funded by the grant. The grant is subject to signature of a collaboration agreement between the parties.

William Dawes, Chief Executive of Mkango stated: *"This Project further cements Mkango's and HyProMag's early mover advantage in the rare earth magnet recycling sector, highlighting its competitive position and strong network of leading industry and academic partners. We look forward to continuing to support HyProMag as it scales up HPMS (Hydrogen Processing of Magnet Scrap) and rolls-out the technology internationally."*

Nick Mann, Operations General Manager of HyProMag stated: *"We are very excited about this innovative project and the opportunity to further develop the UK supply chain for rare earth magnet recycling with the support of Innovate UK and an excellent consortium of project partners."*

"Re-RE Wind will address the hurdles for recycling of permanent magnets from wind turbines, effectively unlocking a new domestic source of rare earths. It further underpins the scale-up of HyProMag's operations in the UK, whilst complementing other Innovate UK supported projects focused on different scrap streams, such as electronic waste and electric vehicle motors, in which HyProMag is participating."

In August this year, Mkango's 90% owned subsidiary, Maginito Limited ("Maginito"), completed the acquisition of HyProMag (www.hypromag.com), which is commercialising rare earth magnet recycling in the UK, Germany (via HyProMag GmbH), United States (in partnership with CoTec Holdings) and other jurisdictions.

HyProMag's HPMS technology, is a homegrown, innovative technology developed at the University of Birmingham, and has major competitive advantages versus other rare magnet recycling technologies, which are largely focused on chemical processes but do not solve the challenges of liberating magnets from end-of-life scrap streams – HPMS provides the solution. HyProMag's company presentation can be viewed via the following link: [HyProMag-Corporate-Introduction-28-July-2023.pdf](#)

About Mkango Resources Ltd.

Mkango's corporate strategy is to develop new sustainable primary and secondary sources of neodymium, praseodymium, dysprosium and terbium to supply accelerating demand from electric vehicles, wind turbines and other clean technologies. This integrated Mine, Refine, Recycle strategy differentiates Mkango from its peers, uniquely positioning the Company in the rare earths sector. Mkango is listed on the AIM and the TSX-V.

Mkango is developing its flagship Songwe Hill rare earths project ("Songwe") in Malawi with a Definitive Feasibility Study completed in July 2022 and an Environmental, Social and Health Impact Assessment approved by the Government of Malawi in January 2023. Malawi is known as "The Warm Heart of Africa", a stable democracy with existing road, rail and power infrastructure, and new infrastructure developments underway.

In parallel, Mkango and Grupa Azoty PULAWY, Poland's leading chemical company and the second largest manufacturer of nitrogen and compound fertilizers in the European Union, have agreed to work together towards development of a rare earth separation plant at Pulawy in Poland (the "Pulawy Separation Plant"). The Pulawy Separation Plant will process the purified mixed rare earth carbonate produced at Songwe Hill.

Through its 90% ownership of Maginito (www.maginito.com), Mkango is also developing green technology opportunities in the rare earths supply chain, encompassing neodymium (NdFeB) magnet recycling as well as innovative rare earth alloy, magnet, and separation technologies.

Following the recent acquisition of HyProMag, Maginito holds a 100% interest in HyProMag focused on short loop rare earth magnet recycling in the UK, a 90% direct and indirect interest (assuming conversion of Maginito's convertible loan) in HyProMag GmbH, a company focused on short loop rare earth magnet recycling in Germany, and a 100% interest in Mkango Rare Earths UK Ltd ("Mkango UK"), a company focused on long loop rare earth magnet recycling in the UK via a chemical route.

A new US subsidiary, to be jointly owned by Maginito and CoTec, will be formed to develop rare earth recycling opportunities in the United States.

Mkango also has an extensive exploration portfolio in Malawi, including the Mchinji rutile exploration project, the Thambani uranium-tantalum-niobium-zircon project and Chimimbe nickel-cobalt project.

For more information, please visit www.mkango.ca

Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR') which has been incorporated into UK law by the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via Regulatory Information Service, this inside information is now considered to be in the public domain.

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements (within the meaning of that term under applicable securities laws) with respect to Mkango and CoTec. Generally, forward looking statements can be identified by the use of words such as "plans", "expects" or "is expected to", "scheduled", "estimates" "intends", "anticipates", "believes",

or variations of such words and phrases, or statements that certain actions, events or results “can”, “may”, “could”, “would”, “should”, “might” or “will”, occur or be achieved, or the negative connotations thereof. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. Such factors and risks include, without limiting the foregoing, the availability of (or delays in obtaining) financing to develop Songwe Hill, the Tyseley Recycling Plant, the HyProMag GmbH Recycling Plant, the Mkango UK Pilot Plant, the Pulawy Separation Plant, governmental action and other market effects on global demand and pricing for the metals and associated downstream products for which Mkango is exploring, researching and developing, geological, technical and regulatory matters relating to the development of Songwe Hill, the ability to scale the HPMS and chemical recycling technologies to commercial scale, competitors having greater financial capability and effective competing technologies in the recycling and separation business of Maginito and Mkango, availability of scrap supplies for Maginito’s recycling activities, government regulation (including the impact of environmental and other regulations) on and the economics in relation to recycling and the development of the Tyseley Recycling Plant, the HyProMag GmbH Recycling Plant, the Mkango UK Pilot Plant, the Pulawy Separation Plant and future investments in the United States pursuant to the proposed cooperation agreement between Maginito and CoTec, the outcome and timing of the completion of the feasibility studies, cost overruns, complexities in building and operating the plants, and the positive results of feasibility studies on the various proposed aspects of Mkango’s, Maginito’s and CoTec’s activities. The forward-looking statements contained in this news release are made as of the date of this news release. Except as required by law, the Company and CoTec disclaim any intention and assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. Additionally, the Company and CoTec undertake no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.

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