



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

MKANGO ANNOUNCES US\$ 2,000,000 EARN-IN AGREEMENT WITH METALNRG FOR THE THAMBANI URANIUM LICENSE

London / Vancouver: April 29th 2019 - Mkango Resources Ltd. (AIM/TSX-V: MKA) (the "Company" or "Mkango") announces that it has entered into a Non-Binding Heads of Terms Agreement with MetalNRG PLC (NEX:MNRG) ("MetalNRG"), whereby MetalNRG will earn up to a 75% interest in the Thambani Exclusive Prospecting Licence (the "Thambani Licence") in Malawi, by spending up to US\$2,000,000 on exploration.

The terms of the Non-Binding Heads of Terms Agreement outline that the parties will enter into a Binding Definitive Agreement (the "Definitive Agreement") on or before the 30th June 2019 that shall include the following elements:

- MetalNRG must spend US\$500,000 on exploration within the Thambani Licence within 12 months of the date of the Definitive Agreement, including a drilling programme totalling approximately 1500 metres (the "Initial Workplan"). The details of the Initial Workplan will be determined in conjunction with Mkango. The completion of this Initial Workplan shall entitle MetalNRG to a 25% economic interest in the Thambani Licence, with such interest limited to uranium only.
- After the completion of the Initial Workplan, MetalNRG may elect to further explore and develop the Thambani Licence by spending US\$700,000 over the subsequent 12 months (the "Second Workplan"). The completion of the Second Workplan shall entitle MetalNRG to a 49% economic interest in the Thambani Licence, limited to uranium.
- Following the completion of the Second Workplan, MetalNRG may elect to further explore and develop the Thambani Licence by spending US\$800,000 over the subsequent 12 months (the "Third Workplan"). The completion of the Third Workplan shall entitle MetalNRG to a 75% economic interest in the Thambani Licence, limited to uranium.
- Mkango to have right of first refusal on 100% of the offtake for uranium and other minerals.
- If, following MetalNRG's initial expenditure of US\$500,000 and the completion of the Initial Workplan, MetalNRG is not satisfied with the exploration results produced during the first 12 months, it may elect, at its sole discretion, to discontinue future funding of the Second

and Third Workplans, but it will retain a 25% economic interest in the uranium assets and operations which are the subject of the Thambani Licence. Subject to MetalNRG electing to discontinue future funding of the Second and Third Workplans, Mkango shall have the right to seek third party investment in order to raise sufficient capital to develop further the exploration area covered by the Thambani Licence. MetalNRG's 25% economic interest will be diluted down when further exploration / development expenditure is made by Mkango or a third party.

Alexander Lemon, President of Mkango Resources, said: *"This transaction is another milestone for Mkango and for Malawi, and is further endorsement of the Company's strategy and potential. With MetalNRG funding the Thambani uranium project and the previously announced transaction with Talaxis funding Mkango's Songwe Hill rare earths project, Mkango shareholders can look forward to an exciting year of news flow and progress in two of the market's most strategic commodities at present. We are pleased to be working with MetalNRG, and look forward to a new drilling program being carried out at Thambani."*

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement may have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

About Mkango Resources Limited

Mkango's primary business is exploration for rare earth elements and associated minerals in the Republic of Malawi, a country whose hospitable people have earned it a reputation as "the warm heart of Africa". The Company holds interests in three exclusive prospecting licenses in Malawi: the Phalombe licence, the Thambani licence and the Chimimbe Hill licence.

The main exploration target in the 51% held Phalombe licence is the Songwe Hill rare earths deposit. This features carbonatite-hosted rare earth mineralisation and was subject to previous exploration in the late 1980s. Mkango completed an updated Pre-Feasibility Study for the project in November 2015 and a Feasibility Study is currently underway, the initial phases of which included a 10,900 metre drilling programme and updated mineral resource estimate.

The main exploration targets in Mkango's remaining two 100% held licences are, in the Thambani licence, uranium, niobium, tantalum and zircon and, in the Chimimbe Hill licence, nickel and cobalt.

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, its business and the Project. Generally, forward looking statements can be identified by the use of words such as "plans", "expects" or "is expected", "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. Forward looking statements in this news release include statements with respect to the global market for products using the rare earth metals the Company is exploring for, completion of the feasibility study and of the transactions contemplated in the agreement with Talaxis, as well as the use of proceeds from the investments into the Company by Talaxis and the timing of such expenditures. 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, market demand for the metals and associated downstream products for which Mkango is exploring, researching and developing, the positive results of a feasibility study on the Project, delays in obtaining financing or governmental or stock exchange approvals. 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 assumes 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

UK: +44 207 3722 744

Canada: +1 403 444 5979

www.mkango.ca

@MkangoResources

Alexander Lemon

President

alex@mkango.ca

Blytheweigh

Financial Public Relations

Tim Blythe, Camilla Horsfall, Julia Tilley

UK: +44 207 138 3204

SP Angel Corporate Finance LLP

Nominated Adviser and Joint Broker

Jeff Keating, Caroline Rowe

UK: +44 20 3470 0470

Alternative Resource Capital

Joint Broker

Alex Wood, Rob Collins

UK: +44 20 7186 9004; +44 20 7186 9001

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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.