



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



COTEC HOLDINGS CORP.
755 Burrard Street
Suite 428
Vancouver
V6Z 1X6
Canada

COMPLETION OF £1.5 MILLION INVESTMENT BY COTEC INTO MAGINITO LIMITED AND CO-OPERATION AGREEMENT SIGNED FOR DEVELOPMENT OF RARE EARTH TECHNOLOGIES IN THE UNITED STATES

Highlights

- CoTec invests £1.5 million (C\$2.5 million) in Mkango's subsidiary, Maginito Limited ("Maginito"), for a 10% equity interest and John Singleton, Chief Operating Officer of CoTec, has been appointed to the Board of Maginito
- Maginito now uniquely positioned in complementary short loop and long loop technologies to recycle rare earth NdFeB magnets through its existing interests in HyProMag and HyProMag GmbH, as well as in Mkango subsidiary, Mkango UK, which has been transferred from Mkango to Maginito
- Major competitive advantages in the rare earth recycling sector:
 - access to highly energy efficient, patented Hydrogen Processing of Magnet Scrap ("HPMS") technology
 - capability to manufacture rare earth magnets with a significantly reduced carbon footprint
- Near term production pipeline:
 - short loop recycling plants to be commissioned in UK and Germany in 2023 and 2024, respectively
 - pilot plant for long loop recycling via chemical processing targeted for commissioning in 2023
 - scoping and feasibility studies for USA and other regions proceeding in parallel
- Mkango and CoTec will collaborate in the development of rare earth technology opportunities in the United States with ongoing scoping studies evaluating recycling, chemical processing, alloys and magnet manufacturing

London, U.K. and Vancouver, CANADA – 16 March, 2023 – Mkango Resources Ltd. (AIM/TSX-V: MKA) (the "Company" or "Mkango") and CoTec Holdings Corp (TSX-V: CTH) ("CoTec") are pleased to announce that they have closed the previously announced £1.5 million investment (the "Investment") by CoTec into Mkango's subsidiary, Maginito Limited ("Maginito"). In connection therewith, Maginito and CoTec have agreed to collaborate on the commercialisation of downstream rare earth technologies in the United States and Mkango Rare Earths UK Ltd ("Mkango UK") has been transferred to become a subsidiary of Maginito.

Maginito now holds a 42% interest in HyProMag Limited ("HyProMag") focused on short loop rare earth magnet recycling in the UK, a 66.8% direct and indirect interest (assuming conversion of Maginito's recently announced convertible loan) in HyProMag GmbH, a company focused on short loop rare earth magnet recycling in Germany,

and a 100% interest in Mkango UK, a company focused on long loop rare earth magnet recycling in the UK via a chemical route. A new US subsidiary, to be jointly owned by Maginito and CoTec, is expected to be formed to develop rare earth technology opportunities in the United States.

William Dawes, Chief Executive of Mkango stated: *“This is an exciting milestone for Mkango and we look forward to working closely with CoTec through a shared vision for Maginito to create a large-scale, international business focused on downstream rare earth technologies and recycling. Maginito will also benefit from potential synergies with Mkango’s development of primary rare earths production in Malawi and Poland. The restructuring of Maginito facilitates future access to capital and creates a strong platform for its scale-up, international roll-out and further partnership opportunities.”*

Julian Treger, Chief Executive of CoTec stated: *“We are glad to have closed this Investment and are now keen to work swiftly with Mkango to roll-out production into North America. Underpinned by unique green processing technologies, our development strategy will be very helpful to establish US independence in the rare earth realm and we hope to make further announcements in the coming months to update the market on this process. These plants are also expected to start generating revenues for CoTec in relatively short order, demonstrating how our growth strategy of applying scalable revolutionary technologies to create profitable green commodity extraction assets works in practice.”*

£1,500,000 Maginito Investment

CoTec has subscribed for shares in Maginito (the “Maginito Shares”), equivalent to a post-issuance 10% equity stake, for an investment of £1.5 million (C\$2.5 million).

CoTec and Mkango have entered into a shareholders’ agreement with respect to Maginito, pursuant to which CoTec has the right to one Maginito Board seat for so long as CoTec continues to hold at least a five percent (5%) shareholding in Maginito, increasing to two Maginito Board seats if CoTec holds at least a twenty percent (20%) shareholding in Maginito, as well as customary minority investor rights and protections. Under a previously announced £2 million (C\$3.3 million) convertible loan from CoTec to Mkango, CoTec has the right to either convert the loan into Mkango shares at 27p per share or into 10.6% of Maginito Shares. If it chooses the option to convert the loan into Maginito Shares, it will hold a 20.6% interest in Maginito. Additionally, Mkango and Maginito have entered into a management agreement whereby Mkango will continue to manage Maginito.

Appointment of John Singleton to the Board of Maginito

In connection with the Investment John Singleton, Chief Operating Officer of CoTec, has been appointed to the Board of Maginito, joining Mkango Chief Executive William Dawes and Mkango President Alexander Lemon. Mr Singleton has over twenty years’ experience in the mining industry. He started his career at De Beers Consolidated Mines in South Africa as a Senior Geotechnical Engineer, followed by 13 years at Rio Tinto Plc. During his time at Rio Tinto Mr Singleton gained extensive operational, commercial and technical experience across multiple product groups and served in several senior leadership positions in Business Evaluation and Corporate Development. Most recently he was Head of Corporate Development at Centamin Plc. His experience includes business development, strategy and capital planning, mergers and acquisitions, assessment of investment opportunities, project development and valuation. Mr Singleton has worked globally across multiple commodities and has led several multi-discipline teams. He is a Fellow of the Royal Geological Society and holds a BSc from the University of Bristol and an MSc in Engineering Geology from Imperial College London.

United States Co-operation Agreement

Mkango and CoTec have entered into a co-operation agreement regarding future investments in rare earth processing technology opportunities in the United States. Scoping studies are underway to determine optimal sites there, and to evaluate the scope of potential rare earth developments, which may include recycling, chemical processing and the production of alloys and magnets.

Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR') which has been incorporated into UK law by the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via Regulatory Information Service, this inside information is now considered to be in the public domain.

About Maginito

Maginito is focused on developing green technology opportunities in the rare earths supply chain, encompassing neodymium (NdFeB) magnet recycling as well as innovative rare earth alloy, magnet, and separation technologies.

Maginito holds a 42% interest in UK rare earth (NdFeB) magnet recycler, HyProMag (www.hypromag.com) with an option to increase its interest to 49%. Hypromag has licensed the patented technology called HPMS (Hydrogen Processing of Magnet Scrap) developed in the Magnetic Materials Group (MMG) at the University of Birmingham.

HyProMag's strategy is to establish short loop recycling facilities for NdFeB magnets at Tyseley Energy Park in Birmingham, U.K. (the "Tyseley Recycling Facilities") and other locations to provide a sustainable solution for the supply of NdFeB magnets and alloys for a wide range of markets including, for example, automotive and electronics. The plant at Tyseley Energy Park is being developed together with the University of Birmingham, with a minimum capacity of 100tpa NdFeB (neodymium, iron, boron) and first production is targeted for 2023. This £4.3 million project is being funded by Driving the Electric Revolution, an Industrial Strategy Challenge Fund challenge delivered by UK Research and Innovation ("UKRI").

In November 2021, HyProMag established an 80%-owned subsidiary in Germany, HyProMag GmbH, to rollout commercialisation of HPMS technology into Germany and Europe. HyProMag GmbH is developing a similar sized plant to that at Tyseley Energy Park (the "HyProMag GmbH Recycling Facility"). Initial capacity is expected to be a minimum of 100tpa NdFeB, comprising recycled rare earth sintered magnets and alloys and will be the first in Germany using the patented HPMS process, with first production targeted for 2024. Maginito has entered into a convertible loan agreement (the "HyProMag GmbH Convertible Loan") with HyProMag GmbH, to acquire up to a 50% interest. Under the terms of the HyProMag GmbH Convertible Loan, Maginito has granted HyProMag GmbH a loan facility for €2.5 million (approximately C\$3.6 million) available to be drawn down in accordance with an agreed investment plan and convertible into a 50% interest in HyProMag GmbH.

This investment by Maginito (which will be funded in part by proceeds from Mkango's recently completed £3.5 million placing) will contribute to the matched funding requirements to unlock the €3.7 million (approximately C\$5.3 million) grants announced by Mkango on November 23, 2022, for development of the production facility in Baden-Württemberg State.

Mkango UK is establishing a pilot plant at Tyseley Energy Park (the "Mkango UK Pilot Plant") to chemically process recycled HPMS NdFeB powder and magnet swarf (i.e. the powder produced from grinding and finishing magnets) from a range of scrap sources including electronic waste, electric motors and wind turbines, complementing the short loop magnet recycling routes being developed in parallel by HyProMag. The £1.1 million pilot plant programme is being developed as part of the SCREAM Project (<https://scream-uk.com/>). 70% of the costs are being funded by UK Research and Innovation (UKRI) as part of the Driving the Electric Revolution challenge.

About Mkango

Mkango's corporate strategy is to develop new sustainable primary and secondary sources of neodymium, praseodymium, dysprosium and terbium to supply accelerating demand from electric vehicles, wind turbines and other clean technologies. This integrated Mine, Refine, Recycle strategy differentiates Mkango from its peers, uniquely positioning the Company in the rare earths sector. Mkango is listed on the AIM Market of the London Stock Exchange ("AIM") and the TSX Venture Exchange ("TSX-V").

Mkango is developing its Songwe Hill rare earths project (“Songwe”) in Malawi with a Feasibility Study completed in July 2022 and an Environmental, Social and Health Impact Assessment approved by the Government of Malawi in January 2023. Malawi is known as “The Warm Heart of Africa”, a stable democracy with existing road, rail and power infrastructure, and new infrastructure developments underway.

In parallel, Mkango and Grupa Azoty PULAWY, Poland's leading chemical company and the second largest manufacturer of nitrogen and compound fertilizers in the European Union, have agreed to work together towards development of a rare earth Separation Plant at Pulawy in Poland (the “Pulawy Separation Plant”). The Pulawy Separation Plant will process the purified mixed rare earth carbonate produced at Songwe Hill.

Through its ownership of Maginito (www.maginito.com), Mkango is also developing green technology opportunities in the rare earths supply chain, encompassing neodymium (NdFeB) magnet recycling as well as innovative rare earth alloy, magnet, and separation technologies.

Mkango also has an extensive exploration portfolio in Malawi, including the Mchinji rutile exploration project, the Thambani uranium-tantalum-niobium-zircon project and Chimimbe nickel-cobalt project.

For more information, please visit www.mkango.ca

About CoTec Holdings Corp.

CoTec is a publicly traded investment issuer listed on the TSX-V. The Company is an ESG-focused company investing in innovative technologies that have the potential to fundamentally change the way metals and minerals can be extracted and processed for the purpose of applying those technologies to undervalued operating assets and recycling opportunities, as the company seeks to transition into a mid-tier mineral resource producer. CoTec is committed to supporting the transition to a lower carbon future for the extraction industry, a sector on the cusp of a green revolution as it embraces technology and innovation.

For more information, please visit www.cotec.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 and CoTec. Generally, forward looking statements can be identified by the use of words such as “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, the Tyseley Recycling Plant, the HyProMag GmbH Recycling Plant, the Mkango UK Pilot Plant, the Pulawy Separation Plant, 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 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 Maginito’s 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 Tyseley Recycling Plant, the HyProMag GmbH Recycling Plant, the Mkango UK Pilot Plant, the Pulawy Separation Plant and future investments in the United States pursuant to the proposed 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 and CoTec disclaim 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 and CoTec undertake 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 Canada: +1 403 444 5979 www.mkango.ca @MkangoResources	Alexander Lemon President alex@mkango.ca
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SP Angel Corporate Finance LLP
Nominated Adviser and Joint Broker
Jeff Keating, Kasia Brzozowska
UK: +44 20 3470 0470

Alternative Resource Capital
Joint Broker
Alex Wood, Keith Dowsing
UK: +44 20 7186 9004/5

Bacchus Capital Advisers
Financial Adviser
Richard Allan
UK: +44 203 848 1642
UK: +44 7857 857 287
richard.allan@bacchuscapital.co.uk

For further information on CoTec, please contact:

CoTec Holdings Corp.
Braam Jonker
Chief Financial Officer
braam.jonker@cotec.ca
Canada: +1 604 992-5600

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