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HYPROMAG USA TO COMMISSION SCOPING STUDY TO TRIPLE CAPACITY IN THE UNITED STATES EXPANDING INTO NEVADA AND SOUTH CAROLINA

London / Vancouver: 4 September 2025 - Mkango Resources Ltd (AIM / TSX-V:MKA) (the "Company" or "Mkango") is pleased to announce that US-based PegasusTSI Inc. ("PegasusTSI") and Canada-based BBA USA Inc. ("BBA") have been engaged to complete the HyProMag USA, LLC ("HyProMag USA") expansion concept study ("Concept Study" or "Project") for new Nevada and South Carolina rare earth permanent magnet recycling plants in collaboration with global electronics recycling company, Intelligent Lifecycle Solutions, LLC ("ILS"). The expansions envisaged by the Concept Study would be completed concurrently with the phased expansion of the first HyProMag USA facility located in Fort Worth, Texasⁱ (the "Texas Hub") to optimise the "hub and spoke" configuration for rare earth magnet production and production of Hydrogen Processing of Magnet Scrap ("HPMS") recycled NdFeB alloy powder.

The Concept Study will define the conceptual design and investment requirements for new HyProMag facilities in Williston, South Carolina, and Reno, Nevada. It will evaluate site suitability, logistics, scope of developments, infrastructure and environmental assessment, while confirming additional HPMS processing capacity to support up to four additional magnet production lines. The Project will provide an AACEⁱⁱ Class V CAPEX estimate and will incorporate the current advanced design of the HyProMag USA facility located in Fort Worth, Texas.

Julian Treger, CEO of CoTec, commented: *"We are very excited to begin formally expanding and optimising the footprint of HyProMag USA to Nevada and South Carolina collaborating with our partner, ILS. HyProMag USA's NPV for the Texas hub is circa \$600 million based on recent expansion plans, and the economics of expanding the hubs are linear which provides a potential 3x increase in Company value with additional hubs."*

Furthermore, given the recent strong increase in the price of rare earths and their associated magnets, the valuation of the Company continues to strengthen as detailed engineering, supply of feedstock and offtake discussions continue at pace. With the recent significant steps by the U.S. Government to support domestic supply and reshoring of rare earth magnet production, HyProMag USA is well positioned to support U.S. demand growth with commercial operations targeted in H1 2027. HyProMag USA continues to develop strategic partnership discussions with all stakeholders to accelerate financing, commissioning and product verification timelines."

Will Dawes, CEO of Mkango, commented: *"Momentum continues to gather for HyProMag USA with detailed engineering progressing well, and we are very excited to be pushing forward with the Concept Study for the expansion Project. This Project can unlock significant additional value for the group and help catalyze further development of a robust domestic ecosystem for rare earth magnet recycling and manufacturing in the*

United States. We look forward to continuing to work with the Project team as we move to the next stage of development.

HyProMag USA Feasibility Study

The Feasibility Study includes the Texas Hub, and two pre-processing facilities located in South Carolina and Nevada respectivelyⁱⁱⁱ. In March 2025, HyProMag USA announced the expansion of the detailed engineering phase to include three HPMS vesselsⁱ and that it was initiating concept studies for further expansion and complementary “Long-Loop” recycling^{iv}. The Texas Hub’s annual production is expected to be 750 metric tons per annum of recycled sintered NdFeB magnets and 807 metric tons per annum of associated NdFeB co-products (total payable capacity – 1,557 metric tons NdFeB within five years of commissioning) over a 40-year operating life. It is expected the production facility will provide significant optionality to supply the U.S. market with additional NdFeB alloy powder while assisting in revitalizing the U.S. magnet sector with the creation of 90-100 skilled magnet manufacturing jobs.

In March 2025, HyProMag USA announced the results of an independent ISO-Compliant product carbon footprint study which confirmed an exceptionally low CO₂ footprint of 2.35 kg CO₂ eq. per kg of NdFeB cut sintered block product.^v

In August 2025, HyProMag USA announced ILS had formally commenced its stockpiling of feedstock^{vi} initiative pursuant to the recently announced feedstock supply and pre-processing site share agreement between HyProMag USA and ILS.^{vii}

About HyProMag USA

HyProMag USA LLC is owned 50:50 by CoTec Holdings Corp. (TSXV: CTH; OTCQB: CTHCF) (“CoTec”) and HyProMag Limited. HyProMag Limited is 100 per cent owned by Maginito Limited which is owned on a 79.4/20.6 per cent basis by Mkango Resources Ltd. (AIM/TSX-V: MKA) and CoTec.

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, 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 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.

For more information, please visit www.mkango.ca

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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i <https://mkango.ca/news/hypromag-usa-expands-detailed-engineering-phase-to-include-three-hpms-vessels-and-initiates-concept-studies-for-further/>

ii Association for the Advancement of Cost Engineering (AACE)

iii <https://mkango.ca/news/hypromag-usa-feasibility-study-demonstrates-robust-economics-and-the-opportunity-to-develop-a-major-new-domestic-source-of/>

iv Conventional leach, extraction purification and precipitation process

v <https://mkango.ca/news/hypromag-usas-iso-compliant-product-carbon-footprint-study-confirms-exceptionally-low-co-sub-2-sub-footprint-of-2.35-kg-co-sub/>

vi <https://mkango.ca/news/hypromag-usa-commences-stockpiling-of-feedstock/>

vii <https://mkango.ca/news/hypromag-usa-enters-into-agreement-with-global-electronics-recycler-intelligent-lifecycle-solutions-for-feedstock-supply-and/>