MKANGO RESOURCES

Raw Materials and Technology for the CleanTech Revolution

AIM / TSX-V: MKA

Rare Earths

Future Innovation

NOVEMBER 2017

This presentation (the "Presentation") has been prepared by Mkango Resources Ltd (the "Company" or "Mkango") solely for its use at informational meetings relating to it or is being delivered for information purposes only to a limited number of persons. By attending the meeting where this Presentation is made, or by reading the presentation slides, you agree to be bound by the following limitations.

This Presentation does not constitute or form part of any offer for sale or solicitation of any offer to buy or subscribe for any securities nor shall it or any part of it form the basis of or be relied on in connection with, or act as any inducement to enter into, any contract or commitment whatsoever. This Presentation is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities referred to in this document. Recipients of this Presentation who are considering acquiring securities of the Company are referred to the entire body of publicly disclosed information regarding the Company. No securities commission has reviewed this Presentation nor passed on the merits of the securities referred to herein and it is an offense to represent otherwise. No liability whatsoever is accepted for any loss however arising from any use of this Presentation or its contents or otherwise in connection with the acquisition of securities of the Company.

The information contained in this Presentation does not purport to be all-inclusive or to contain all the information that an investor may desire to have in evaluating whether or not to make an investment in the Company. The information is qualified entirely by reference to the Company's publicly disclosed information.

No representation or warranty, express or implied, is made or given by or on behalf of the Company nor its shareholders, directors, officers, agents, advisors or employees of any such entities as to the accuracy, completeness, accuracy, reliability or fairness of the information or opinions contained in this Presentation and no responsibility or liability is accepted by any person for such information or opinions or any revision thereof, or of any other written or oral information made or to be made available to any interested party or its advisers (all such information being referred to as "Information") and liability therefore is expressly disclaimed. Accordingly, neither the Company nor any of its shareholders, directors, officers, agents, employees or advisers take any responsibility for, or will accept any liability whether direct or indirect, express or implied, contractual, tortuous, statutory or otherwise, in respect of the accuracy or completeness of the Information or for any of the opinions contained herein or for any errors, omissions or misstatements or for any loss, howsoever arising from the use of this Presentation. In furnishing this Presentation, the Company does not undertake or agree to any obligation to provide the attendees with access to any additional information or to update this Presentation or to correct any inaccuracies in, or omissions from, this Presentation that may become apparent. The information and opinions contained in this Presentation are provided as at the date of this Presentation. The contents of this Presentation are not to be construed as legal, financial or tax advice. Each prospective investor should contact his, her or its own legal adviser, independent financial adviser or tax adviser for legal, financial or tax advice. Past performance of the Company or its shares cannot be relied on as a guide to future performance. This Presentation does not constitute, or form part of or contain any invitation or offer to any person to underwrite, subscribe for, otherwise acquire, or dispose of any securities in the Company or advise persons to do so in any jurisdiction, nor shall it, or any part of it, form the basis of or be relied on in connection with or act as an inducement to enter into any contract or commitment therefore. This Presentation does not constitute a recommendation regarding the securities of the Company. No reliance may be placed for any purpose whatsoever on the information or opinions contained in this Presentation or on its completeness and no liability whatsoever is accepted for any loss howsoever arising from any use of this Presentation or its contents or otherwise in connection therewith.

Dr Scott Swinden of Swinden Geoscience Consultants Ltd is a qualified person for purposes of Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Dr Swinden has approved and verified the scientific and technical information in this presentation related to the Mineral Resource estimate and Thambani Project. The Mineral Reserve calculation contained in this Presentation was completed by The MSA Group (Pty) Ltd. under the supervision of Clive Brown, who is a "Qualified Person" in accordance with NI 43-101. The process design and cost estimation for the integrated processing plant and the infrastructure associated with the integrated processing plant for the Pre-feasibility Study (the "Study") was completed by SNC-Lavalin (Pty) Ltd. under the supervision of Nick Dempers and Craig de Jager, respectively, each of whom are a "Qualified Person" in accordance with NI 43-101.

A complete description of technical and scientific information related to the Songwe Hill project is contained in (i) the report titled "NI 43-101 Technical Report and Mineral Resource Estimate for the Songwe Hill Rare Earth Element (REE) Project, Phalombe District, Republic of Malawi", dated November 22, 2012 and authored by Scott Swinden, PhD, P.Geo and Michael Hall, Pr.Sci.Nat., MAusIMM (the "Technical Report"), which has been filed and is available at www.sedar.com; (ii) the NI 43-101 compliant Technical Report in respect of the results of the Study described herein being prepared by The MSA Group (Pty) Ltd. under the guidance of Rob Croll, Principal Consultant for The MSA

Group (Pty) Ltd., who is a "Qualified Person" in accordance with NI 43-101 and which was filed at www.sedar.com on December 1st 2015. All of the Qualified Persons referred to above are independent of the Company.

Certain disclosures contained in or incorporated by reference into this presentation constitute forward-looking statements or forward-looking information. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements or forward-looking information. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "believes", "budget", "continue", "could", "estimate", "forecast", "intends", "may", "plan", "predicts", "projects", "should", "will" and other similar expressions. All estimates and statements that describe the Company's future, goals, or objectives, including management's assessment of future plans and operations, may constitute forward-looking information under securities laws.

By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond Mkango's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, changes in environmental, tax and royalty legislation, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility, and ability to access sufficient capital from internal and external sources and those risk factors identified in the Company's publicly filed disclosure documents available at www.sedar.com. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements or forward-looking information. Mkango's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements or if any of them do so, what benefits that Mkango will derive therefrom. Mkango disclaims any intention or obligation to update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

This presentation may contain forward-looking statements, including 'forward-looking statements' within the meaning of the United States Private Securities Litigation Reform Act of 1995. Words such as 'expects', 'anticipates', 'intends' or the negative of these terms and other similar expressions of future performance or results, and their negatives are intended to identify such forward-looking statements. These forward looking statements are made as of the date hereof and are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Company. They are not historical facts, nor are they guarantees of future performance. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Nothing in this Presentation or in documents referred to in it should be considered as a profit forecast and Mkango's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

The delivery or distribution of this Presentation in or to persons in certain jurisdictions may be restricted by law and persons into whose possession this Presentation comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of the relevant jurisdiction.

The content of this Presentation has not been approved by an authorised person within the meaning of the United Kingdom Financial Services and Markets Act 2000 ("FSMA") and accordingly it is being delivered in the United Kingdom only to persons to whom this Presentation may be delivered without contravening the financial promotion prohibition in Section 21 of the FSMA. Those persons are described in the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("Order") and include persons who have professional experience in matters relating to investments and who fall within the category of person set out in the Article 19 (investment professionals) of the Order or high net worth bodies corporate, unincorporated associations or partnerships and trustees of high net worth trusts as described in Article 49 of the Order.

Any investment activity to which this Presentation relates in the United Kingdom is available to, and will only be engaged with such relevant persons and this Presentation should not be acted or relied upon in the United Kingdom by persons of any other description. This Presentation has not been approved as a prospectus by the UK Financial Services Authority ("FSA") under Section 87A of FSMA and has not been filed with the FSA pursuant to the United Kingdom Prospectus Rules. No offer of securities in the Company is being or will be made in the United Kingdom in circumstances which would require such a prospectus to be prepared.

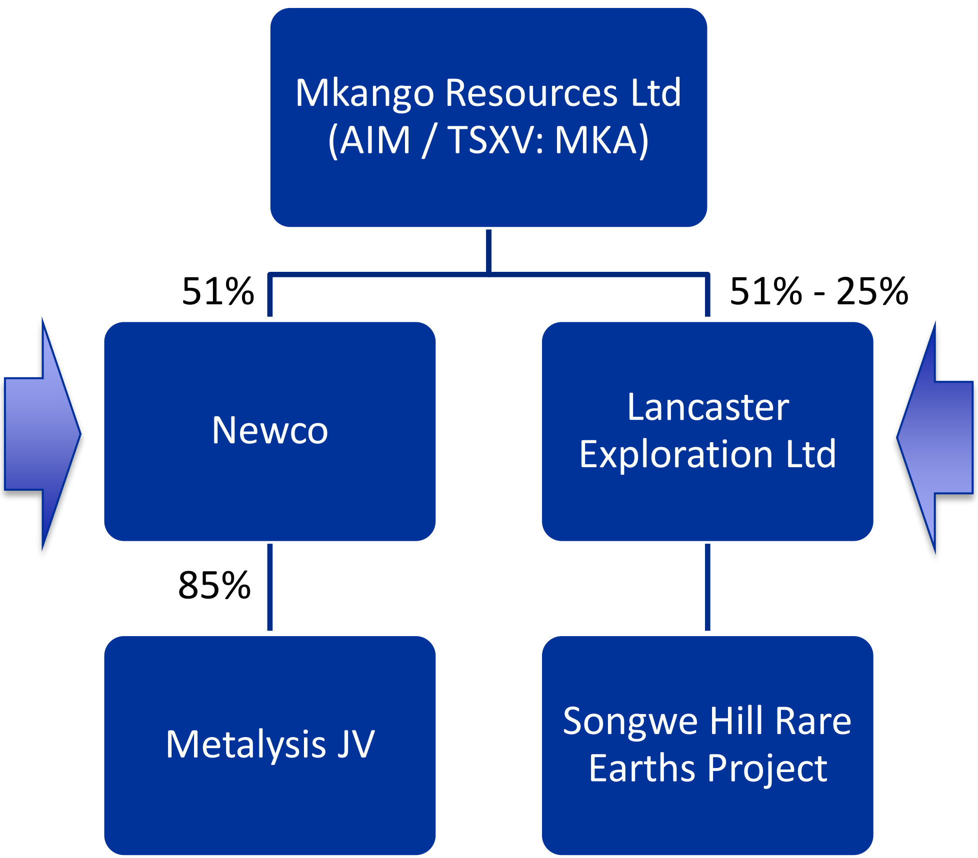
Technology Metals from the "Warm Heart of Africa"

- ✓ **Focused on the advanced stage Songwe Hill rare earths project in Malawi**
- ✓ **Well positioned to benefit from supply demand deficit in NdPr – used in electric vehicles**
- ✓ **Pre-feasibility study (2015) ➡ NPV US$345m; IRR 37%**
- ✓ **Landmark agreement with Talaxis, wholly owned by Noble Group:**
  - ➢ **Talaxis to invest £12m to fully fund BFS for 49% of Songwe**
  - ➢ **Talaxis option to increase to 75% by arranging finance for Songwe development**
  - ➢ **Investment of £2m for 49% of Newco, focused on magnet and EV technology**
  - ➢ **Preferred partners in rare earths sector and in Malawi**

Talaxis agreement unlocks pathway to production

Talaxis Funding Structure

Talaxis Investment:
£2 million for 49% in two tranches



Talaxis investment:
- £12 million for 49% in three tranches to complete Songwe feasibility study
- Project development finance for further 26%

On completion of Talaxis investments, Mkango's interest in Songwe would be 25%, free carried to production

Corporate Snapshot

Capital Structure	
Share Price (16/11):	£0.101 / C$0.165
Shares Outstanding:	~98.9M
Warrants:	43.5M @ £0.066 7.6M @ C$0.60 7.8M @ C$0.15 0.6M @ £0.035
Options:	7.0M @ C$0.06
	2.8M @ C$0.07
Fully Diluted:	~168.2M
Market Cap (16/11):	~£10.0M / C$16.3M

Major Shareholders	
Talaxis (Noble Group)	14.4%
RESOC	10.0%
Leominex[1]	8.6%
M McNulty	5.1%
JXC Ventures	3.7%
Rare Earth Elements Fund	3.0%
Metals Exploration Fund	3.0%

[1] W Dawes and A Lemon each hold 17.3% of Leominex

Cash position of US$498,352 as at June 30, 2017. Talaxis invested £500k in October 2017 and holds 12m warrants exercisable at 6.6p

January 2011	*December 2015*	*June 2016*	*December 2016*	*October 2017*	*October 2017*	*November 2017*
TMX TSX Venture Exchange		AIM London Stock Exchange	noble group	talaxis A member of the Noble Group	METALYSIS	talaxis A member of the Noble Group
TSX-V listing raising C$7.8m	**Songwe PFS NPV US$345m**	**AIM listing raising £1m**	**Collaboration with Noble**	**Talaxis invests £500k for 14.5%**	**Phase II NdFeB R&D**	**Investment Agreement**

Experienced Team with Technical, Financial, Legal Expertise

Mr William Dawes, ***Chief Executive Officer & Co-founder***

BSc Geology, MSc Mineral Exploration, Over 20 years experience in exploration, business development, investment banking; prior experience at Rio Tinto, Robert Fleming, Chase Manhattan and JP Morgan

Mr Alexander Lemon, ***President & Co-founder***

BSc Geological Sciences, MSc Mineral Exploration, Over 20 years experience in exploration, operations management; prior experience as Managing Director of Gold and Mineral Excavation Inc

Mr Derek Linfield ***(Chairman)***

Legal consultant and former Managing Partner of Stikeman Elliott (London) LLP, having over 18 years experience in London focusing on the mining and oil & gas sectors, primarily in Africa

Mr Adrian Reynolds (NED)

Over 30 years experience in the natural resources sector, 15 years with Randgold, Chairman of Digby Wells Environmental, Non-Executive Director of Geodrill ltd.

Mr David Berg (NED)

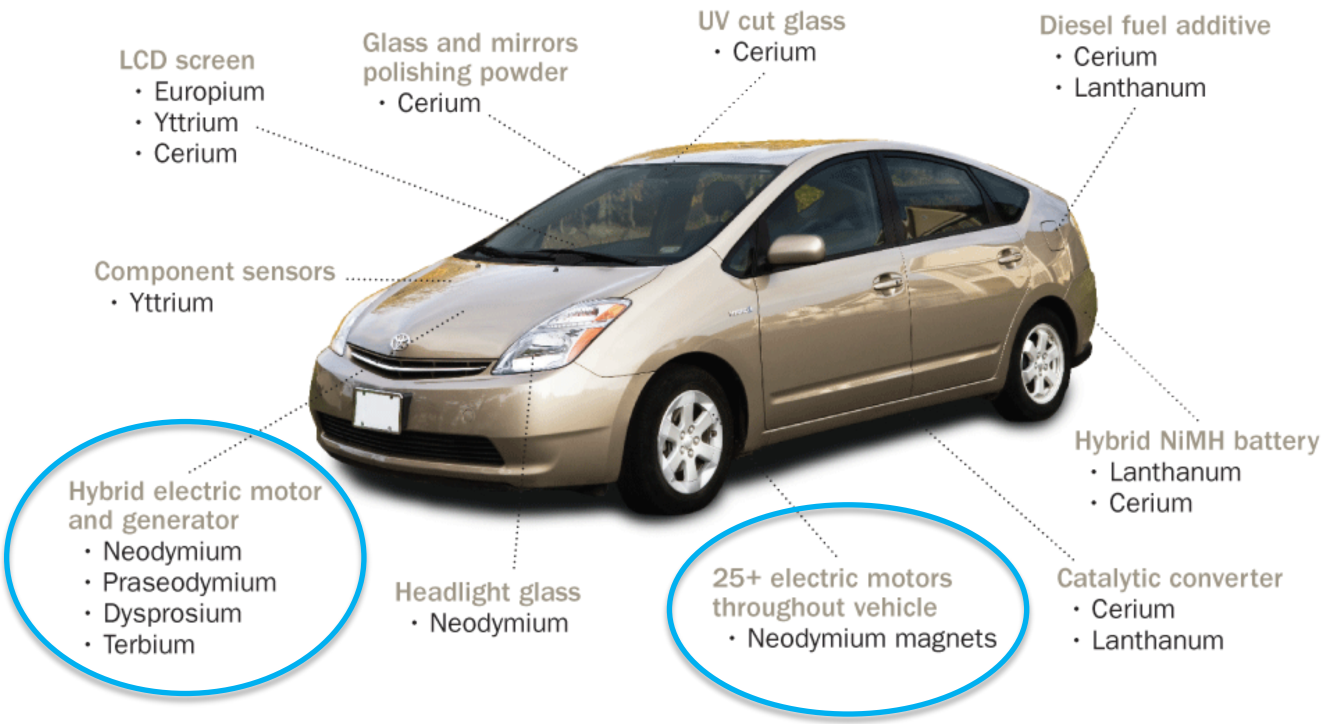
Former Chairman and Director of Potash One Inc

Mr Eugene Chen (NED)

Corporate Finance and Securities lawyer.

12 year track record in Malawi, last 8 years focused on rare earths

Neodymium (Nd) and Praseodymium (Pr) → Critical Elements for Permanent Magnet Motors in Electric Cars…



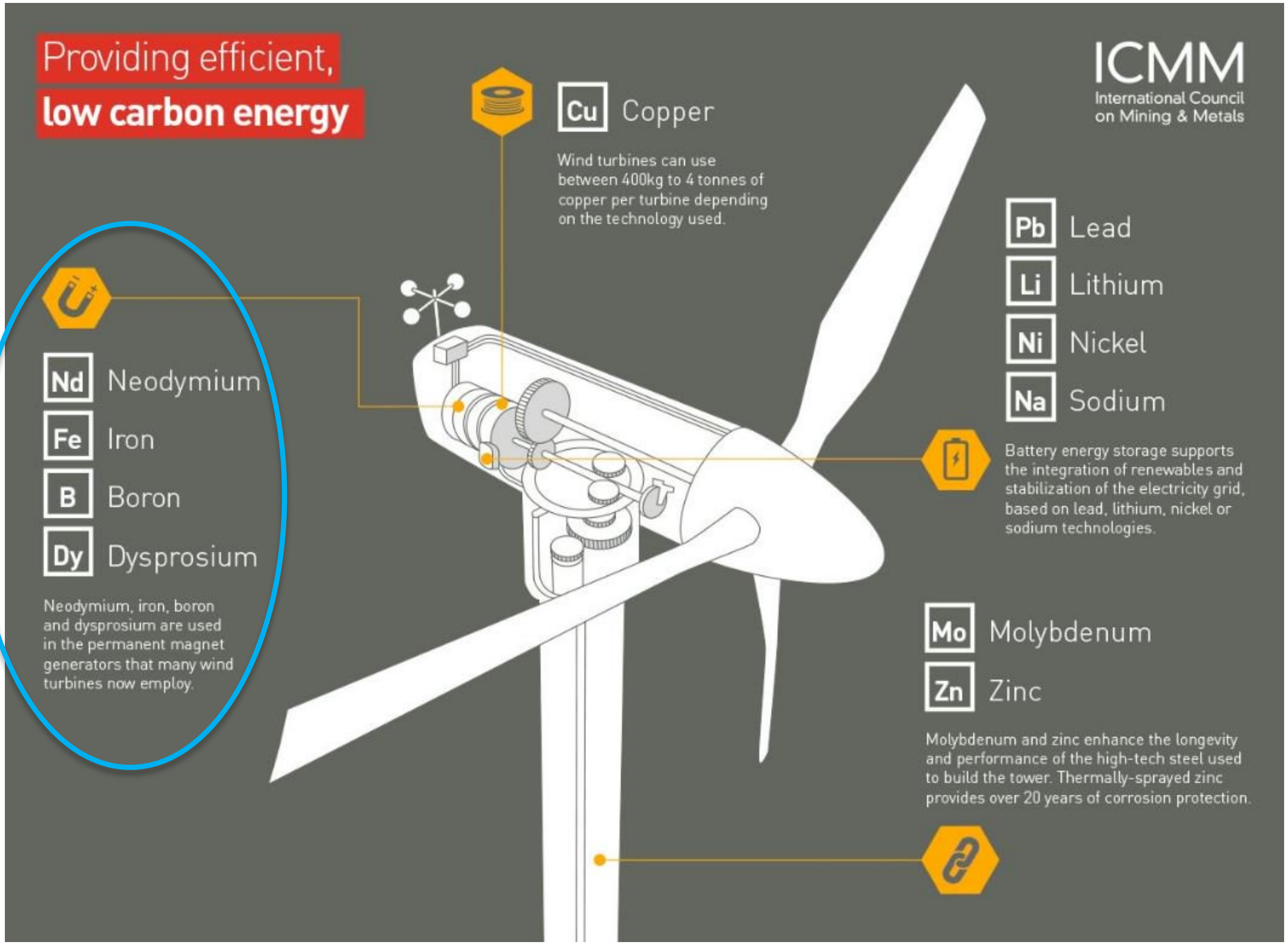
"By 2035, we think there will be around 140 million EVs on the roads, or 8% of the total fleet of 1.8 billion."

BHP Billiton, Sept 2016

Total Battery EV Fleet:
2017 – 2 million
2025 – 38 million
2035 – 234 million
2050 – 1,075 million
Morgan Stanley forecasts, May 2017

- ***UBS, May 2017 - 655% increase in rare earths demand in a 100% EV World***
- ***Major NdPr supply demand deficit anticipated in coming years***

… with Wind Power another Key Demand Growth Area



Forecasts of 2020 global wind power capacity range from 639GW to 879GW versus 433GW in 2015
GWEC Outlook, Oct 2016

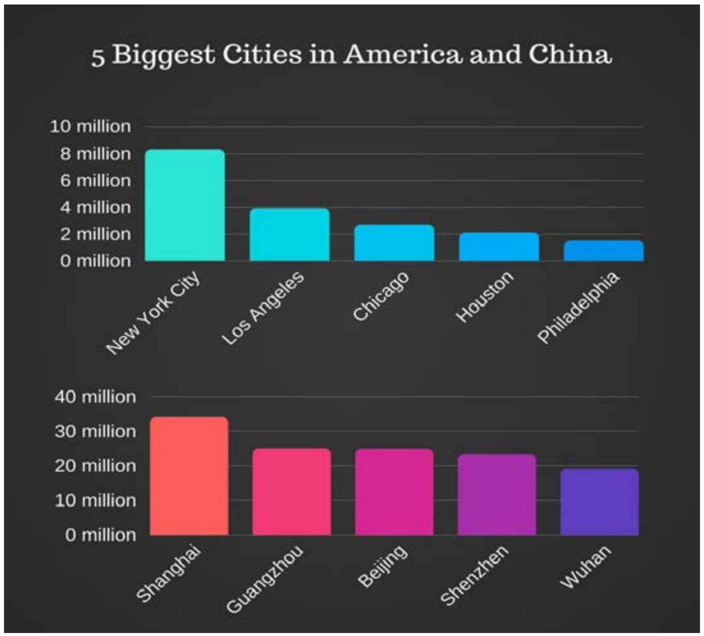
China alone targeting a 65GW or 45% increase in wind power capacity to 210 GW in 2020
National Energy Administration, Nov 2016

Last year, China installed two wind turbines every hour
Financial Times, Oct 2016

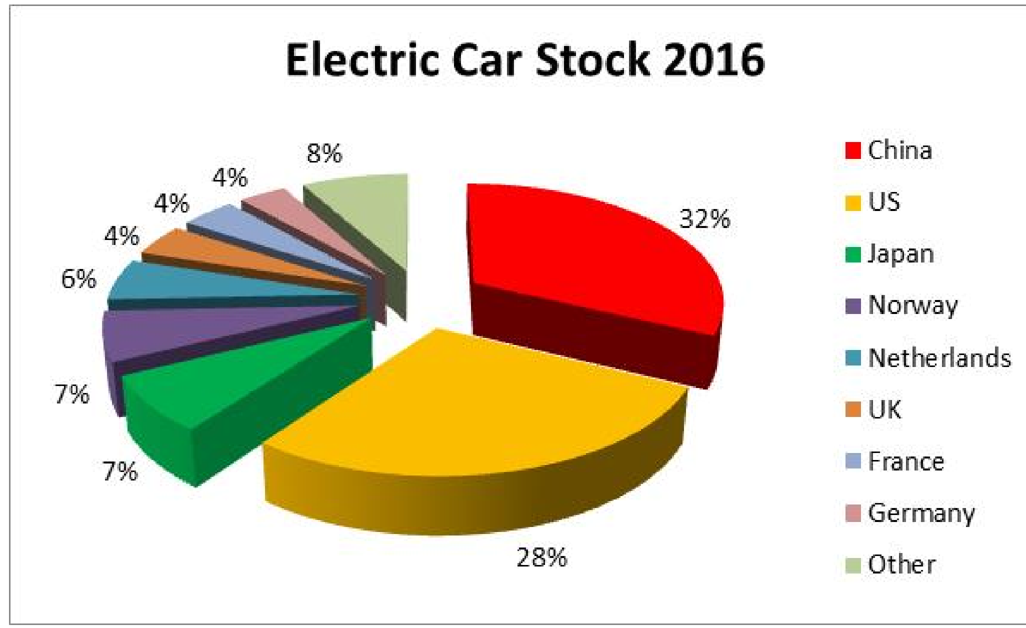
78% of offshore and 27% of onshore turbines to use perm. magnet generators by 2025
Adamas Intelligence 2017

Each 3 MW direct drive wind turbine uses around 1.7 tonnes of rare earth magnets

Supply Constrained, China Leading Demand ➡ Huge Appetite for NdPr to Supply Expanding Permanent Magnet Production



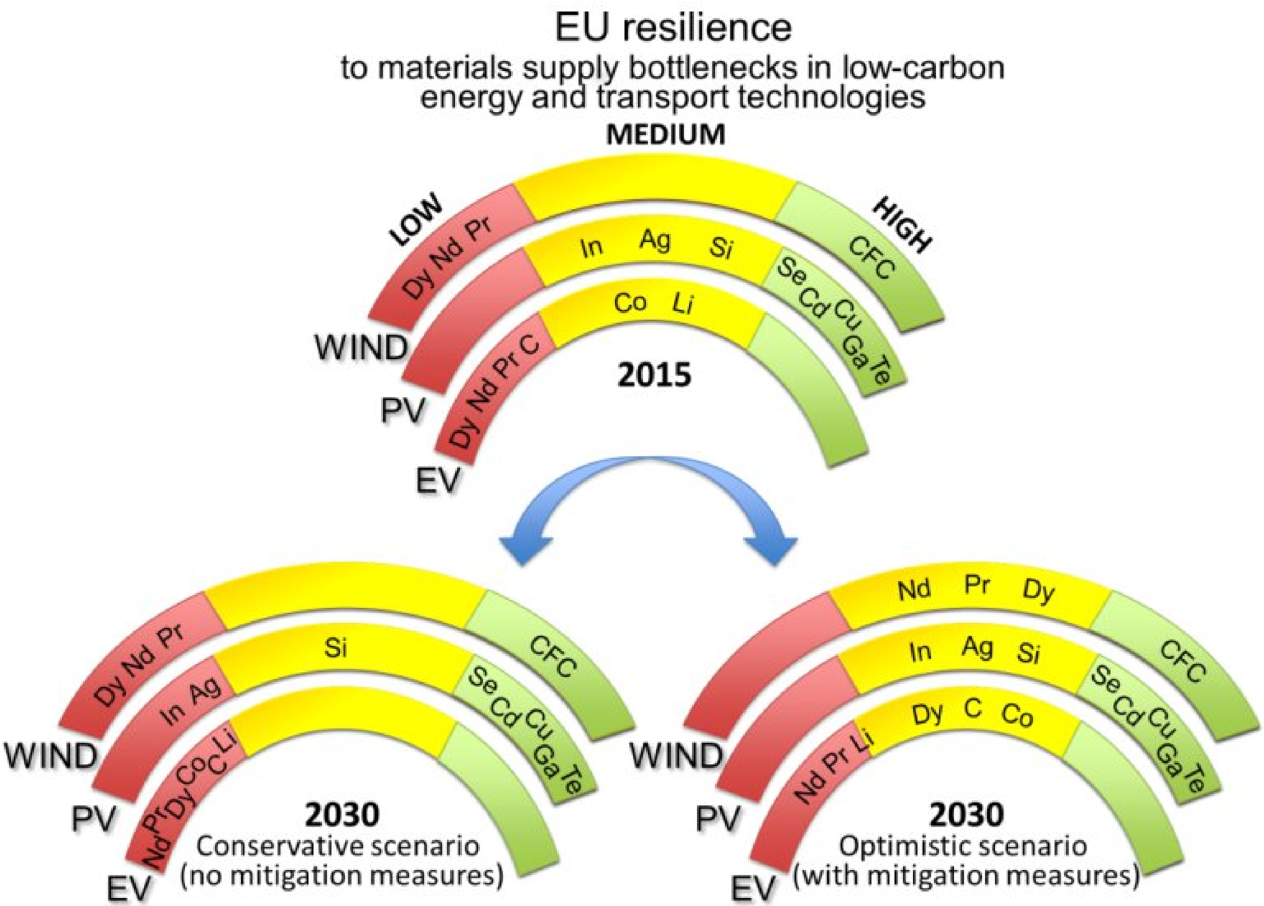
Source: Forbes, June 2017



Source: IEA Global EV Outlook, June 2017

- ***EV demand geared to urbanisation, pollution policy, consumer demand, increasing car ownership – these and other growth areas driving NdPr demand***
- ***Whereas REE supply constrained by consolidation and industry restructuring, environmental compliance, downstream expansion and other Govt policies***

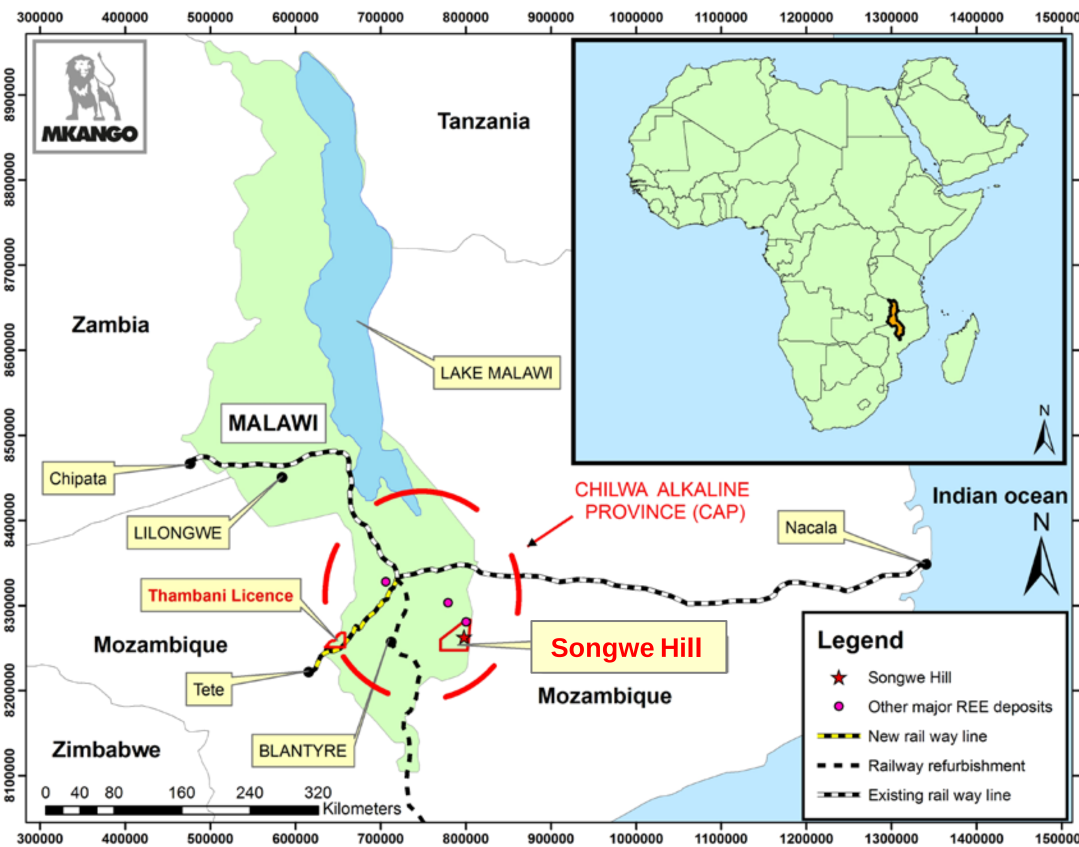
EU vulnerable to Shortages of NdPr



Source: European Commission JRC report 2016 - Assessment of potential bottlenecks along the materials supply chain for the future deployment of low-carbon energy and transport technologies in the EU

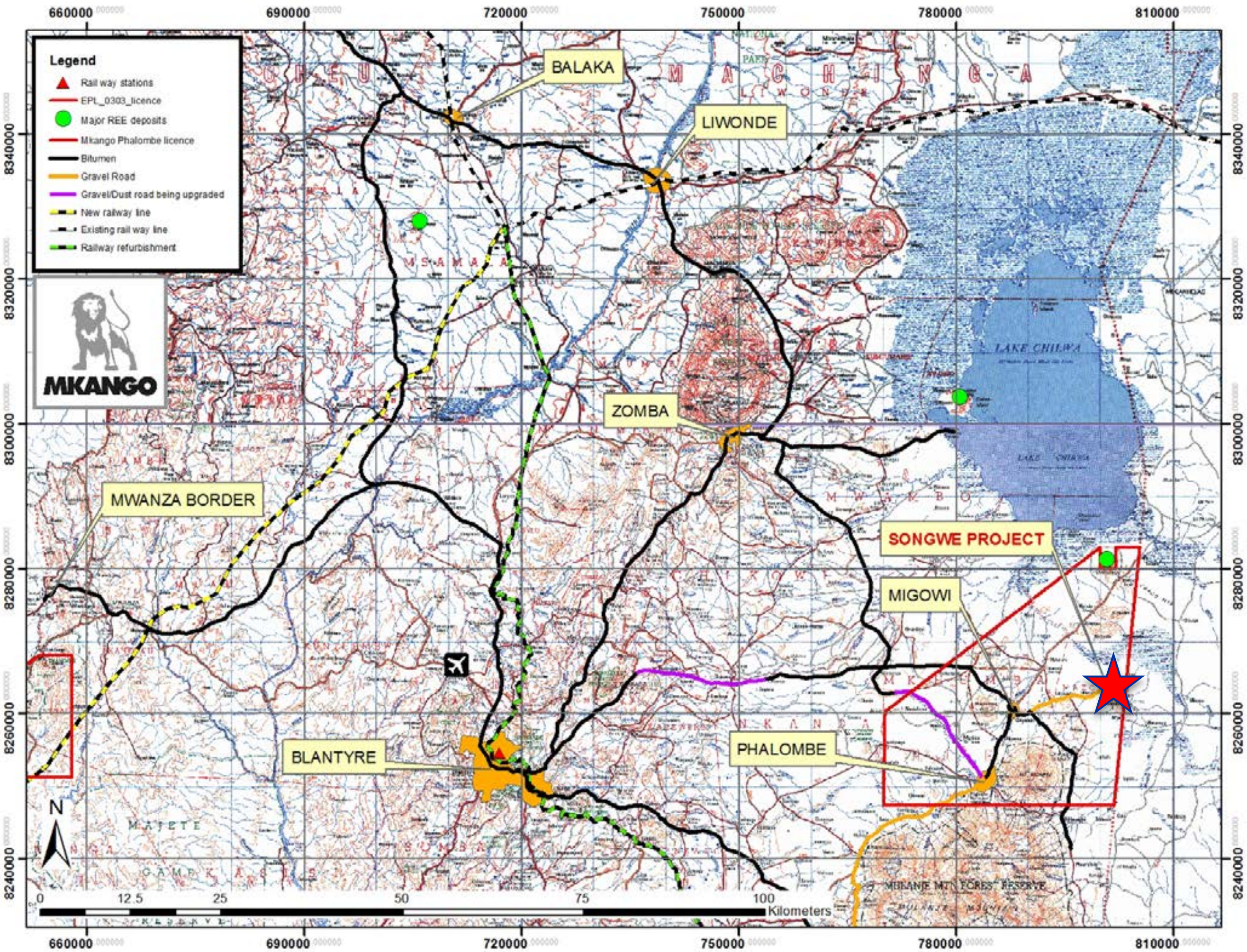
Malawi – Stable Jurisdiction, Favourable Operating Environment

- ✓ **World class, undeveloped rare earth mineral province**
- ✓ **Transport infrastructure**
- ✓ **Power developments**
- ✓ **Politically stable democracy**



Uniquely positioned in a rare earths mineral province of global significance

Good Road Network, New Rail Line, Dry Port and Power Developments

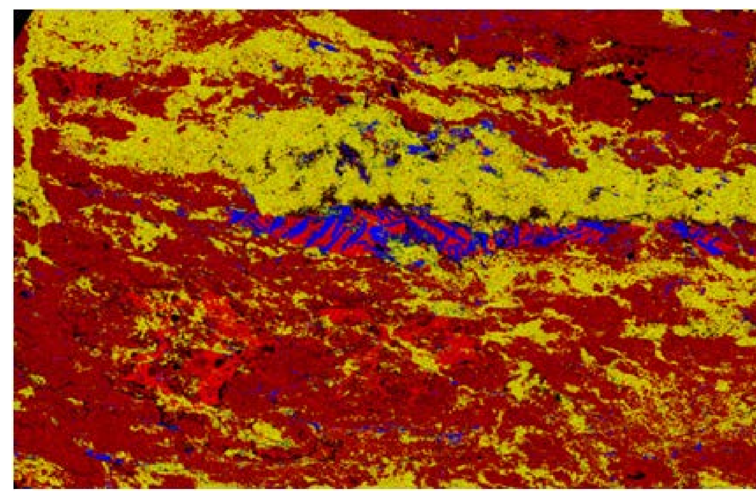


MKANGO

Songwe Hill Rare Earth Deposit

- ✓ **Long mine life**
- ✓ **Open pit operation**
- ✓ **Favourable topography**
- ✓ **Broad zones of mineralisation**
- ✓ **Contract mining**
- ✓ **Readily leachable light and heavy REEs**

Pre-feasibility study was based on production of high grade, purified mixed chemical concentrate



Scanning electron microscope (SEM) colour montage: blue = synchysite (light rare earth enriched); yellow = apatite (heavy rare earth enriched); red = carbonate

Pre-Feasibility Study

- ✓ **NPV US$345m and IRR 37%**
- ✓ **Development CAPEX of US$216m amongst the lowest in the sector**
- ✓ **Production of circa 2,841tpy rare earths in conc including 1,025tpy NdPr, Dy & Tb used in magnets**
- ✓ **18 year mine life based based on only 27% of 43-101 compliant resource**

PFS identified significant potential to optimise project

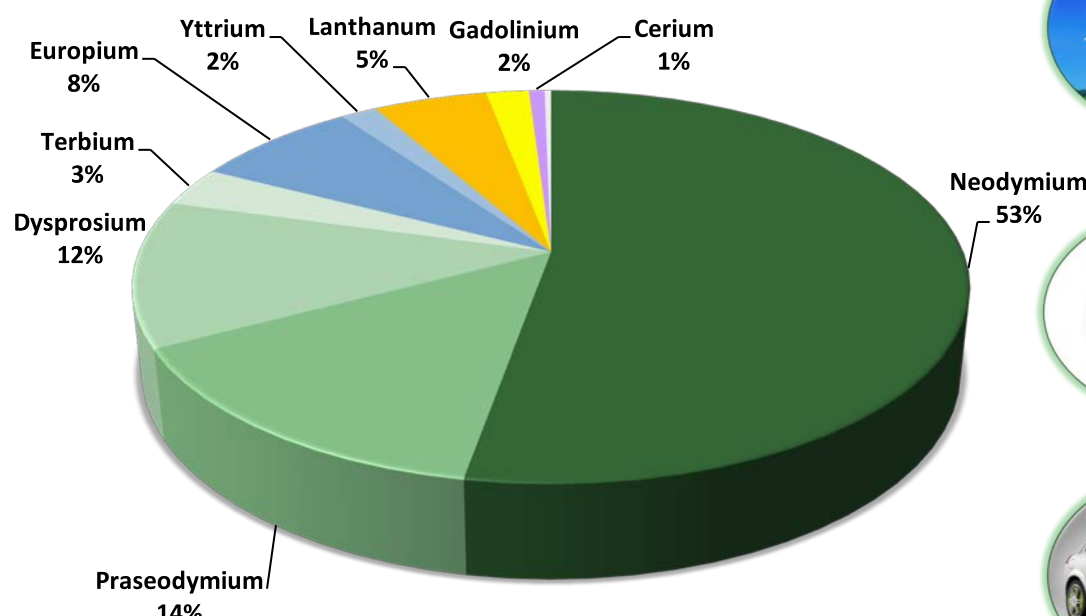
Summary of Key Outputs	
Total ore mined and processed (tonnes)	8,482,603
Average strip ratio	4.5
Total waste mined (tonnes)	38,441,726
Average life of mine TREO grade (%)	1.60
Mine Life (years)	18
Total REO recovered to concentrate[1] (tonnes)	48,275
Annual ore mined and processed[2] (tonnes)	500,000

1 A large proportion of the cerium will be selectively removed during the hydrometallurgical process
2 Average annual at full capacity excluding first and last years

Initial capital expenditure	**US$m**
Site facilities and infrastructure	36.3
Mining	1.7
Beneficiation plant	43.0
Hydrometallurgical plant	54.4
Sulphuric acid plant	34.7
Tailings storage facility	12.7
Other costs	14.0
Total initial capital expenditure	**196.6**
Contingency	19.7
Total initial capital expenditure including contingency	**216.3**

More than 80% of value geared to NdPr and other "Magnet" Rare Earths used in Electric Vehicles, Wind Turbines, HiTech

REO in concentrate split by value



Neodymium ✓ Praseodymium ✓ Dysprosium ✓ Terbium ✓

Pre-Feasibility Study based on 8.5mt Reserve
Total 43-101 Indicated and Inferred Resource of 32mt

2015 Mineral Reserve Estimate (PFS)

	1.0% TREO cut off grade		
	Tonnes (million)	TREO (%)	TREO (tonnes)
Probable	8.48	1.60	136,139

- ✓ Conservative Mineral Reserve cut–off grade versus pay limit (0.51% TREO)
- ✓ Mineral Reserve based on Indicated Resource only

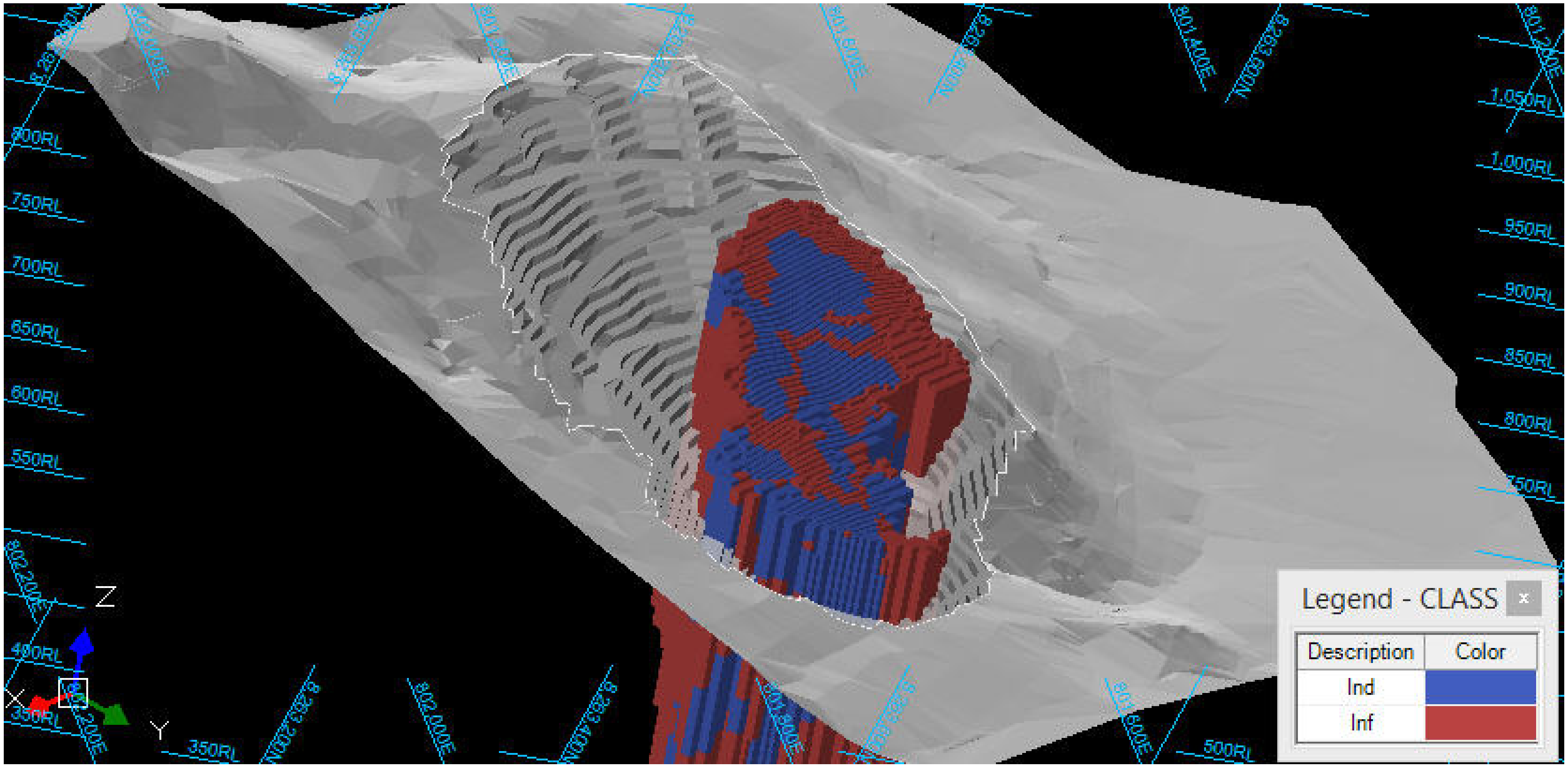
2012 Mineral Resource Estimate

	1.0% TREO cut off grade			1.5% TREO cut off grade		
	Tonnes (million)	TREO (%)	TREO (tonnes)	Tonnes (million)	TREO (%)	TREO (tonnes)
Indicated	13.16	1.62	213,098	6.15	2.05	126,065
Inferred	18.59	1.38	256,149	5.06	1.83	92,412

TREO – total rare earth oxides. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. Mineral Resources are inclusive of Mineral Reserves. Full mineral resources estimate can be found on page 142-175 of the Technical Report on www.sedar.com. The following modifying factor were used to convert the Mineral Resource Estimate to the Mineral Reserve Estimate: Mining recovery – 95%, Mining dilution – 5%, plant recovery 34%, product price US$59.76/kg TREO, operating cost US$93.55/t ore processed / US$16.44/kg TREO recovered.

MKANGO

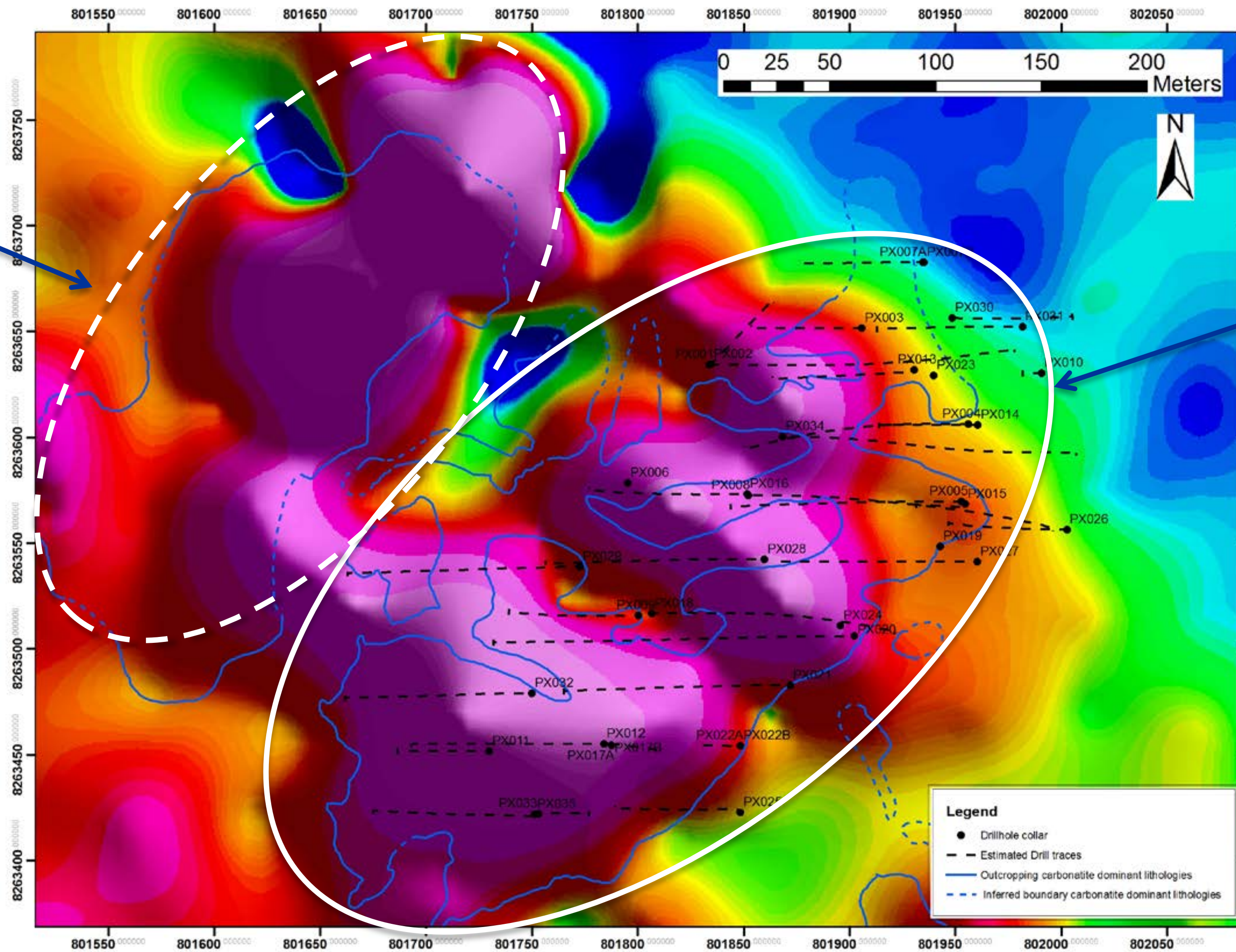
Mine Development – Potential Upside



In-pit Inferred Resources currently treated as waste
potential to lower strip ratio and operating costs, extend mine life – will be focus of infill drilling during BFS

Radiometric Survey Highlights Potential to Expand Resource

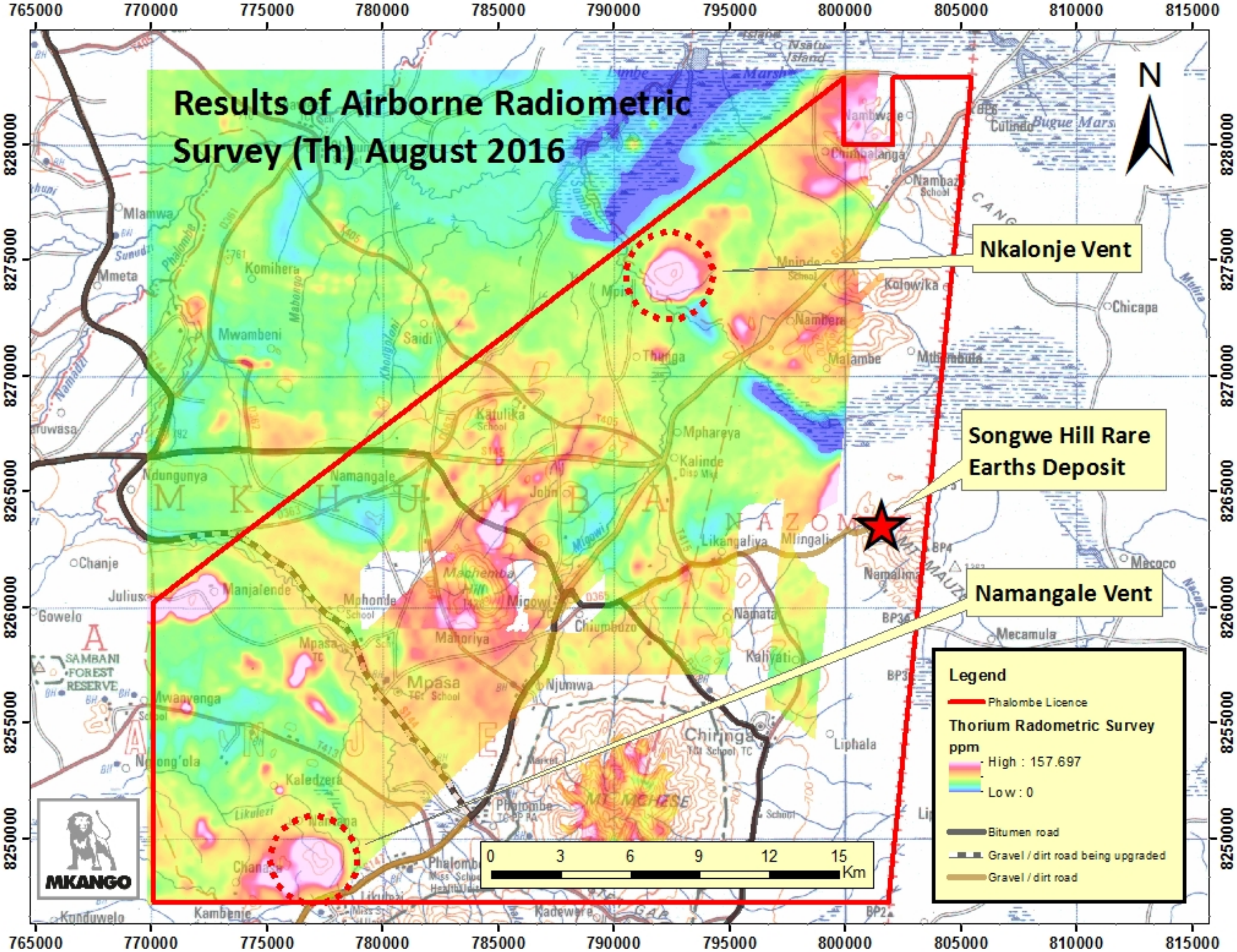
Area of mineralised outcrop with grab sampling and some historical drilling



Current area of drill defined Indicated and Inferred Resource Estimate

Stage 1 & 2 drill holes superimposed on thorium / potassium radiometrics

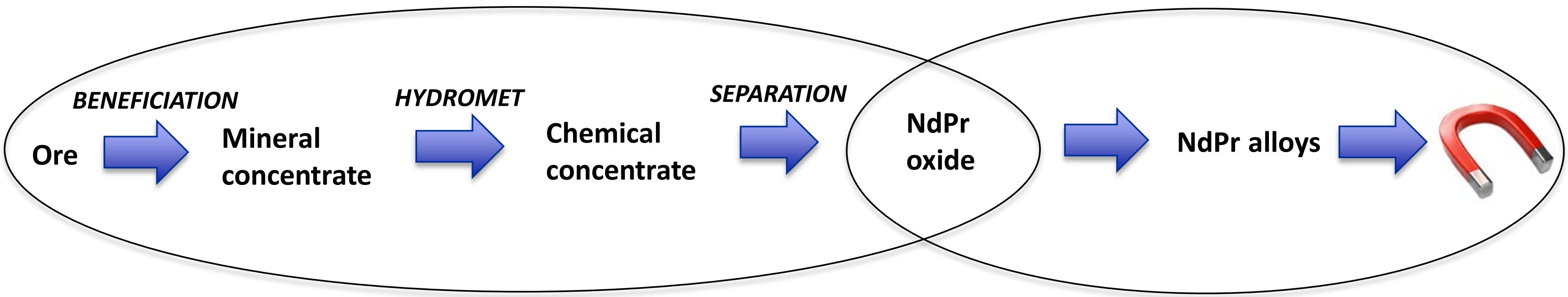
Further Rare Earths Exploration Potential in Licence Area



Scope of Bankable Feasibility Study

- ✓ Infill, geotechnical and exploration drilling – updated 43-101 resource
- ✓ Environmental, social and health impact assessment (ESHIA)
- ✓ Flotation and hydrometallurgical flowsheet optimisation
- ✓ Evaluation of partial separation to produce NdPr product
- ✓ Pilot testing of flow sheet and plant design
- ✓ CAPEX and OPEX estimation
- ✓ Mine planning and reserve calculation
- ✓ Infrastructure, logistics and marketing
- ✓ Mining licence application and development agreement

Collaboration with Metalysis – Focused on NdPr Magnet Alloys for Electric Vehicle and 3D Printing Applications

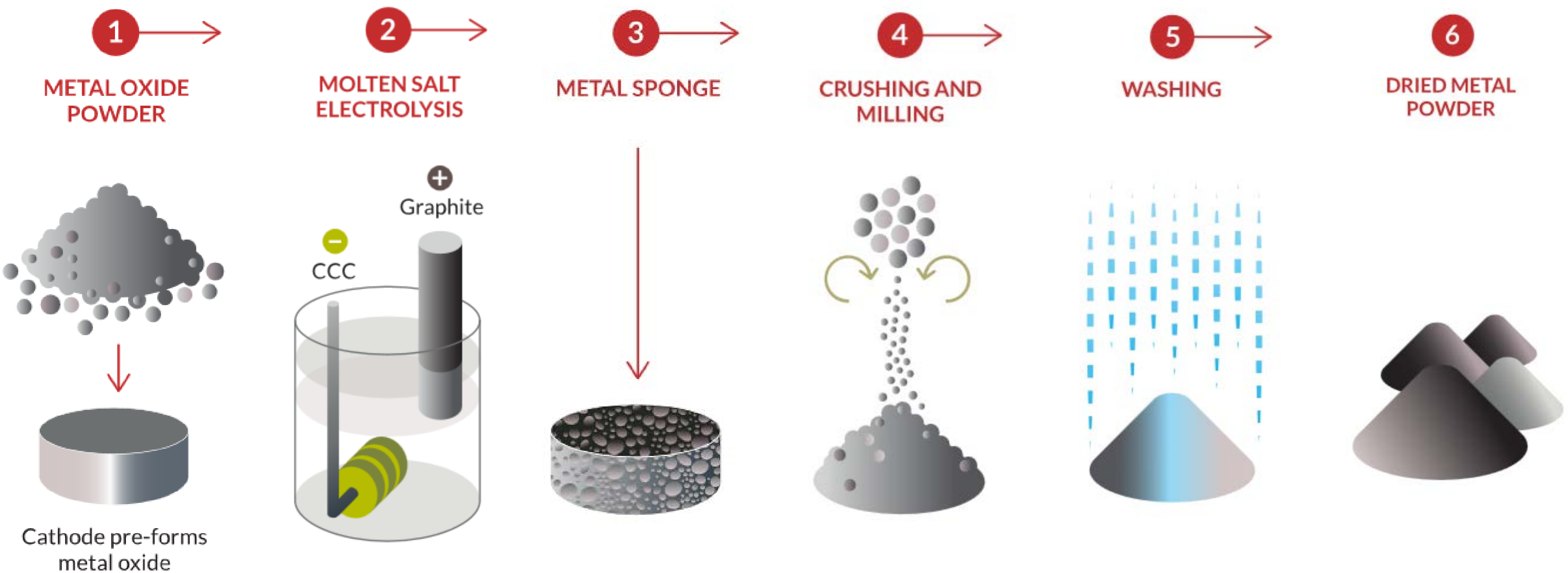


Songwe Hill Rare Earths Project, Malawi

Metalysis JV, UK

Uniquely positioned in the rare earths sector – disruptive alloy technology underpinned by substantial ex China resource base

Metalysis' Solid State Process to Produce Alloys – Significant Advantages Versus Traditional Routes



Phase 1 R&D Successfully produced a NdFeB alloy powder using the Metalysis technology – Phase 2 R&D commencing

METALYSIS

Key Advantages of Metalysis' Technology

- ✓ **Solid state technology – no melting required to produce alloy**
- ✓ **Semi-batch multi metal capability**
- ✓ **Modular – commercially proven at scale**
- ✓ **Tight controllability – tailored particle sizes for huge number of alloy compositions**
- ✓ **Cleaner and greener than traditional metal production**

Produces metal and alloy powders particularly suited to 3D printing techniques, also amenable to conventional technology

METALYSIS

Current Work Programme and Next Steps

- **Definitive investment and joint venture agreements with Talaxis**
- **Commence bankable feasibility study**
- **Phase II development programme with Metalysis**

A member of the Noble Group

Thambani Uranium-Tantalum-Niobium Project

Thambani Project - Work Completed to Date

- ✓ Review of historical data
- ✓ Acquisition of Landsat7 and ASTER satellite imagery
- ✓ Geochemical grab sampling
- ✓ Geological mapping
- ✓ Re-trenching and systematic trench - sampling program
- ✓ Radiometric and magnetic surveys

Thambani Uranium – Tantalum – Niobium Mineralisation

✓ Thambani uranium mineralisation is hosted in:

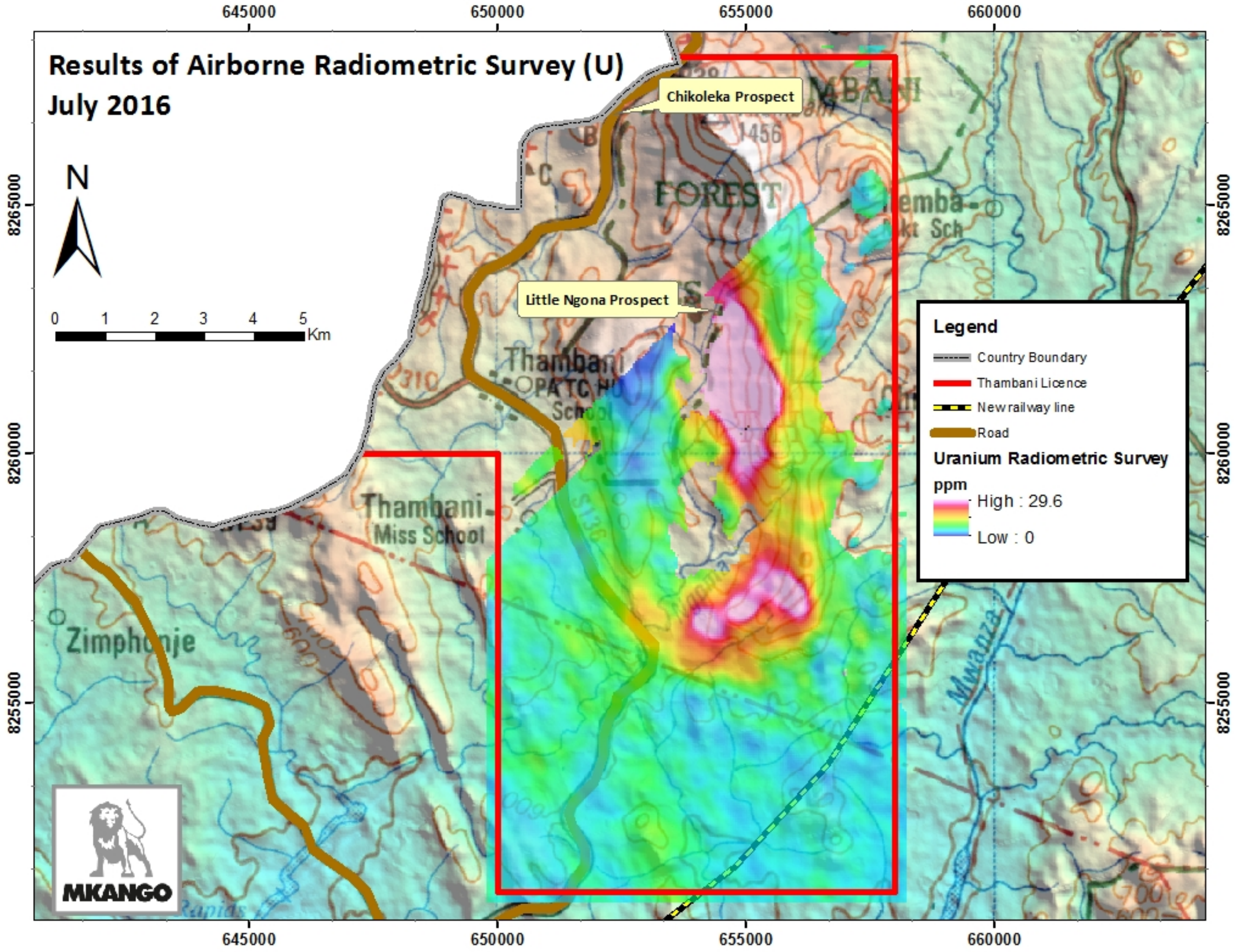
a) main Thambani Massif syenite gneiss body (widely disseminated)
b) feldspathic-granulite bands, segregations and veins occurring as units in the Massif
c) Late-stage concordant and discordant feldspathic-rich pegmatites

Assays from the 20 highest grade U_3O_8 samples from the May 2017 Thambani sampling programme

Sample no.	U_3O_8 %	Ta_2O_5 %	Nb_2O_5 %
U3141	3.26	1.90	5.92
U3183	3.18	1.52	6.01
U3136	1.01	0.48	3.25
U3111	0.88	0.42	1.49
U3127	0.55	0.31	1.51
U3135	0.53	0.27	1.32
U3122	0.52	0.24	1.08
U3125	0.45	0.20	0.85
U3115	0.44	0.22	0.98
U3121	0.42	0.24	1.36
U3137	0.40	0.19	0.87
U3124	0.40	0.21	0.96
U3168	0.37	0.20	0.71
U3129	0.36	0.16	0.65
U3176	0.33	0.19	0.59
U3131	0.28	0.13	0.53
U3133	0.22	0.12	0.60
U3118	0.22	0.13	0.38
U3172	0.17	0.14	0.39
U3119	0.17	0.09	0.46

May 2017 - Assay results from 85 rock grab samples returned high grade uranium, tantalum and niobium values, ranging up to 3.3 % U_3O_8, 1.9 % Ta_2O_5 and 6.0 % Nb_2O_5. 35 of the samples graded above 500ppm U_3O_8 and 24 graded above 1,000ppm U_3O_8.

Airborne Uranium Radiometric Anomalies at Thambani



Recent CSR Initiatives

Recent Corporate Social Responsibility initiatives

boNGO Worldwide partnership

- Happy Classrooms project
- Enhancing 3 local primary schools
- 24 classrooms painted

Annual Scholarship programme

- Pays Secondary Education Fees for the top 6 students from 3 local primary schools

Local Community Infrastructure projects

- Three water boreholes & pumps installed, others restored in the local area
- Bridge construction & road refurbishment between Noah and Mphembezu villages

Before - An unhappy classroom

After - A happy classroom after renovation & painting syllabus on the classroom wall

Water Pump Mphembezu

New Bridge Constructed

Mkango donates K6m items to flood victims

BY CAROLINE KANDIERO

MKANGO Resources, explorers of rare earth elements at Songwe Hill in Phalombe, has donated various items worth K6.2 million to 470 households who were hit by floods some weeks ago around the exploration area.

The items included maize flour, blankets, plastic sheets, buckets, plastic cups and plates and 3,000 exercise books and pencils that were donated to three primary schools within the area.

Mkango Country Director Buxton Kachinjika said although the company has not started mining in the area, it is still their responsibility to contribute to the welfare of the communities they work with.

He said as a corporate citizen, they had to respond to the call for assistance made by the communities.

"The people affected are like our brothers and sisters and we had to come to their rescue when the disaster struck them. Most of them have lost houses and food, and we are only giving them a starter pack to give them hope," said Kachinjika.

TIMELY – Mkango Resources officials presentin

He urged the communities to diversify their farming activities so that when such disasters strike, they should be able to survive.

"M
tobacco
rains, the
well, her

Apple results smash Wall Street

APPLE Inc quarterly results smashed Wall Street expectations with record sales of big-screen iPhones in the holiday shopping season and a 70 percent rise in China sales, powering the company to the largest profit in corporate history.

The company sold 74.5 million iPhones in its fiscal first quarter ended Dec. 27, while many analysts had expected fewer than 70 million. Revenue rose to US$74.6 billion from US$57.6 billion a year earlier.

Profit of US$18 billion was the biggest ever reported by a public company, worldwide, according to S&P analyst Howard Silverblatt. Apple's cash pile is now US$178 billion, enough to buy IBM or the equivalent to US$556 for every

PHOTOGRAPH: WATIPASO MZUNGU JNR

Saved by Mkango Resources

Malawi recently received unprecedented amount of rainfall, which resulted in heavy flooding and sweeping away of crops. Phalombe is one of the districts where families lost property, livestock and foodstuffs to floods. And in an effort to alleviate their suffering, rare earth explorers—Mkango Resources Limited—on Tuesday donated assorted relief items valued at K6.2 million. In the picture, a beneficiary carries home her share of the items.— WATIPASO MZUNGU JNR, STAFF WRITER

Mkango empowering Phalombe farming communities

- Rare earth prospector donates pigeon pea seed to 1,000 farming families
- Mkango aiming to introduce commercial farming to subsistence farming communities

Mkango Resources has once again proved to be a partner in need to the farming communities surrounding its flagship Songwe Hill Rare Earth Project in Malawi's Southern District of Phalombe by donating pigeon pea seeds of a high yielding variety known as N'nthawajuni or Agora to the impoverished smallholder farmers.

Country Manager for Mkango Resources, Mr. Burton Kachinjika, said the firm, which also provided seeds to the farming communities in the previous three growing seasons, has repeated the program again this year as a way of showing its commitment to develop the area.

Kachinjika explained that Mkango, which is prospecting for rare earth elements at Songwe Hill, has been providing various kinds of seeds to the farming communities in the area over the past four years as part of a trial programme that aims at finding a cash crop that suites the area's particular weather conditions.

"As a stakeholder partner to the people of Phalombe and in particular the Songwe area, our vision is to economically empower the area's subsistence farmers by introducing them to commercial farming. Through this seed distribution programme, we want to identify a crop that suites the area's conditions and fetches good prices on the market for the benefit of the community members," he said.

Previously, the firm gave the farming communities soya bean and pigeon pea seeds but, unfortunately, the crop did not flourish due to unfavorable weather conditions and incompatible soil.

Kachinjika explained that in consequence, Mkango engaged the National Small Holder Farmers Association of Malawi (NASFAM) on the issue, and they advised that a certain variety of pigeon peas, in vernacular known as *Nandolo* or *Epweri*, would be a better alternative for the area.

Speaking during the presentation ceremony held at the firm's project site situated in the area of Group Village Headman Maone, Traditional Authority Nazombe, Kachinjika said the company would not give up until the appropriate cash crop for the area is discovered.

He said: "Last growing season we provided 3000 kilograms of high-yielding pigeon pea seed variety called Mwaiwathu Alimi (ICEAP 005577) to 60 farmers, but, unfortunately, the crop did not crop well. We, therefore,discussed with local farmers and experts from NASFAM to discover what crop the local farmers prefer and they opted for a certain variety of pigeon peas locally known as N'nthawajuni or Agora which is known to favour the conditions of the area."

"Today we are giving them 4000 kilograms of the preferred variety which will be shared among 1000 farming families, with each one getting 4kgs," said Kachinjika.

He explained that the arrangement is that, upon harvesting the crop, each farmer would be required to return 8 kg of their proceeds to Mkango Resources Ltd for safe storage, so that the seed will be redistributed in the following growing season to an increasing number of new farmers.

"This is a seed build-up revolving fund which every farming household in the area should eventually benefit from.We hope through this initiative, the farmers would be able to yield enough produce both for domestic consumption and for sale," Kachinjika said.

Mr. Kachinjika (c) and Mkango Resources administrator, Effie Likaku (far right), making a symbolic presentation of the seed to two of the traditional leaders for the area

He also said Mkango Resources is jointly working with NASFAM to identify markets that offer better prices for the produce.

In his speech, NASFAM field officer for Phalombe, Assistant Joseph Magawa, advised the farmers to intercrop the pigeon seed with maize, which is the major staple crop for the area.

Magawa estimated that the 4 kg would be enough to cater for a half acre field and a yield of 300 to 500 kg per half acre would be realized if proper ways of caring for the crop are followed.

Besides the seed distribution programme, Mkango Resources has drilled and repaired an increasing number of water boreholes in the area to provide portable water for the communities, constructed access roads and bridges, and is also carrying out a bridge and a road maintenance programme as part of its corporate social responsibility programme.

"We have partnered you, thepeople of this area, so that you are in a position to benefit from the potential future mining activities that may take place here," said Kachinjika.

Speaking on behalf ofover 1000 subjects from 15 villages who attended the presentation ceremony, Village Head Namalamba expressed profound gratefulness to Mkango Resources for showing total commitment towards the project, which is helping to develop the area.

"Your repeated efforts trying to provide us with a cash crop that will aid us economically indicate that you are sincere in your dealings with the people of this area. The people led by traditional leaders, really appreciate your commitment. We will partner you all the way, because we have noticed that your continued stay in our area is mutually benefitting us," said Namalamba.

Mkango has been carrying out its rare earth exploration activities in the area since January 2010 through its wholly owned subsidiary, Lancaster Exploration Ltd.

The Songwe Hill Rare Earth Project has progressed from very early stage exploratory drilling to completing in record time during 2014 a pre-feasibility study whose results released indicated that the deposit has a potential net present value of US$293-million and a future projected 18-year mine life.

The firm's President Alexander Lemon said the results of the pre-feasibility study positioned Malawi globally as a potential sustainable rare earth producer.

Mkango has now begun it's definitive feasibility study for the project following the announcement of positive pre-feasibility study results.

The rare earth elements expected to be mined at Songwe include Praseodymium, Neodymium, Dysprosium which are used in the manufacture of high strength magnets used in Hybrid electric cars such as the Toyota Prius and europium, terbium and yttrium used in colour phosphors used in flat screen tv's , computers & mobile phones.

Mkango Resources also holds another Exclusive Prospecting License in the Thambani area in Malawi's Southern District of Mwanza where it is successfully targeting and exploring for a range of minerals including uranium, zircon, and niobium over an area of 468km2.

Mkango Resources employeesoff-loading bags of the seed

Kachinjika address members of the farming communities

Beneficiaries of the Mkango Resources initiative

All-smiles: farmers shake hands in celebration

Man carriers his share home

Mineral Resource Estimates

In-situ Mineral Resource estimates at 1.0% TREO cut–off grade[1]

***In-situ* Indicated Mineral Resource at 1% TREO Cut-Off**

Indicated	Million Tonnes	La_2O_3 ppm	Ce_2O_3 ppm	Pr_2O_3 ppm	Nd_2O_3 ppm	Sm_2O_3 ppm	LREO ppm	Eu_2O_3 ppm	Gd_2O_3 ppm	Tb_2O_3 ppm	Dy_2O_3 ppm	Ho_2O_3 ppm	Er_2O_3 ppm	Tm_2O_3 ppm	Yb_2O_3 ppm	Lu_2O_3 ppm	Y_2O_3 ppm	HREO ppm	TREO ppm	TREO %	Th ppm	U ppm
Carbonatite	11.10	3,951	7,208	775	2,676	387	14,997	95	223	27	127	21	48	6	36	5	590	1,178	16,175	1.62	351	12
Fenite	1.37	3,980	7,235	779	2,679	404	15,077	76	186	24	116	19	46	6	32	4	542	1,050	16,127	1.61	301	11
Mixed	0.69	4,520	7,678	774	2,473	335	15,780	63	148	17	79	13	29	4	22	3	362	739	16,519	1.65	335	12

***In-situ* Inferred Mineral Resource at 1% TREO Cut-Off**

Inferred	Million Tonnes	La_2O_3 ppm	Ce_2O_3 ppm	Pr_2O_3 ppm	Nd_2O_3 ppm	Sm_2O_3 ppm	LREO ppm	Eu_2O_3 ppm	Gd_2O_3 ppm	Tb_2O_3 ppm	Dy_2O_3 ppm	Ho_2O_3 ppm	Er_2O_3 ppm	Tm_2O_3 ppm	Yb_2O_3 ppm	Lu_2O_3 ppm	Y_2O_3 ppm	HREO ppm	TREO ppm	TREO %	Th ppm	U ppm
Carbonatite	8.64	3,275	5,974	642	2,218	321	12,430	90	211	25	120	19	46	6	34	5	559	1,115	13,545	1.35	324	11
Fenite	8.27	3,286	5,973	643	2,212	333	12,448	73	180	23	112	18	44	5	31	4	523	1,014	13,462	1.35	295	12
Mixed	1.68	4,559	7,746	781	2,495	338	15,918	53	125	14	66	11	25	3	19	3	304	622	16,541	1.65	248	11

TREO – total rare earths including Y_2O_3; HREO – heavy rare earth oxides including Y_2O_3

REO distribution for different rock types at 1.0% TREO cut-off grade[1]

***In-situ* Indicated Mineral Resource - REO Distributions at 1.0% TREO Cut-Off**

Indicated	La_2O_3 %	Ce_2O_3 %	Pr_2O_3 %	Nd_2O_3 %	Sm_2O_3 %	Eu_2O_3 %	Gd_2O_3 %	Tb_2O_3 %	Dy_2O_3 %	Ho_2O_3 %	Er_2O_3 %	Tm_2O_3 %	Yb_2O_3 %	Lu_2O_3 %	Y_2O_3 %	Total %	HREO %
Carbonatite	24.43	44.56	4.79	16.54	2.39	0.59	1.38	0.17	0.78	0.13	0.30	0.04	0.22	0.03	3.65	100	7.3
Fenite	24.68	44.86	4.83	16.61	2.50	0.47	1.15	0.15	0.72	0.12	0.28	0.04	0.20	0.03	3.36	100	6.5
Mixed	27.36	46.48	4.69	14.97	2.03	0.38	0.90	0.10	0.48	0.08	0.18	0.02	0.13	0.02	2.19	100	4.5

In-situ Inferred Mineral Resource - REO Distributions at 1.0% TREO Cut-Off

Inferred	La_2O_3 %	Ce_2O_3 %	Pr_2O_3 %	Nd_2O_3 %	Sm_2O_3 %	Eu_2O_3 %	Gd_2O_3 %	Tb_2O_3 %	Dy_2O_3 %	Ho_2O_3 %	Er_2O_3 %	Tm_2O_3 %	Yb_2O_3 %	Lu_2O_3 %	Y_2O_3 %	Total %	HREO %
Carbonatite	24.18	44.11	4.74	16.37	2.37	0.67	1.56	0.19	0.89	0.14	0.34	0.04	0.25	0.03	4.12	100	8.2
Fenite	24.41	44.37	4.78	16.43	2.48	0.54	1.33	0.17	0.83	0.14	0.33	0.04	0.23	0.03	3.89	100	7.5
Mixed	27.56	46.83	4.72	15.08	2.04	0.32	0.75	0.09	0.40	0.06	0.15	0.02	0.11	0.02	1.84	100	3.8

[1] Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability; *Mineral Resources are inclusive of Mineral Reserves;* Individual REO concentrations calculated by applying global proportions per domain from the drilling database

In-situ Mineral Resource estimates at different cut–off grades[1]

In-situ Indicated Carbonatite Mineral Resource

Cut-Off %TREO	Million Tonnes	La_2O_3 ppm	Ce_2O_3 ppm	Pr_2O_3 ppm	Nd_2O_3 ppm	Sm_2O_3 ppm	LREO ppm	Eu_2O_3 ppm	Gd_2O_3 ppm	Tb_2O_3 ppm	Dy_2O_3 ppm	Ho_2O_3 ppm	Er_2O_3 ppm	Tm_2O_3 ppm	Yb_2O_3 ppm	Lu_2O_3 ppm	Y_2O_3 ppm	HREO ppm	TREO ppm	TREO %	Th ppm	U ppm
0.5	16.31	3,274	5,973	642	2,217	321	12,426	85	200	24	114	18	44	6	32	4	530	1,058	13,484	1.35	322	12
1.0	11.10	3,951	7,208	775	2,676	387	14,997	95	223	27	127	21	48	6	36	5	590	1,178	16,175	1.62	351	12
1.5	5.26	5,022	9,163	985	3,401	492	19,063	103	241	29	137	22	52	7	39	5	639	1,275	20,338	2.03	385	12

In-situ Inferred Carbonatite Mineral Resource

Cut-Off %TREO	Million Tonnes	La_2O_3 ppm	Ce_2O_3 ppm	Pr_2O_3 ppm	Nd_2O_3 ppm	Sm_2O_3 ppm	LREO ppm	Eu_2O_3 ppm	Gd_2O_3 ppm	Tb_2O_3 ppm	Dy_2O_3 ppm	Ho_2O_3 ppm	Er_2O_3 ppm	Tm_2O_3 ppm	Yb_2O_3 ppm	Lu_2O_3 ppm	Y_2O_3 ppm	HREO ppm	TREO ppm	TREO %	Th ppm	U ppm
0.5	17.09	2,568	4,686	504	1,739	252	9,748	77	180	22	102	17	39	5	29	4	476	949	10,698	1.07	304	12
1.0	8.64	3,275	5,974	642	2,218	321	12,430	90	211	25	120	19	46	6	34	5	559	1,115	13,545	1.35	324	11
1.5	1.90	4,539	8,281	890	3,074	445	17,228	99	233	28	132	21	51	6	37	5	616	1,230	18,458	1.85	349	11

In-situ Indicated Mixed Mineral Resource

Cut-Off %TREO	Million Tonnes	La_2O_3 ppm	Ce_2O_3 ppm	Pr_2O_3 ppm	Nd_2O_3 ppm	Sm_2O_3 ppm	LREO ppm	Eu_2O_3 ppm	Gd_2O_3 ppm	Tb_2O_3 ppm	Dy_2O_3 ppm	Ho_2O_3 ppm	Er_2O_3 ppm	Tm_2O_3 ppm	Yb_2O_3 ppm	Lu_2O_3 ppm	Y_2O_3 ppm	HREO ppm	TREO ppm	TREO %	Th ppm	U ppm
0.5	1.01	3,749	6,369	642	2,051	278	13,088	61	144	17	76	12	29	4	22	3	351	717	13,805	1.38	318	12
1.0	0.69	4,520	7,678	774	2,473	335	15,780	63	148	17	79	13	29	4	22	3	362	739	16,519	1.65	335	12
1.5	0.31	6,051	10,280	1,037	3,311	448	21,127	69	163	19	87	14	32	4	25	3	399	816	21,943	2.19	387	14

In-situ Inferred Mixed Mineral Resource

Cut-Off %TREO	Million Tonnes	La_2O_3 ppm	Ce_2O_3 ppm	Pr_2O_3 ppm	Nd_2O_3 ppm	Sm_2O_3 ppm	LREO ppm	Eu_2O_3 ppm	Gd_2O_3 ppm	Tb_2O_3 ppm	Dy_2O_3 ppm	Ho_2O_3 ppm	Er_2O_3 ppm	Tm_2O_3 ppm	Yb_2O_3 ppm	Lu_2O_3 ppm	Y_2O_3 ppm	HREO ppm	TREO ppm	TREO %	Th ppm	U ppm
0.5	1.90	4,289	7,287	735	2,347	318	14,976	53	125	15	66	11	25	3	19	3	305	624	15,600	1.56	251	11
1.0	1.68	4,559	7,746	781	2,495	338	15,918	53	125	14	66	11	25	3	19	3	304	622	16,541	1.65	248	11
1.5	1.43	4,802	8,158	823	2,628	356	16,766	53	124	14	66	11	25	3	19	3	302	618	17,384	1.74	243	11

In-situ Indicated Fenite Mineral Resource

Cut-Off %TREO	Million Tonnes	La_2O_3 ppm	Ce_2O_3 ppm	Pr_2O_3 ppm	Nd_2O_3 ppm	Sm_2O_3 ppm	LREO ppm	Eu_2O_3 ppm	Gd_2O_3 ppm	Tb_2O_3 ppm	Dy_2O_3 ppm	Ho_2O_3 ppm	Er_2O_3 ppm	Tm_2O_3 ppm	Yb_2O_3 ppm	Lu_2O_3 ppm	Y_2O_3 ppm	HREO ppm	TREO ppm	TREO %	Th ppm	U ppm
0.5	2.71	2,876	5,228	563	1,936	292	10,895	64	158	20	98	16	39	5	27	4	459	889	11,784	1.18	288	13
1.0	1.37	3,980	7,235	779	2,679	404	15,077	76	186	24	116	19	46	6	32	4	542	1,050	16,127	1.61	301	11
1.5	0.59	5,236	9,517	1,025	3,524	531	19,833	88	217	28	135	22	53	7	38	5	633	1,226	21,060	2.11	334	10

In-situ Inferred Fenite Mineral Resource

Cut-Off %TREO	Million Tonnes	La_2O_3 ppm	Ce_2O_3 ppm	Pr_2O_3 ppm	Nd_2O_3 ppm	Sm_2O_3 ppm	LREO ppm	Eu_2O_3 ppm	Gd_2O_3 ppm	Tb_2O_3 ppm	Dy_2O_3 ppm	Ho_2O_3 ppm	Er_2O_3 ppm	Tm_2O_3 ppm	Yb_2O_3 ppm	Lu_2O_3 ppm	Y_2O_3 ppm	HREO ppm	TREO ppm	TREO %	Th ppm	U ppm
0.5	17.47	2,564	4,661	502	1,726	260	9,713	62	153	19	95	16	38	5	26	4	446	863	10,577	1.06	271	13
1.0	8.27	3,286	5,973	643	2,212	333	12,448	73	180	23	112	18	44	5	31	4	523	1,014	13,462	1.35	295	12
1.5	1.73	4,631	8,417	907	3,117	470	17,541	88	215	27	134	22	53	7	37	5	627	1,215	18,756	1.88	331	11

[1] Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability; *Mineral Resources are inclusive of Mineral Reserves;* Individual REO concentrations calculated by applying global proportions per domain from the drilling database

REO distribution at different cut-off grades[1]

***In-situ* Indicated Carbonatite Mineral Resource - REO Distributions at 0.5%, 1.0% and 1.5% TREO Cut-Offs**

Cut-Off %TREO	La_2O_3 %	Ce_2O_3 %	Pr_2O_3 %	Nd_2O_3 %	Sm_2O_3 %	Eu_2O_3 %	Gd_2O_3 %	Tb_2O_3 %	Dy_2O_3 %	Ho_2O_3 %	Er_2O_3 %	Tm_2O_3 %	Yb_2O_3 %	Lu_2O_3 %	Y_2O_3 %	Total %	HREO %
0.5	24.28	44.29	4.76	16.44	2.38	0.63	1.49	0.18	0.84	0.14	0.32	0.04	0.24	0.03	3.93	100	7.8
1	24.43	44.56	4.79	16.54	2.39	0.59	1.38	0.17	0.78	0.13	0.30	0.04	0.22	0.03	3.65	100	7.3
1.5	24.69	45.05	4.84	16.72	2.42	0.51	1.19	0.14	0.67	0.11	0.26	0.03	0.19	0.03	3.14	100	6.3

In-situ Inferred Carbonatite Mineral Resource - REO Distributions at 0.5%, 1.0% and1.5% TREO Cut-Offs

Cut-Off %TREO	La_2O_3 %	Ce_2O_3 %	Pr_2O_3 %	Nd_2O_3 %	Sm_2O_3 %	Eu_2O_3 %	Gd_2O_3 %	Tb_2O_3 %	Dy_2O_3 %	Ho_2O_3 %	Er_2O_3 %	Tm_2O_3 %	Yb_2O_3 %	Lu_2O_3 %	Y_2O_3 %	Total %	HREO %
0.5	24.01	43.80	4.71	16.26	2.35	0.72	1.68	0.20	0.95	0.15	0.37	0.05	0.27	0.04	4.45	100	8.9
1	24.18	44.11	4.74	16.37	2.37	0.67	1.56	0.19	0.89	0.14	0.34	0.04	0.25	0.03	4.12	100	8.2
1.5	24.59	44.86	4.82	16.65	2.41	0.54	1.26	0.15	0.72	0.12	0.27	0.04	0.20	0.03	3.34	100	6.7

In-situ Indicated Mixed Mineral Resource - REO Distributions at 0.5%, 1.0% and 1.5% TREO Cut-Offs

Cut-Off %TREO	La_2O_3 %	Ce_2O_3 %	Pr_2O_3 %	Nd_2O_3 %	Sm_2O_3 %	Eu_2O_3 %	Gd_2O_3 %	Tb_2O_3 %	Dy_2O_3 %	Ho_2O_3 %	Er_2O_3 %	Tm_2O_3 %	Yb_2O_3 %	Lu_2O_3 %	Y_2O_3 %	Total %	HREO %
0.5	27.15	46.13	4.65	14.86	2.01	0.44	1.04	0.12	0.55	0.09	0.21	0.03	0.16	0.02	2.54	100	5.2
1	27.36	46.48	4.69	14.97	2.03	0.38	0.90	0.10	0.48	0.08	0.18	0.02	0.13	0.02	2.19	100	4.5
1.5	27.58	46.85	4.72	15.09	2.04	0.32	0.74	0.09	0.40	0.06	0.15	0.02	0.11	0.02	1.82	100	3.7

In-situ Inferred Mixed Mineral Resource - REO Distributions at 0.5%, 1.0% and 1.5% TREO Cut-Offs

Cut-Off %TREO	La_2O_3 %	Ce_2O_3 %	Pr_2O_3 %	Nd_2O_3 %	Sm_2O_3 %	Eu_2O_3 %	Gd_2O_3 %	Tb_2O_3 %	Dy_2O_3 %	Ho_2O_3 %	Er_2O_3 %	Tm_2O_3 %	Yb_2O_3 %	Lu_2O_3 %	Y_2O_3 %	Total %	HREO %
0.5	27.50	46.71	4.71	15.05	2.04	0.34	0.80	0.09	0.43	0.07	0.16	0.02	0.12	0.02	1.96	100	4.0
1	27.56	46.83	4.72	15.08	2.04	0.32	0.75	0.09	0.40	0.06	0.15	0.02	0.11	0.02	1.84	100	3.8
1.5	27.62	46.93	4.73	15.12	2.05	0.30	0.71	0.08	0.38	0.06	0.14	0.02	0.11	0.02	1.74	100	3.6

In-situ Indicated Fenite Mineral Resource - REO Distributions at 0.5%, 1.0% and 1.5% TREO Cut-Offs

Cut-Off %TREO	La_2O_3 %	Ce_2O_3 %	Pr_2O_3 %	Nd_2O_3 %	Sm_2O_3 %	Eu_2O_3 %	Gd_2O_3 %	Tb_2O_3 %	Dy_2O_3 %	Ho_2O_3 %	Er_2O_3 %	Tm_2O_3 %	Yb_2O_3 %	Lu_2O_3 %	Y_2O_3 %	Total %	HREO %
0.5	24.41	44.36	4.78	16.43	2.48	0.54	1.34	0.17	0.83	0.14	0.33	0.04	0.23	0.03	3.89	100	7.5
1	24.68	44.86	4.83	16.61	2.50	0.47	1.15	0.15	0.72	0.12	0.28	0.04	0.20	0.03	3.36	100	6.5
1.5	24.86	45.19	4.87	16.73	2.52	0.42	1.03	0.13	0.64	0.11	0.25	0.03	0.18	0.02	3.01	100	5.8

In-situ Inferred Fenite Mineral Resource - REO Distributions at 0.5%, 1.0% and 1.5%TREO Cut-Offs

Cut-Off %TREO	La_2O_3 %	Ce_2O_3 %	Pr_2O_3 %	Nd_2O_3 %	Sm_2O_3 %	Eu_2O_3 %	Gd_2O_3 %	Tb_2O_3 %	Dy_2O_3 %	Ho_2O_3 %	Er_2O_3 %	Tm_2O_3 %	Yb_2O_3 %	Lu_2O_3 %	Y_2O_3 %	Total %	HREO %
0.5	24.25	44.07	4.75	16.32	2.46	0.59	1.45	0.18	0.90	0.15	0.36	0.04	0.25	0.03	4.21	100	8.2
1	24.41	44.37	4.78	16.43	2.48	0.54	1.33	0.17	0.83	0.14	0.33	0.04	0.23	0.03	3.89	100	7.5
1.5	24.69	44.88	4.83	16.62	2.50	0.47	1.15	0.15	0.71	0.12	0.28	0.04	0.20	0.03	3.34	100	6.5

[1] Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability; *Mineral Resources are inclusive of Mineral Reserves;* Individual REO concentrations calculated by applying global proportions per domain from the drilling database

Contact Details

William Dawes
Chief Executive
will@mkango.ca

Alexander Lemon
President
alex@mkango.ca

Mkango Resources Ltd.
www.mkango.ca
Twitter: @MkangoResources
Canada + 1 403 444 5979

Calgary Office
706 27 Avenue NW,
Calgary, Alberta
T2M 2J3
Canada