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HYPROMAG USA ADVANCES U.S. HUB-AND-SPOKE STRATEGY WITH ARRIVAL OF INSERMA PRE-PROCESSING MACHINES AT SOUTH CAROLINA AND NEVADA SITES

Equipment delivery supports commissioning pathway for planned U.S. rare earth magnet recycling platform; on-site operational milestone events to be announced following commissioning

London / Vancouver: February 5, 2026 - Mkango Resources Ltd (AIM / TSX-V:MKA) ("Mkango") is pleased to announce an update from HyProMag USA, LLC ("HyProMag USA" or the "Company"), a U.S. rare earth magnet recycling and manufacturing company, which today announced the arrival of Inserma recycling machines at Intelligent Lifecycle Solutions, LLC ("ILS") facilities in South Carolina and Nevada, advancing the Company's rollout of rare-earth magnet recycling capabilities in the United States.

The equipment delivery builds on HyProMag USA's recent expansion concept studiesⁱ and pre-feasibility planning for facilities in South Carolina and Nevada, as well as the Company's partnershipⁱⁱ with ILS to secure and prepare magnet-bearing feedstocks. The machines are now on site and will enter commissioning activities in line with site readiness and operational planning.

Julian Treger, CEO of CoTec, commented: *"The delivered Inserma machines represent continued execution against HyProMag USA's scalable U.S. strategy. By advancing pre-processing capability in South Carolina and Nevada, we're strengthening the foundation for a domestic recycling platform and supporting momentum across our broader development program."*

Graham Davy, ILS CEO commented: *"ILS is pleased to receive the Inserma HDD material separation machines at its South Carolina and Nevada locations. Installation and commissioning activities are planned for the next few weeks. When commissioned, the machinery will assist ILS' efforts to source and process rare earth magnet bearing feedstock in partnership with HyProMag USA. ILS is excited to be at the forefront of recycling initiatives to help deliver a secure U.S. domestic supply chain for NdFeB magnets."*

The arrival of the Inserma machines supports ongoing business development efforts, including feedstock sourcing and customer engagement, and provides a clear bridge to subsequent operational milestones as HyProMag USA advances its U.S. rare-earth magnet recycling strategy. The U.S. deployment builds on HyProMag's demonstratedⁱⁱⁱ commercial operations in the United Kingdom, where the Company's patented Hydrogen Processing of Magnet Scrap (HPMS) technology is already operating at industrial scale.

Following completion of commissioning, HyProMag USA expects to host small, on-site operational milestone events at the South Carolina and Nevada locations to demonstrate the equipment in operation and engage regional stakeholders. Additional details regarding timing and participation will be announced at a later date.

HyProMag USA's first facility (the "Texas Hub" or the "Project") is completing detailed engineering and feasibility work following execution of the site lease^{iv} at the Ironhead Commerce Center, and working towards the Company's intention to pursue a U.S. public listing. Together these developments reflect accelerating momentum as HyProMag USA advances toward commercial operations and a scaled manufacturing footprint across the U.S.

About HyProMag USA

HyProMag USA is developing advanced rare earth magnet recycling and manufacturing operations to establish a secure domestic U.S. supply chain for NdFeB magnets, essential components for AI infrastructure, defense systems, robotics, electric vehicles, and advanced electronics. Leveraging the revolutionary HPMS technology, developed over 15 years by the Magnetic Materials Group at the University of Birmingham with more than \$100 million in R&D investment, the Company delivers faster magnet-to-magnet short-loop recycling that uses 88% less energy and reduces carbon emissions by 85% compared to conventional methods. HPMS accepts a wide range of magnet-bearing feedstocks – including end-of-life EV motors, data-center, and industrial equipment, consumer electronics, and manufacturing scrap – enabling recovery of magnet-grade material without chemical processing. Selected by the U.S. Department of State as a Minerals Security Partnership project, HyProMag USA is targeting 10% of U.S. domestic magnet supply within five years, ensuring supply chain security and resilience for technologies critical to national defense and economic competitiveness.

Ownership

HyProMag USA LLC is owned 50:50 by 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 under the name Mkango Rare Earths Limited.

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://hypromagusa.com/following-completion-of-expansion-concept-studies-hypromag-usa-advances-expansion-to-three-states-supporting-a-path-to-triple-u-s-rare-earth-magnet-capacity-by-2029/>

ⁱⁱ <https://hypromagusa.com/hypromag-usa-expands-feedstock-supply-agreement-with-global-electronics-recycler-intelligent-lifecycle-solutions/>

ⁱⁱⁱ <https://hypromagusa.com/uk-minister-for-industry-officially-opens-rare-earth-magnet-recycling-and-manufacturing-facility-at-tyseley-energy-park-birmingham/>

^{iv} <https://hypromagusa.com/hypromag-usa-finalizes-long-term-lease-for-dallas-fort-worth-rare-earth-magnet-recycling-and-manufacturing-hub/>