

MKANGO PROVIDES CORPORATE UPDATE

Calgary, Alberta: July 6th, 2016 – Mkango Resources Ltd. (TSX-V: MKA; AIM: MKA) (the “**Corporation**” or “**Mkango**”), is pleased to provide a corporate update on its corporate social responsibility programmes and review of the airborne geophysical data.

Corporate Social Responsibility (“CSR”) update

Since the early days of its exploration programmes, Mkango has implemented a number of successful CSR programmes at its Songwe project in Phalombe in order to enrich the lives of the local communities and establish Mkango’s social licence to operate. These initiatives have focused on sustainable development aimed at reducing poverty and hunger through enhanced education and the provision of agricultural expertise and modern seed types. We have also adopted a role in sponsoring inter-community social and cultural events.

Recent activities include the construction of a new bridge linking a number of communities together, classroom painting in collaboration with our local partner boNGO Worldwide www.bongoworldwide.org, community netball and football competitions and refurbishment of water boreholes. These activities are summarised in a new video which can be accessed via the following link: <http://www.mkango.ca/s/csrvideos.asp>

As Mkango believes in supporting local enterprises, a Malawian film production company, Dikamawoko Arts, directed and filmed the CSR video.

Alexander Lemon, President of Mkango, stated:

"One of Mkango’s core principles is to ensure that there will be poverty reduction, improved education and empowerment of previously disadvantaged groups within the communities that we work in. Therefore, it is important for us to implement meaningful, sustainable and successful social responsibility programmes commensurate with the stage of exploration and development."

Airborne Geophysical Data

Following the acquisition of airborne geophysical data covering the majority of the Thambani and Phalombe licences, Mkango is currently analysing the data and will update the market in due course. The main targets in the Thambani licence are uranium, niobium and tantalum, whereas rare earths are the major area of focus in the Phalombe licence.

The analysis incorporates historical datasets and geological information generated by Mkango and from historical exploration.

This regional generative and follow up work complements Mkango’s focus on its flagship project, the advanced stage Songwe Hill rare earths project for which a pre-feasibility study was completed in November 2015.

About Mkango Resources Ltd.

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”. Mkango holds, through its wholly owned subsidiary Lancaster Exploration Limited, a 100%

interest in two exclusive prospecting licenses in southern Malawi, the Phalombe and Thambani licences.

The main exploration target in the Phalombe licence is the Songwe Hill rare earth deposit, which features carbonatite hosted rare earth mineralisation and was subject to previous exploration in the late 1980s and for which Mkango completed an updated Pre-feasibility study in November 2015. The main exploration targets in the Thambani licence are uranium, niobium and tantalum.

Mkango's strategy is to develop sustainable sources of rare earth elements and other minerals geared to growth in the low carbon "green" economy, technology and the Fourth Industrial Revolution.

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 Corporation 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 securities law. Additionally, the Corporation 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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