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## **HYPROMAG TO PARTICIPATE IN £11 MILLION GRANT FUNDED PROJECT: POWER-ELECTRONICS UPSCALE FOR LOCALISATION AND SUSTAINABLE ELECTRIFICATION (PULSE)**

### **Highlights**

- **HyProMag, a pioneering rare earth magnet recycler and manufacturer, is participating in the £11 million PULSE project (the “Project”), which is part funded by the United Kingdom Government through the Advanced Propulsion Centre UK (“APC”)**
- **HyProMag will collaborate with four industrial partners in the Project, Protean Electric (“Protean”), Unipart Manufacturing (“Unipart”), Viritech and Transense Technologies plc (“Transense”) as well as Coventry University and the Warwick Manufacturing Group (“WMG”)**
- **PULSE will deliver the first In-Wheel Motor (“IWM”) that will use recycled magnets, produced via HyProMag’s in-house magnet manufacturing capability coupled with its patented Hydrogen Processing of Magnet Scrap (“HPMS”) technology, developed at the University of Birmingham, to further strengthen the UK supply chain for rare earth magnet materials and pathway to net-zero**

**London / Vancouver: September 24, 2024** – Mkango Resources Ltd. (AIM/TSX-V: MKA) (the “Company” or “Mkango”) is pleased to announce that HyProMag Limited (“HyProMag”) is participating in the £11 million grant funded PULSE project. HyProMag is 100% owned by Maginito Limited (“Maginito”), which is 79.4% owned by Mkango and 20.6% owned by CoTec Holdings (“CoTec”).

The Project will be led by Protean and will deliver a first of its kind flexible assembly line for power electronics systems used by IWM and other net-zero products. IWN generates power directly in a vehicle’s wheels. By moving power to the wheel, drivers get improved torque response, enhanced handling, faster acceleration, less charging and greater range.

William Dawes, Chief Executive of HyProMag stated: *“We are very pleased to be part of this groundbreaking project and to work with a leading consortium in the field of electric vehicle innovation, validating HyProMag’s HPMS technology and positioning the company at the forefront of rare earth magnet recycling technology development and commercialization.”*

Dr Rob Arnold, Technical Manager of HyProMag stated: *“This consortium has a great commitment to sustainability and scaling the manufacturing capability in the UK, so we are proud to join Project PULSE and continue returning manufacture of NdFeB sintered magnets to the UK. Building on our existing relationship with Protean, this project will see HyProMag deliver a world first by incorporating short-loop recycled magnets into Protean’s In-Wheel Motor technology, delivering a huge reduction in embedded CO<sub>2</sub>.”*

Continuing HyProMag’s existing relationships with IWM manufacturer Protean, and former RARE project partner Unipart, Project PULSE will expand the IWM market while directly incorporating state-of-the-art power electronics. Other industrial partners include fuel cell electric vehicle (“FCEV”) powertrain experts Viritech, and

sensor technology specialists Transense; whilst academic partners Coventry University and WMG complete the consortium.

PULSE will accelerate development and industrialisation of IWM and fuel-cell technology. Additionally, creation of a flexible power electronics manufacturing capability and a focus on sustainable manufacturing innovation will lead to significant job creation and safeguarding, while simultaneously saving in excess of 1 million tonnes of CO<sub>2</sub> per year in the UK.

Apart from the opportunity to advance the application and commercialisation of HPMS and related magnet manufacturing, and to further develop its network of relationships with leading industrial and academic partners, HyProMag will also receive £43,000 in grant funding as part of the Project.

#### **About Mkango Resources Ltd.**

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, 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. HyProMag is also evaluating other jurisdictions, and recently launched a collaboration with Envipro on rare earth magnet recycling in Japan.

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.

#### **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 success of the Project to achieve its aims and the commercial application of the results, the availability of (or delays in obtaining) financing to develop the various recycling plants in the UK, Germany, governmental action and other market effects on global demand and pricing for the metals and associated downstream products for which Mkango is researching and developing, 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 business of Maginito and separation business of 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 plants

of 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 Maginito'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.

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