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UK MINISTER FOR INDUSTRY OFFICIALLY OPENS RARE EARTH MAGNET RECYCLING AND MANUFACTURING FACILITY AT TYSELEY ENERGY PARK, BIRMINGHAM

London / Vancouver: January 15, 2025 – Mkango Resources Ltd. (AIM/TSX-V: MKA) (“Mkango”) is pleased to announce the official launch of the rare earth magnet facility today at Tyseley Energy Park (the “Facility”). The Facility has been developed by the Magnetic Materials Group (“MMG”) at the University of Birmingham and constructed and commissioned alongside HyProMag Limited (“HyProMag”). The University of Birmingham and HyProMag today host the opening of the Facility for separating and recycling rare earth magnets using the patented Hydrogen Processing of Magnet Scrap (“HPMS”) technology, licensed exclusively to HyProMag. The Facility will be officially opened by Chris McDonald MP, Minister for Industry in the Department for Energy Security and Net Zero and the Department for Business and Trade.

The Facility at Tyseley Energy Park has enabled the first commercial rare earth magnet production in the UK in 25 years – making it a key enabler of UK Government’s November 2025 Critical Minerals Strategy which sets targets for the UK to meet 10% of annual critical mineral demand by domestic sources, and 20% to be met through recycling by 2035.

The Facility is the only commercial scale rare earth sintered magnet manufacturing facility in the UK. HyProMag has successfully operated the Facility as the industrial partner, utilising the HPMS technology to produce a recycled NdFeB alloy powder, as well as having produced recycled NdFeB sintered magnet blocks utilising the recycled alloy powder. The Facility can recover over 400kg of rare earth alloy per batch utilising the HPMS reactor and can produce new sintered magnets from the recycled rare earth alloy at a capacity of 100 tonnes per annum on a single shift, and over 300 tonnes per annum on multiple shifts. Rare earth elements are amongst the key critical minerals featured in the UK’s Critical Minerals Strategy, with their main commercial use being in rare earth permanent magnets. These magnets are required in electric vehicle traction motors and wind turbine generators, and they are also a key component in electronic devices including mobile phones, hard disk drives and loudspeakers, as well as being utilised in critical sectors such as aerospace and defence.

William Dawes, Chief Executive of Mkango and Director of HyProMag commented: *“This is a landmark achievement and transformational for rare earth supply chains, bringing back magnet manufacturing to the UK after 25 years and is underpinned by a home-grown technology, HPMS, that not only delivers a cost advantage, but has a minimal carbon footprint. Since Mkango’s first investment in HyProMag in 2020 and HyProMag UK’s ongoing collaboration with the University of Birmingham as the commercial partner and exclusive licensee, it is fantastic to see HPMS technology progress to commercialisation with the support of Innovate UK and ongoing collaboration with the University of Birmingham and is a credit to the vision and determination of everyone involved. This*

development provides a strong platform for further scale-up in the UK and international roll-out, already underway in Germany and the USA, with other countries being assessed for further expansion.”

Nick Mann, Managing Director of HyProMag Ltd commented: “Since 2020 HyProMag has been working closely with the University of Birmingham’s Magnetic Materials Group to further develop and commercialise their patented recycling technology. Hydrogen Processing of Magnet Scrap, exclusively licenced to HyProMag, gives us the method to extract magnets from end of life applications and recycle them into new magnets in a commercially viable and very low carbon process. Expansion of equipment and knowledge keeps pushing the boundaries of what we are achieving and this commercial scale facility at Tyseley is no exception, with results achieved in our commercial runs already exceeding results at the pilot facility. HyProMag are well placed to maximise this opportunity and further develop magnet supply opportunities both in the UK and overseas. Our expanding team is excited by this next phase of our development.”

Allan Walton, Head of the Magnetic Materials Group at the University of Birmingham and Founding Director of HyProMag Ltd, commented: “The first use of hydrogen for recycling of magnets was proposed by the late Emeritus Professor Rex Harris who started the recycling activities in the group over 20 years ago. Since that time, the group has scaled multiple processes to sense, sort, extract, purify, and recycle rare earth magnets. This has only been possible because of the commitment of the highly skilled team within the MMG and due to the large interdisciplinary projects the group has taken part in across the rare earth value chain.”

HyProMag Ltd is the main industrial partner for the project and the exclusive HPMS licensee. HyProMag is 100% owned by Maginito Limited (“Maginito”), which is 79.4% owned by Mkango and 20.6% owned by CoTec Holdings (“CoTec”).

In parallel with development of the UK Facility, HyProMag is rolling out HPMS technology into Germany and the USA, and is also evaluating other jurisdictions including Japan, Canada and South Korea. In Germany, HyProMag GmbH (“HyProMag Germany”) is constructing a rare earth magnet recycling and manufacturing plant at Pforzheim (the “Pforzheim Plant”).

Maginito and CoTec are also rolling out HPMS recycling technology into the United States via the 50/50 owned HyProMag USA LLC joint venture company. HyProMag USA LLC (“HyProMag USA”) completed a feasibility study in 2024 for a rare earth magnet recycling and manufacturing operation in USA, with the HyProMag USA’s first facility to be located at the Ironhead Commerce Center, Dallas-Fort Worth, Denton County, Texas (the “Texas Hub”) with detailed engineering currently underway and first production targeted for mid-2027. The Texas Hub 2025 Detailed Design base case was based on operating three Hydrogen Processing of Magnet Scrap (“HPMS”) vessels, with a post-tax Net Present Value (“NPV”) applying a 7% discount rate of \$409 million based on current market prices, and a post-tax NPV of \$780 million based on forecast prices. In addition to the Texas Hub, HyProMag USA has also announced the completion of expansion concept studies and the commencement of pre-feasibility studies for HyProMag USA’s Plants located in South Carolina and Nevada, marking a significant step toward tripling its domestic manufacturing capacity by 2029.

About Mkango Resources Ltd.

Mkango is listed on the AIM and the TSX-V Stock Exchanges. Mkango’s corporate strategy is to become a market leader in the production of recycled rare earth magnets, alloys and oxides, through its interest in Maginito, which is owned 79.4 per cent by Mkango and 20.6 per cent by CoTec, and to develop new sustainable sources of neodymium, praseodymium, dysprosium and terbium to supply accelerating demand from electric vehicles, wind turbines and other clean energy technologies.

Maginito holds a 100 per cent interest in HyProMag Limited 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, respectively, and a 100 per cent interest in Mkango Rare Earths UK Ltd ("Mkango UK"), focused on long loop rare earth magnet recycling in the UK via a chemical route.

Maginito and CoTec are also rolling out HPMS recycling technology into the United States via the 50/50 owned HyProMag USA LLC joint venture company.

Mkango also owns the advanced stage Songwe Hill rare earths project in Malawi ("Songwe") and the Pulawy rare earths separation project in Poland ("Pulawy"). Both the Songwe and Pulawy projects have been selected as Strategic Projects under the European Union Critical Raw Materials Act. Mkango has signed a Business Combination Agreement with Crown PropTech Acquisitions to list the Songwe Hill and Pulawy rare earths projects on NASDAQ via a SPAC Merger under the name Mkango Rare Earths Limited.

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. Generally, forward looking statements can be identified by the use of words such as "targeted", "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, and the various recycling plants in the UK, Germany and the US as well as the separation plant in Poland, 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 various recycling plants in the UK, Germany and the US as well as the separation plant in Poland, 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 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 various recycling and separation plants of Mkango and Maginito and future investments in the United States pursuant to the 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 disclaims 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 undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.

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 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.

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