



Mkango Granted New 869 km(2) Exclusive Prospecting Licence in Malawi

LONDON and VANCOUVER, British Columbia, July 04, 2019 -- Mkango Resources Ltd. (AIM/TSX-V: MKA) (the "Company" or "Mkango"), is pleased to announce that it has been granted a new Exclusive Prospecting License (EPL0544/19) (the "Mchinji" license) in Mchinji district, central Malawi.

Highlights

The Mchinji licence covers an area of 868.69 km² and is adjacent to licences with known mineral potential including the Company's Chimimbe Hill nickel-cobalt licence to the south.

Mkango will evaluate all historical data over the Mchinji licence area for exploration targets in the context of geophysical data produced by a countrywide airborne survey completed by the World Bank in 2016. Exploration will focus on nickel-cobalt, gold, base metals, and graphite.

The evaluation of the licence will be funded from the Company's existing working capital.

Alexander Lemon, President of Mkango, said: "We are delighted to have been granted the Mchinji exploration licence, which strengthens the Company's strategic licence position in Malawi. We are commencing a full historical data review to identify exploration targets, and look forward to updating shareholders on this new licence in due course."

Mchinji Exploration Licence

The Mchinji licence has been granted for the exploration of nickel, cobalt, gold, base metals, graphite, Platinum Group Metals, ilmenite, vanadium, chrome, uranium, rare earth elements and other minerals. The licence is initially awarded for a three-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.

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.

The feasibility study for the Songwe Hill Rare Earths project continues in parallel, fully funded by strategic partner, Talaxis Limited, a subsidiary of Noble Group.

For more information, please visit www.mkango.ca

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement may 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 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 interests in four exclusive prospecting licences in Malawi: the Phalombe licence, the Thambani licence, the Chimimbe Hill and Mchinji licences.

The main exploration target in the 51% held Phalombe licence is the Songwe Hill rare earths deposit. This 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 and a Feasibility Study is currently underway, the initial phases of which included a 10,900 metre drilling programme and an updated mineral resource estimate, announced in February 2019. In March 2019, the Company announced receipt of a £7 million (C\$12.3 million) investment from Talaxis to fund completion of the Feasibility Study. Following completion of the Feasibility Study, Talaxis has an option to acquire a further 26% interest in Songwe by arranging financing for project development including funding the equity component thereof.

The main exploration targets in Mkango's remaining two 100% held 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 contains forward-looking statements (within the meaning of that term under applicable securities laws) with respect to Mkango, its business and the Project. Generally, forward looking statements can be identified by the use of words such as “plans”, “expects” or “is expected”, “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. Forward looking statements in this news release include statements with respect to the global market for products using the rare earth metals the Company is exploring for, completion of the feasibility study and of the transactions contemplated in the agreement with Talaxis, as well as the use of proceeds from the investments into the Company by Talaxis and the timing of such expenditures. 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, market demand for the metals and associated downstream products for which Mkango is exploring, researching and developing, the positive results of a feasibility study on the Project, delays in obtaining financing or governmental or stock exchange approvals. 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 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.

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This press release does not constitute an offer to sell or a solicitation of an offer to buy any equity or other securities of the Company in the United States. The securities of the Company 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.

A map accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/1b756854-9dbd-4726-a80e-7b081eae5136>