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MKANGO PROVIDES CORPORATE UPDATE

London / Vancouver: March 31, 2020 - Mkango Resources Limited (AIM/TSX-V: MKA) ("Mkango" or the "Company") would like to provide the following corporate update in response to the COVID-19 pandemic and on timing for completion of the on-going Feasibility Study for its 51% owned Songwe Hill rare earths project in Malawi ("Songwe").

In these difficult times, Mkango is working proactively to protect our staff and our business. The Company remains focused on completion of the Feasibility Study for Songwe and development of downstream opportunities through Maginito Limited ("Maginito"), which includes Maginito's 25% interest in Hypromag Limited ("Hypromag"), a UK based company focused on rare earth magnet recycling.

The Company is taking the necessary pre-emptive precautions in response to COVID-19 and providing ongoing advice to its staff in the country. In this rapidly evolving environment, we are prioritising the safety of our employees. With the drill programme for Songwe completed in 2018, most of our in-country operations can be completed offsite, and all of our employees are now working from home when possible. All travel has been curtailed.

William Dawes, Chief Executive of Mkango stated: *"The welfare of the Company's staff remains the main priority for Mkango. Whilst the current market environment is very challenging, Mkango's strong financial position means the Company is well positioned to weather ongoing market uncertainty for the foreseeable future. The impact of COVID-19 has focused attention on the vulnerability of supply chains globally, already a major concern in the rare earths sector prior to the pandemic, and Mkango looks forward to further engagement with Government and market participants to play a major role in future development of a robust and sustainable rare earth supply chain for global markets."*

Mkango continues to be in a strong financial position with a current unaudited consolidated cash position totaling approximately US\$7.4 million.

In November 2017, Mkango entered into an agreement with Talaxis Limited ("Talaxis") to fund the feasibility study for Songwe. Talaxis has invested £12 million in Lancaster Exploration Limited, ("Lancaster"), Mkango's subsidiary which owns the Songwe project, for 49% of Lancaster. Talaxis also has an option to acquire a further 26% of Lancaster by arranging financing for project development including funding the equity component thereof. Talaxis also holds a 24.5% interest in Maginito.

Whilst the Feasibility Study is continuing with work underway in Australia, South Africa and the UK, the Company believes it is inevitable that some workstreams will be impacted, however the degree of impact is currently uncertain. Following a review of the various ongoing workstreams, the Company is now targeting completion of the Feasibility Study in the second half of 2021, in line with an anticipated more stable market

environment and favourable backdrop to advance project development. We note, however, that extended periods of COVID-19 disruption may further impact this timing.

Operations at HyProMag are continuing where possible, in line with current UK government guidelines.

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 four exclusive prospecting licenses in Malawi: the Phalombe licence, the Thambani licence, the Chimimbe Hill licence and the Mchinji 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 an updated mineral resource estimate, announced in February 2019. In March 2019, the Company announced receipt of a £7 million (C\$12.3 million) investment from Talaxis to fund completion of the Feasibility Study. Following completion of the Feasibility Study, Talaxis has an option to acquire a further 26% interest in Songwe by arranging financing for project development including funding the equity component thereof.

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

Mkango also holds a 75.5% interest in Maginito with the balance owned by Talaxis. Maginito is focused on downstream opportunities relating to the rare earths supply chain, in particular, recycling and other innovative technologies for the production of neodymium alloy powders and magnets used in electric vehicles, wind power and other industries geared to decarbonisation of the economy.

For more information, please visit www.mkango.ca.

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.

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 effects of COVID-19 on Mkango's business, global market for rare earth metals the Company is exploring for, completion of the feasibility study for Songwe. 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, governmental action relating to COVID-19, COVID-19 and other market effects on global 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 and 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.

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