



MKANGO RESOURCES LTD.
550 Burrard Street
Suite 2900
Vancouver
BC V6C 0A3
Canada

HYPROMAG TO COLLABORATE WITH ENVIPRO, A LEADING RECYCLING AND MATERIALS TRADING COMPANY IN JAPAN

Highlights

- **HyProMag has launched a collaboration with Envipro on rare earth magnet recycling in Japan and the United Kingdom – Mkango has a 79.4% indirect interest in HyProMag, via Maginito**
- **Envipro was established in 1950 and is a leading recycling and materials trading company, listed on Tokyo Stock Exchange and based in Shizuoka, Japan, with 2023 sales of over US\$300 million, handling scrap volumes of 625,000 tonnes, and a global footprint including the United Kingdom**
- **The collaboration encompasses the following:**
 - **Joint marketing of HyProMag recycling technology solutions and recycled magnets in Japan**
 - **Recycling trials to be carried out in UK and Japan on NdFeB scrap supplied by Envipro**
 - **Analysis of the NdFeB scrap supply market and offtake opportunities in Japan**
 - **Collaboration on potential HyProMag recycling technology development in Japan.**
- **Mkango continues to evaluate opportunities to expand its interests in rare earth magnet recycling globally through joint ventures, collaboration, marketing and offtake agreements.**

London / Vancouver: June 10, 2024 – Mkango Resources Ltd. (AIM/TSX-V: MKA) (the “Company” or “Mkango”) is pleased to announce that pursuant to a non-binding Memorandum of Understanding (“MoU”), HyProMag Limited (“HyProMag”) has launched a collaboration with Envipro Holdings Inc. (“Envipro”) on rare earth magnet recycling in Japan and the United Kingdom (the “Collaboration”).

Will Dawes, Chief Executive of Mkango stated: “This is the first step in the roll out of HyProMag’s rare earth magnet recycling technology into Japan and other Asian markets, and we are very excited to work with Envipro. We see Japan as a major growth opportunity for Mkango and HyProMag, given its substantial and longstanding rare earth market presence and strategic alignment with the development of more robust rare earth supply chains and the objectives of the Minerals Security Partnership, of which Japan is a member.”

Dave Kennedy, Director of HyProMag stated: “Japan has been at the forefront of developments in the application of sintered NdFeB magnet applications since the invention of this magnet type by Sagawa at Sumitomo Special Metals in 1983. Very little end of life recycling has been achieved in the intervening years and we are pleased to be working with Envipro to unlock the potential for recovering critical resources in Japan.”

Shinobu Tachibana, Envipro Holdings Inc. NEWSCON INC. UK representative stated: “Envipro is a global-scale recycling company, developing state-of-the-art-technologies and know-how in the recycling sector. Our goal is to help transform the societies from a linear economy to a circular model. Japan has many industries that use NdFeB magnets in their products, however, recycling of NdFeB magnets has been very limited to date because conventional recycling processes for NdFeB magnets, being de-magnetising, shredding, sorting, and wet metal smelting, are very costly, inefficient and environmentally unfriendly. HPMS is a revolutionary technology for both recycling and re-manufacturing of NdFeB magnets, which provides solutions for these cost and efficiency challenges. Envipro and HyProMag will collaborate on engagement with potential Japanese customers to further the development of HPMS technology in Japan and adopt it for the recycling of rare-earth materials in their products.”

HyProMag is commercialising Hydrogen Processing of Magnet Scrap (“HPMS”) recycling technology in the UK, Germany and United States. HPMS technology was developed at the University of Birmingham, underpinned by approximately US\$100 million of research and development funding, and has major competitive advantages versus other rare earth magnet recycling technologies, which are largely focused on chemical processes but do not solve the challenges of liberating magnets from end-of-life scrap streams – HPMS provides the solution.

Near term milestones for the recycling business include full commissioning of the short-loop HPMS recycling plant in the UK with initial commercial sales of NdFeB by HyProMag targeted for H2 2024, commissioning of the pilot scale (long-loop, chemical route) recycling plant in UK to produce rare earth oxides and carbonates in H1 2024 and completion of the USA Feasibility Study in H2 2024. Initial production in the UK is targeted at 25-30tpa NdFeB with significant expansion potential.

HyProMag’s HPMS recycling technology was selected by the Minerals Security Partnership (“MSP”) for support as one of its key projects. The technology was selected because the MSP determined its strong potential to contribute towards the development of responsible critical mineral supply chains.

The MSP was formed in 2022 by 14 governments and aims to ensure adequate supplies of minerals such as rare earths to meet net zero-carbon goals. It aims to support public and private sector investments building diverse, secure, and responsible global critical minerals supply chains.

About Envipro

Envipro was founded in 1950 and is listed on the Tokyo Stock Exchange (TSE) Prime Market. Envipro has an extensive business portfolio which includes recycling of a wide range of wastes, end of life products, and Lithium ion batteries. The company also operates in the international trading sector for recycled/recovered materials and used vehicles.

In its Resource circulation business sector, Envipro is a pioneer of technology driven recycling in Japan. It has many Materials Recovery Facilities (MRF) which can accept a wide variety of industry wastes from buildings and factories. These state-of-the-art MRFs generate the best quality recovered materials which includes the ferrous /non-ferrous metals and plastic scraps.

In its Global Trading business sector, Envipro has many scrap and used car parts yards all over Japan. This sector also has the logistic service company for third parties. Products are bought and sold internationally with Envipro offices located in Chile, Vietnam, UK and Netherlands.

The newly growing sector is Lithium ion Battery Recycling. This sector also has state-of-the-art MRFs which accept factory defects and end-of-life batteries. MRFs recovers some critical materials and metals such as cobalt, lithium, nickel, copper and graphite.

Envipro’s goal is to create a sustainable society in which “the life of all things is utilized and put to good use.” Its strategic concept for creating such a society is “Lead a Circular Economy (CE)”. Focusing on the reuse, recycling and remanufacturing of materials, the Company will promote the finest technologies for resource circulation across supply chains, and the development of collaboration systems of forward and reverse logistics through partnerships

with manufacturers. Through these engagements, it will grow into a company that is truly appreciated in a society which is experiencing a transition to the circular economy.

For more information, please visit <https://www.envipro.jp/en/>

About Mkango

Mkango is listed on the AIM and the TSX-V. 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 Limited ("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 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 HyProMag's 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 and an extensive rare earths, uranium, tantalum, niobium, rutile, nickel and cobalt exploration portfolio in Malawi, and the Pulawy rare earths separation project in Poland. Discussions with the Government of Malawi in relation to the Mining Development Agreement for Songwe Hill are ongoing.

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, receipt of TSX-V approval for the Subscription, 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 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.

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

SP Angel Corporate Finance LLP

Nominated Adviser and Joint Broker

Jeff Keating, Caroline Rowe, Kasia Brzozowska

UK: +44 20 3470 0470

Alternative Resource Capital

Joint Broker

Alex Wood, Keith Dowsing

UK: +44 20 7186 9004/5

Tavistock Communications

PR/IR Adviser

Jos Simson, Cath Drummond

UK: +44 (0) 20 7920 3150

mkango@tavistock.co.uk

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