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COTEC COMPLETES CONVERSION OF £2M MKANGO LOAN NOTE TO INCREASE EQUITY POSITION IN MAGINITO FROM 10 PER CENT TO 20.6 PER CENT

London / Vancouver: October 2, 2023– CoTec Holdings Corp. (TSXV: CTH; OTCQB: CTHCF) (“CoTec”) and Mkango Resources Ltd. (AIM/TSX-V: MKA) (“Mkango”) are pleased to announce that CoTec has converted its £2 million convertible loan note in Mkango into additional shares of Mkango’s subsidiary Maginito Ltd. (“Maginito”). As a result of the conversion, CoTec’s equity position in Maginito has increased from 10 per cent to 20.6 per cent. Maginito owns 100% of HyProMag Limited (“HyProMag”).

In February 2023, CoTec and Maginito entered into a co-operation agreement in relation to rare earth element (“REE”) opportunities in the United States. In early September 2023, CoTec and Mkango entered into a binding letter agreement pursuant to which they have agreed to form a 50:50 joint venture (the "Joint Venture") to pursue the roll-out of HyProMag's innovative rare earth magnet recycling technology in the United States. If the Joint Venture proceeds with the construction of the US Project, CoTec will also be responsible for funding all the development costs of the US Project, with a total expected funding of £30 million to £50 million during the first three years post completion of the Feasibility Study, subject to results of the Feasibility Study. All funding provided by CoTec would be in the form of shareholder loans. CoTec and Mkango also expect that the Joint Venture will seek US government funding for the US Project.

HyProMag’s patented Hydrogen Processing of Magnet Scrap technology (“HPMS”) enables the recovery and recycling of rare earth magnets embedded in scrap sources such as electronic waste, electric motors and wind turbines using 88% less energy versus primary mining to separation to metal alloy to magnet production. HyProMag has the added capability to then remanufacture the recovered material into rare earth magnets with a significantly reduced carbon footprint. The HPMS technology, developed at the University of Birmingham, UK and licensed by HyProMag, has benefited from approximately \$100 million in research and development funding.

As announced on 14 September 2023, the roll-out of the HyProMag technology in the US is continuing with ongoing scoping studies ahead of the commencement of the feasibility study. Discussions with the US Government, potential customers and recycling partners have commenced and are ongoing. The US roll-out will be completed in parallel with UK and German based developments and is expected to benefit from operational experience and production ramp-up in the UK and Germany. First production is expected in the UK in 2023 and in Germany in 2024. Revenue from the US operation is targeted for 2025/2026.

Julian Treger, CoTec CEO commented: *“With the Maginito conversion completed our focus will be the operational roll out of the HyProMag technology in the United States. This conversion simplifies our investment structure in the exciting and revolutionary HyProMag technology to a 20.6% equity interest in Maginito and a direct 50% interest in the US operations.”*

“The Maginito investment is an example of the CoTec business model of acquiring minority positions in disruptive technology combined with joint venture participation at an operational level. It also allows CoTec to commence, together with its other operational opportunities, its transition from a technology investment company to resource producer.”

Will Dawes, Mkango CEO commented; *“We view the completion of CoTec’s conversion as an endorsement of the implied value inherent in Maginito and specifically the proprietary HPMS technology that has potential to unlock a significant opportunity in the US market. We look forward to working with CoTec and HyProMag as we focus on the operational roll out of the technology and move into the next phase of growth.”*

About Maginito

Maginito is a UK based company owned, following the conversion, as to 79.4 per cent by Mkango and 20.6 per cent by CoTec. It is focused on 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.

Maginito holds a 100 per cent interest in HyProMag and a 90 per cent direct and indirect interest (assuming conversion of Maginito’s €2.5 million (approximately C\$3.6 million) convertible loan) in HyProMag GmbH, focused on short loop rare earth magnet recycling in the UK and Germany, and a 100 per cent 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.

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 Mkango in the rare earths sector. Mkango is listed on the AIM and the TSX Venture Exchange (“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.

In parallel, Mkango and Grupa Azoty PULAWY, Poland's leading chemical producer have agreed to work together towards development of a rare earth separation plant at Pulawy in Poland (the “Pulawy Separation Plant”) to process the purified mixed rare earth carbonate produced at Songwe Hill.

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

About CoTec Holdings Corp.

CoTec is a publicly traded investment issuer listed on the TSX- V and the OTCQB and trades under the symbol CTH and CTHCF respectively. CoTec is an environment, social, and governance (“ESG”)-focused company investing in innovative technologies that have the potential to fundamentally change the way metals and minerals can be extracted and processed for the purpose of applying those technologies to undervalued operating assets and recycling opportunities, as CoTec transitions into a mid-tier mineral resource producer.

CoTec is committed to supporting the transition to a lower carbon future for the extraction industry, a sector on the cusp of a green revolution as it embraces technology and innovation. CoTec has made four investments to date and is actively pursuing operating opportunities where current technology investments could be deployed.

For more information, please visit www.cotec.ca.

Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by CoTec and Mkango 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, including their expectations with respect to the timing and benefits of the Joint Venture. Generally, forward looking statements can be identified by the use of words such as “plans”, “expects” or “is expected to”, “scheduled”, “targeted for”, “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, the positive results of feasibility studies on the various proposed aspects of Mkango’s, Maginito’s and CoTec’s activities, and those risks set out in CoTec’s and Mkango’s public documents filed on SEDARplus. The forward-looking statements contained in this news release are made as of the date of this news release. Except as required by law, Mkango 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, Mkango 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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The TSX Venture Exchange has neither approved nor disapproved the contents of this press release. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any equity or other securities of CoTec or Mkango in the United States. The securities of CoTec and Mkango will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") and may not be offered or sold within the United States to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act.