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MKANGO RESOURCES RAISES £1M (C\$1.9M) IN OVERSUBSCRIBED PLACING, CONDITIONAL ON ADMISSION TO AIM

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Calgary, Alberta: May 24, 2016 – Mkango Resources Ltd. (TSXV-MKA) (the “**Corporation**” or “**Mkango**”) is pleased to announce that, further to its announcement dated 18th May 2016 in relation to a proposed placing (the “**Placing**”), it has received commitments for over £1 million (approximately C\$1.9 million) to date. The Placing is conditional on admission to the AIM market (“**AIM**”) of the London Stock Exchange by 30 June 2016.

As previously announced, in conjunction with and subject to successful completion of both the Placing and admission to AIM, the Corporation proposes to undertake a three to one consolidation (the “**Consolidation**”) on the basis of three (3) pre-Consolidation shares for one (1) post-Consolidation share. The Consolidation would have the effect of reducing the number of shares outstanding prior to the Placing from 121,256,956 to 40,418,985.

Under the terms of the Placing, the Corporation will issue 30,303,030 post-Consolidation units (the “**Units**”) at a post-Consolidation price of 3.3 pence per Unit.

Each Unit will consist of one common share of the Corporation (a “**Common Share**”) and one Common Share purchase warrant (a “**Warrant**”). Each whole Warrant will entitle the holder to acquire one Common Share at a price of 6.6 pence for a period of 3 years following the closing date of the Placing.

If the closing price of the Common Shares on AIM exceeds 19.8 pence for at least 20 consecutive trading days following the date that is four months after the date of issuance of the Warrants, the Corporation shall have the right, exercisable within three business days thereafter, to accelerate the expiry of the Warrants to 20 business days after the issuance of a news release announcing the new expiry date.

The expected proceeds of the Placing will provide the Corporation with sufficient working capital for a minimum period of one and a half years from completion of the Placing.

SP Angel is Nominated Advisor and Broker in relation to the proposed admission to AIM, and Jub Capital has been appointed placing agent for the Placing.

Units will be offered and sold only to persons in jurisdictions to whom Units may be offered and sold pursuant to the Placing without breach of applicable securities laws.

The Placing, and any fees paid in connection therewith, and the proposed Consolidation is subject to the approval of the TSX Venture Exchange. The securities issued in connection with the Placing, will be subject to the applicable four month hold periods in Canada, in accordance with applicable securities laws and the rules of the TSX-V.

Cautionary Note Regarding Forward-Looking Statements

This news release may contain forward-looking statements relating to the completion of the Placing on the terms set forth herein, the proposed use of proceeds of the Placing and the proposed listing of the Corporation on the AIM board of the London Stock Exchange. 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, delays in obtaining financing or governmental or stock exchange approvals.

The forward-looking statements contained in this press release are made as of the date of this press release. Except as required by law, the Corporation 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 securities law. Additionally, the Corporation 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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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 Corporation in the United States. The securities of the Corporation 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.