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HYPROMAG'S RARE EARTH MAGNET RECYCLING TECHNOLOGY SELECTED AS A MINERALS SECURITY PARTNERSHIP PROJECT

London / Vancouver: October 11, 2023 – Mkango Resources Ltd. (AIM/TSX-V: MKA) (“Mkango”) and CoTec Holdings Corp. (TSXV: CTH; OTCQB: CTHCF) (“CoTec”) are pleased to announce that HyProMag Ltd’s (“HyProMag”) rare earth magnet recycling technology has been selected by the Minerals Security Partnership (“MSP”) for support as one of its key projects. The technology was selected by the MSP because the MSP determined its strong potential to contribute towards the development of responsible critical mineral supply chains.

The MSP was formed in 2022 by 14 governments and aims to ensure adequate supplies of minerals such as rare earths to meet net zero-carbon goals. It aims to support public and private sector investments building diverse, secure, and responsible global critical minerals supply chains.

Partner governments includes the United Kingdom, the United States, Australia, Canada, Finland, France, Germany, Japan, India, the Republic of Korea, Norway, Sweden and the European Union.

The MSP promotes responsible growth across the critical minerals sector via a shared commitment to high environmental, social, and governance (“ESG”) standards, sustainability and shared prosperity. The MSP partner governments regard the further development of responsible and resilient supply chains to be critically important for an equitable and sustainable energy transition.

As MSP announced today, the MSP is committed to leveraging the collective financial and diplomatic resources of its 14 partners by deepening collaboration between governments, project developers and investors to drive responsible investment in critical minerals projects.

HyProMag utilises hydrogen to recycle rare earth magnets vital for the global energy transition by liberating them from end-of-life scrap.

[MSP UK Government announcement](#)

Julian Treger, CoTec CEO commented: *“This exciting development is a strong validation of HyProMag’s REE recycling technology and further demonstrates its attractiveness and potential, both from a strategic and commercial perspective.”*

“CoTec’s strategy is to align its technologies and assets with the UN Sustainable Development Goals and its involvement with HyProMag is just one example of how we strive to achieve this goal. CoTec and Mkango are looking forward to working with the MSP to expedite the roll out of the technology. The MSP provides a key platform from

which strategically aligned governments and companies can commercialise new proven technologies as part of the energy transition towards a low carbon and sustainable future”.

Will Dawes, Mkango CEO commented; *“HyProMag is one of only 17 projects selected across the entire critical minerals sector to receive support from the MSP.*

“We see this as a significant endorsement of the technology, which can make a substantial impact in unlocking the supply chain for rare earth magnet recycling from end-of-life products and enabling the production of rare earth alloys and magnets with a significantly reduced carbon footprint.”

HyProMag

HyProMag Ltd is commercialising rare earth magnet recycling using Hydrogen Processing of Magnet Scrap (HPMS) technology, which can liberate and recycle magnets from end-of-life scrap.

HPMS technology was developed at the University of Birmingham, underpinned by approximately US\$100 million of research and development funding, and has major competitive advantages versus other rare earth 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 Presentation](#)

Having commissioned the UK’s first rare earth magnet recycling pilot plant at the University of Birmingham in 2022, alongside the UK’s only facility to make sintered rare earth magnets, HyProMag, together with the University of Birmingham, are developing a large-scale recycling plant at Tyseley Energy Park, Birmingham, with first production by the end of this year and supported with funding from UK Research and Innovation. Investment from Mkango Resources in 2020 helped scale-up and catalyse international growth initiatives, including in Germany, where HyProMag has established a sister company, HyProMag GmbH, and in the U.S. through a new Maginito-CoTec 50:50 joint venture company, with evaluation of other jurisdictions underway. Maginito (79.4% Mkango; 20.6% CoTec) acquired HyProMag in 2023.

In line with MSP’s commitment to recycling and reuse, the development of new sources of recycled rare earths can accelerate development of sustainable and competitive rare earth magnet production.

Maginito

Maginito is a UK based Company owned 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 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 the Company in the rare earths sector. Mkango is listed on the AIM and the TSX-V.

Mkango is developing its 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.

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 Venture Exchange and the OTCQB and trades under the symbol CTH and CTHCF respectively. The Company is focused on investing in innovative technologies which 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 the Company 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. The Company 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 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, including their plans to proceed with the roll-out of HyProMag's rare earth magnet recycling technology into the United States by way of a new joint venture and the anticipated structure, costs and benefits of that joint venture. 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 HyProMag US's operations, 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, 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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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.