

NEWS RELEASE

MKANGO RESOURCES INTERSECTS FURTHER SIGNIFICANT ZONES OF REE MINERALISATION AT SONGWE INCLUDING 42.3 m GRADING 2.1% TREO, 39.1 m GRADING 1.9% TREO, AND 47.3 m GRADING 2.2% TREO

Calgary, Alberta: June 12, 2012 – Mkango Resources Ltd. (TSXV-MKA) (the "Corporation" or "Mkango") is pleased to announce results for a further seven holes of the Stage 2 drilling programme at the Songwe project in Malawi. The results for the remaining 15 drill holes from the Stage 2 drilling will be announced as the analyses become available. Highlights from the new results are as follows:

PX015	77.8 m grading 1.1% TREO (20.1 – 97.8 m) including 10.0 m grading 2.0% TREO (82.0 – 92.0 m). Inclined hole (80 degrees).
PX017a	39.1 m grading 1.9% TREO (0.0 – 39.1 m) including 13.5 m grading 3.6% TREO (0.0 – 13.5 m). Inclined hole (70 degrees).
PX018	47.3 m grading 2.2% TREO (9.0 – 56.3 m), 13.6 m grading 2.1% TREO (102.8 – 116.4 m), 99.8 m grading 1.2% TREO (125.6 – 225.4 m) including 38.7 m grading 1.5% TREO (125.6 – 164.3 m). Inclined hole (70 degrees).
PX022a	61.7 m grading 1.4% TREO (11.6 – 73.2 m) ¹ including 31.0m grading 1.7% TREO (37.0 – 68.0 m) ¹ , and 15.7m grading 1.8% TREO (88.0 – 103.7 m EoH). Inclined hole (80 degrees).
PX025	27.6 m grading 1.8% TREO (89.4 – 117.0 m EoH). Inclined hole (60 degrees).
PX033	96.8 m grading 1.6% TREO (4.2 – 101.0 m) ² including 42.3 m grading 2.1% TREO (42.0 – 84.3 m). Inclined hole (60 degrees).
PX035	96.3 m grading 1.5% TREO (0.0 – 96.3 m) ³ including 25.0 m grading 1.8% TREO (41.5 – 66.5 m) and 22.7 m grading 1.8% TREO (72.3 – 95.0 m). Inclined hole (80 degrees).

¹ Includes 5.7 m cavity which was not sampled. ² Includes 2.2 m cavity which was not sampled. ³ Includes 2.6 m cavity which was not sampled. TREO: total rare earth oxides including yttrium. These intersections are reported as down hole widths and do not necessarily represent true thicknesses and attitude of the mineralised zones, the estimation of which will require further refining of the geological model. See Appendix for contents of TREO and for further details on results of Stage 2 drilling programme.

- A total of 25 holes were completed in Stage 2 for a total of approximately 4,860 metres to a maximum vertical depth of approximately 350 metres.
- Consistent with Stage 1 drilling completed in 2011, Stage 2 drilling intersected broad zones of mineralised carbonatite, carbonatite breccia and fenite.
- Drilling to date has focused on an area measuring approximately 350 m by 100 m comprising rare earth enriched lithologies largely exposed at surface.
- Mineralisation is open to depth and along strike, and there are known areas of additional carbonatite exposure within the Songwe vent system constituting further exploration upside.

- The MSA Group, Johannesburg, South Africa, will commence estimation of a National Instrument 43-101 compliant resource estimate for the Songwe project on receipt of all the assay results.

A schematic geological map illustrating the location of the drill hole collars and estimated drill hole traces is available on the Company's website (www.mkango.ca).

The Songwe Hill Rare Earth Project

The Songwe Hill rare earth project is located within a 100% owned exclusive prospecting licence covering an area of 1,283 km² in southeast Malawi (the "Phalombe Licence"). Songwe is accessible by road from Zomba, the former capital, and Blantyre, the principal commercial town of Malawi. Total travel time from Zomba is approximately 2 hours, which will reduce as infrastructure continues to be upgraded in the area.

Scientific and technical information, including data verification, contained in this release has been approved and verified by Dr. Scott Swinden of Swinden Geoscience Consultants Ltd, who is a "Qualified Person" in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

Sample preparation and analytical work for the drilling and channel sampling programmes are being provided by Intertek-Genalysis Laboratories (Johannesburg, South Africa and Perth, Australia) employing ICP-MS techniques suitable for rare earth element (REE) analyses and following strict internal QAQC procedures inserting duplicates, blanks and standards. Internal Laboratory QAQC was also completed to include blanks, standards and duplicates.

Mkango Resources Ltd.

Mkango's primary business is the exploration for rare earth elements and associated minerals in the Republic of Malawi. It holds, through its wholly owned subsidiary Lancaster, a 100% interest in two exclusive prospecting licenses covering a combined area of 1,751 km² in southern Malawi. The main exploration target is the Songwe Hill rare earth deposit, which features carbonatite hosted rare earth mineralisation and was subject to previous exploration in the late 1980s.

The Corporation's corporate strategy is to further delineate the rare earth mineralisation at Songwe Hill and secure additional rare earth element and other mineral opportunities in Malawi and elsewhere in Africa.

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Cautionary Note Regarding Forward-Looking Statements

This news release may contain forward-looking statements relating to the Corporation. 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, among others, the interpretation and actual results of current exploration activities; changes in project parameters as plans continue to be refined; future commodity prices; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of exploration.

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 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 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.

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.

Appendix – Selected Stage 2 drill results

Drill Hole	From m	To m	Interval m	La ₂ O ₃ ppm	Ce ₂ O ₃ ppm	Pr ₂ O ₃ ppm	Nd ₂ O ₃ ppm	Sm ₂ O ₃ ppm	Eu ₂ O ₃ ppm	Gd ₂ O ₃ ppm	Tb ₂ O ₃ ppm	Dy ₂ O ₃ ppm	Y ₂ O ₃ ppm	Other ¹ ppm	TREO ² %	Nb ₂ O ₅ %	% HREO ³ + Y ₂ O ₃
PX006	100.0	130.4	30.4	3,255	7,318	859	3,096	531	154	382	47	217	883	159	1.7%	0.04%	10.9%
PX013	5.7	72.2	66.5 (i)	6,924	10,801	1,005	2,978	319	85	196	24	117	514	93	2.3%	0.20%	4.5%
including	21.1	39.2	18.1	9,950	15,126	1,375	3,980	404	106	236	28	133	593	109	3.2%	0.15%	3.8%
	44.6	54.8	10.2	12,157	17,333	1,491	4,132	395	102	225	26	114	466	83	3.7%	0.23%	2.8%
(i) Includes 5.3m cavity not sampled.																	
PX014	142.0	181.1	39.1	4,481	7,605	770	2,535	336	92	222	27	128	534	103	1.7%	0.26%	6.6%
PX015	20.1	97.8	77.8	2,687	5,048	522	1,793	248	71	183	25	135	652	131	1.1%	0.10%	10.4%
including	82.0	92.0	10.0	5,957	8,954	803	2,557	309	88	211	28	136	611	123	2.0%	0.16%	6.1%
PX017a	-	39.1	39.1	5,353	8,445	846	2,676	373	107	249	32	147	659	134	1.9%	0.16%	7.0%
including	-	13.5	13.5	11,170	16,233	1,536	4,562	594	165	379	44	190	804	155	3.6%	0.21%	4.8%
PX018	9.0	56.3	47.3	6,290	10,224	1,028	3,209	420	118	278	31	146	540	98	2.2%	0.12%	5.4%
	102.8	116.4	13.6	5,608	9,136	941	3,208	487	141	318	37	160	611	111	2.1%	0.17%	6.6%
	125.6	225.4	99.8	2,745	5,378	603	2,137	303	79	169	18	75	328	63	1.2%	0.10%	6.2%
including	125.6	164.3	38.7	3,444	6,490	718	2,569	382	105	228	25	106	442	86	1.5%	0.14%	6.8%
	236.0	260.2	24.2	2,928	5,421	586	2,032	291	75	163	16	71	343	68	1.2%	0.10%	6.1%
PX022a	11.6	73.2	61.7 (i)	2,671	5,933	700	2,700	419	116	258	32	162	774	143	1.4%	0.17%	10.7%
including	37.0	68.0	31.0 (i)	3,362	7,274	825	3,068	441	123	281	37	193	930	175	1.7%	0.25%	10.4%
	88.0	103.7	15.7	3,576	7,919	904	3,394	514	135	296	34	161	731	142	1.8%	0.21%	8.4%

(i) Includes 5.7m cavity not sampled.

¹ Other comprises Ho₂O₃, Er₂O₃, Tm₂O₃, Yb₂O₃ and Lu₂O₃; ² TREO: total rare earth oxides including yttrium; ³ HREO defined here as oxides of Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb & Lu

Drill Hole	From m	To m	Interval m	La ₂ O ₃ ppm	Ce ₂ O ₃ ppm	Pr ₂ O ₃ ppm	Nd ₂ O ₃ ppm	Sm ₂ O ₃ ppm	Eu ₂ O ₃ ppm	Gd ₂ O ₃ ppm	Tb ₂ O ₃ ppm	Dy ₂ O ₃ ppm	Y ₂ O ₃ ppm	Other ¹ ppm	TREO ² %	Nb ₂ O ₅ %	% HREO ³ + Y ₂ O ₃
PX025	89.4	117.0	27.6	3,724	7,801	895	3,308	455	124	280	33	159	692	127	1.8%	0.25%	8.0%
PX033	4.2	101.0	96.8 (i)	4,005	7,004	731	2,539	379	103	247	30	136	596	114	1.6%	0.18%	7.7%
including	42.0	84.3	42.3	5,920	9,323	914	2,968	411	110	258	30	132	552	102	2.1%	0.15%	5.7%
(i) Includes 2.2m cavity not sampled.																	
PX035	-	96.3	96.3 (i)	3,390	6,589	731	2,570	373	107	254	32	156	741	158	1.5%	0.22%	9.6%
including	41.5	66.5	25.0	3,940	7,877	890	3,165	465	130	303	37	176	810	162	1.8%	0.27%	9.0%
	72.3	95.0	22.7	4,204	8,368	930	3,222	428	121	285	35	160	611	130	1.8%	0.21%	7.3%

(i) Includes 2.6m cavity not sampled.

¹ Other comprises Ho₂O₃, Er₂O₃, Tm₂O₃, Yb₂O₃ and Lu₂O₃; ² TREO: total rare earth oxides including yttrium; ³ HREO defined here as oxides of Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb & Lu