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HYPROMAG USA PROJECT UPDATE FOR ITS RARE EARTH MAGNET RECYCLING AND MANUFACTURING PLANTS IN THE UNITED STATES

London / Vancouver: 15 September 2025 - Mkango Resources Ltd (AIM / TSX-V:MKA) (the “Company” or “Mkango”) is pleased to announce that HyProMag USA, LLC (“HyProMag USA”) has provided an update on its engineering, procurement and construction management (“EPCM”) Detailed Design phase (“Detailed Design”).

U.S.-based PegasusTSI Inc. (“PegasusTSI”) and Canada-based BBA USA Inc. (“BBA”) have been engaged to complete the EPCM services for HyProMag USA’s advanced stage rare earth magnet recycling and manufacturing project located in Dallas-Fort Worth, Texas (the “Texas Hub”).

The EPCM Detailed Design will inform the notice to proceed (the “NTP”). HyProMag USA has the potential to supply the U.S. market with a sustainable, long term, domestic supply of neodymium iron boron (“NdFeB”) permanent magnets enabling the creation of secure, low carbon and traceable rare-earth supply chains.

The key items are:

- **Detailed Design is now 25 per cent complete:**

- Technology and design specifications for the ongoing commissioning of the Tyseley facility in the UK and construction of the Pforzheim facility in Germany, and associated plant design and operating criteria are being successfully utilised by HyProMag USA to inform the U.S. operation’s Detailed Design
- Advanced Grain Boundary Diffusion (“GBD”) techniques have been included in the Detailed Design. GBD provides HyProMag USA greater operational flexibility to make grades of magnets with higher coercivity (>20 kOe), which are capable of operating at higher temperatures

- **UK Piloting increased operation:**

- HyProMag Group has invested in and tripled the throughput capacity of the University of Birmingham HPMS pilot facility. The pilot facility has completed over 50 HPMS runs over the last six months
- From this data HyProMag USA is targeting further improvements in the engineering design criteria, recoveries and magnet making capability, as well as providing magnet samples for further customer testing

- **UK Commissioning:**

- Circa 900 kilograms of recycled NdFeB alloy powder has been produced at Tyseley Energy Park. The operation is currently progressing towards production of finished sintered NdFeB magnets¹
- **Capital estimate:**
 - During the period from the end of the Feasibility Study in November 2024 and the commencement of the EPCM, PegasusTSI and BBA continued to refine to a Class 2 Association for the Advancement of Cost Engineering (“AACE”) estimate to be confirmed at the NTP
- **DFW Site selection:**
 - Four short-listed ‘hub’ site options located in Dallas-Fort Worth, Texas have been identified. Approximate size of the hub site is between 125,000 sq. ft and 140,000 sq. ft with commercial discussions to secure a 25-year lease
- **Permitting:**
 - Baseline permitting for the Dallas-Fort Worth, Texas ‘hub’ facility to commence in Q3 2025, once the site is confirmed, through Weston Solutions
- **People:**
 - Owners team established and located in the United States. The owners team consist of senior project engineers, electrical engineers and technical marketing magnets specialists working together with the combined resources of the HyProMag Group
- **Supply and off take:**
 - Feedstock supply collaboration with global electronics recycling company, Intelligent Lifecycle Solutions (“ILS”)²
 - ILS have commenced stock piling of feedstock for the Texas hub³
 - Engagement with further potential feed supply providers and product off takers continues concurrently with the Detailed Design to meet project financing requirements
- **Expansion to three hubs:**
 - Appointed lead engineers Pegasus TSI and BBA to perform Scoping Study for HyProMag USA to expand its footprint in Nevada and South Carolina from one hub to three hubs in the United States⁴
- **Long-loop Recycling:**
 - Appointed engineering group Worley to conduct a Concept Study for further expansion of the U.S. operations through the addition of a complementary “Long-loop” process. The Concept Study will be completed concurrently and support the ongoing studies at Mkango’s long-loop pilot plant in the UK
- **Funding:**
 - HyProMag USA is continuing its ongoing discussions with high-ranking officials in the United States Government, commercial lenders, equity providers and off takers regarding financial support and project acceleration

Julian Treger, CoTec CEO commented: *“We are very pleased with the progress of the EPCM Detailed Design. The learnings from HyProMag’s facilities in the UK and Germany continue to inform PegasusTSI’s and BBA’s work and support an accelerated project schedule targeting first magnets in H1 2027. In parallel with the EPCM Detailed Design, the company is focused on securing funding from the U.S. Government, commercial lenders, equity providers and off takers. With the commencement of the long-loop Concept Study, the Company is in a unique position as it provides both short and long-loop rare earth permanent magnet recycling. HyProMag USA’s proposed U.S. facility fully meets the requirements of the U.S. Defence Production Act (“DPA”) Title III and will provide a secure, long-term, commercial-scale magnet recycling and production facilities in the United States.”*

Will Dawes, Mkango CEO commented: *“HyProMag USA is very well positioned to provide a new domestic sustainable source of rare earth magnets for the United States, and it is fantastic to see the project progress towards near term development at pace. This creates a strong platform for further expansion, complementing the ongoing HyProMag developments in the UK and Germany.”*

The Feasibility Study includes the Texas Hub and two pre-processing facilities located in South Carolina and Nevada respectively. In March 2025, HyProMag USA announced the expansion of the detailed engineering phase to include three HPMS vessels⁵ and that it was initiating concept studies for further expansion and complementary “long- loop” recycling⁶. 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 revitalising 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.⁷

In August 2025, HyProMag USA announced ILS had formally commenced its stockpiling of feedstock⁸ initiative pursuant to the recently announced feedstock supply and pre-processing site share agreement between HyProMag USA and ILS.⁹

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 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/mkango-releases-q2-2025-results/>

²<https://mkango.ca/news/hypromag-usa-enters-into-agreement-with-global-electronics-recycler-intelligent-lifecycle-solutions-for-feedstock-supply-and/>

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

⁴ <https://mkango.ca/news/hypromag-usa-to-commission-scoping-study-to-triple-capacity-in-the-united-states-expanding-into-nevada-and-south-carolina/>

⁵ <https://mkango.ca/news/hypromag-usa-expands-detailed-engineering-phase-to-include-three-hpms-vessels-and-initiates-concept-studies-for-further/>

⁶ Conventional leach, extraction purification and precipitation process

⁷ <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/>

⁸ <https://mkango.ca/news/hypromag-usa-commences-stockpiling-of-feedstock/>

⁹ <https://mkango.ca/news/hypromag-usa-enters-into-agreement-with-global-electronics-recycler-intelligent-lifecycle-solutions-for-feedstock-supply-and/>