



MKANGO RESOURCES LTD.
706 27 Avenue NW,
Calgary, Alberta T2M 2J3

Nickel - Cobalt Exploration Licence Granted in Malawi

London / Calgary: November 29, 2017 - Mkango Resources Ltd. (AIM/TSX-V: MKA) (the "**Company**" or "**Mkango**") is pleased to announce that it has been granted an Exclusive Prospecting Licence (EPL0475/17) (the "Chimimbe Hill" licence) covering the Chimimbe Hill nickel – cobalt deposit and other targets in Mchinji district, central Malawi.

Highlights

- The Chimimbe Hill licence covers an area of 98.48 sq km and features laterite and saprolite hosted nickel, cobalt, chrome and other mineralisation
- Significant historical exploration has been completed, including pitting, drilling and metallurgical test work
- Magnetic anomalies in the licence area indicate exploration potential for additional nickel – cobalt mineralisation

Mkango will re-evaluate the Chimimbe Hill deposit in the context of geophysical data produced by the recent World Bank airborne geophysical survey of Malawi, recent infrastructure developments in the region, potential synergies with the Company's Songwe Hill rare earths project and Thambani uranium-tantalum-niobium project, both in Malawi, options relating to sulphuric acid and / or alternative reagents supply, potential by-products, as well as opportunities to produce nickel and cobalt products for the battery electric vehicle market.

The evaluation of the licence will be funded from the Company's existing working capital, which totaled US\$869,479 as at September 30, 2017. Subsequently, Mkango announced the receipt of £241,995 (US\$320,135) from the exercise of warrants.

Alexander Lemon, President of Mkango, said: "We are delighted to have been granted the Chimimbe Hill nickel – cobalt exploration licence, which is consistent with our strategy to target raw materials and technologies geared to accelerating growth in the electric vehicle market. Both nickel and cobalt are increasingly in demand as cathode materials for batteries in electric vehicles. This new licence, when combined with the Songwe Hill rare earths project and our collaboration with Metalysis on neodymium alloys for permanent magnets, positions Mkango as a potential future supplier of the critical raw materials used in both batteries and permanent magnet motors in electric vehicles.

We are commencing a full historical data review for Chimimbe Hill, including an evaluation of exploration potential from recent geophysics, and look forward to updating shareholders on this new licence and the recently announced transaction with Talaxis in due course."

Chimimbe Hill Exploration Licence

The Chimimbe Hill licence has been granted for the exploration of nickel, cobalt, graphite, chrome and other minerals and covers an area of 98.48 sq km in the Mchinji district of Central Malawi. The licence is initially

awarded for a 3-year term, after which it can be renewed twice for further two-year periods with a 50% reduction in the licence size required with each renewal. The Chimimbe Hill area was selected following comprehensive in-house analysis of available datasets. These included geological maps, historic mineral occurrences, remote sensing data and satellite imagery. A nickel anomaly was first identified by the Malawian Geological Survey in 1968.

Chimimbe Hill is a prominent northerly trending elongate feature, measuring 1200 metres by 500 metres and rising 140 metres above the surrounding plain. Located in Mchiniji district, approximately 80km west of Lilongwe, Malawi's capital city, Chimimbe Hill is underlain by a deformed and metamorphosed ultramafic body associated with high grade metamorphic rocks of the Mozambique mobile belt.

Scientific and technical information contained in this release has been approved and verified by Dr. Scott Swinden of Swinden Geoscience Consultants Ltd, who is a "Qualified Person" in accordance with National Instrument 43-101 -Standards of Disclosure for Mineral Projects.

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

About Mkango Resources Limited

Mkango's primary business is the exploration for rare earth elements and associated minerals in the Republic of Malawi, a country whose hospitable people have earned it a reputation as “the warm heart of Africa”. The Company holds three exclusive prospecting licenses in Malawi, the Phalombe licence, the Thambani licence and the Chimimbe Hill licence.

The main exploration target in the Phalombe licence is the Songwe Hill rare earths' deposit (“Songwe”), which features carbonatite hosted rare earth mineralisation and was subject to previous exploration in the late 1980s. Mkango completed an updated Pre-feasibility Study for the project in November 2015.

In November 2017, Mkango entered into an agreement with Talaxis Limited (“Talaxis”), a wholly owned subsidiary of Noble Group Limited, whereby, subject to regulatory approval, Talaxis will fully fund a bankable feasibility study for Songwe by investing £12 million (C\$20 million) for a 49% interest in the project. Talaxis will also have the option to acquire a further 26% interest in the project by arranging funding for project development.

In addition, by investing a further £2 million (C\$3.3 million), Talaxis may acquire a 49% interest in a new venture to be established by Mkango focused on neodymium alloy powders, magnet and other technologies. This includes the collaboration with Metalysis Ltd announced in September 2017, which is focused on advanced alloys using neodymium or praseodymium with other elements for permanent magnet manufacturing.

Permanent magnets are critical materials for most electric vehicles, direct drive wind turbines and many other high growth applications. Neodymium is a key rare earth component at Songwe.

Talaxis and Mkango have also agreed to cooperate as preferred partners on rare earths projects worldwide and on other projects in Malawi.

The main exploration targets of Mkango's remaining two licences are, in the Thambani licence, uranium, niobium, tantalum and zircon and, in the Chimimbe Hill licence, nickel and cobalt.

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

Cautionary Note Regarding Forward-Looking Statements

This news release may contain forward-looking statements. 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, delays in obtaining financing or governmental or stock exchange approvals. The forward-looking statements contained in this press release are made as of the date of this press release. Except as required by law, the Company disclaims any intention and assumes 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 undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.

For further information on Mkango, please contact:

Mkango Resources Limited

William Dawes

Chief Executive Officer

will@mkango.ca

Canada: +1 403 444 5979

www.mkango.ca

@MkangoResources

Alexander Lemon

President

alex@mkango.ca

Blytheweigh

Financial Public Relations

Tim Blythe, Camilla Horsfall, Nick Elwes

UK: +44 207 138 3204

SP Angel Corporate Finance LLP

Nominated Adviser and Broker

Jeff Keating , Caroline Rowe

UK: +44 20 3470 0470

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