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FIRST RECYCLED RARE EARTH ALLOY PRODUCTION AT TYSELEY ENERGY PARK, BIRMINGHAM, UK

London / Vancouver: July 7, 2025 - Mkango Resources Ltd. (AIM/TSX-V: MKA) ("Mkango") is pleased to announce first production runs for the commercial scale Hydrogen Processing of Magnet Scrap ("HPMS") vessel, which is currently being commissioned by the University of Birmingham ("UoB") with the support of commercial partner, HyProMag Limited ("HyProMag"), as part of the new scaled-up rare earth magnet recycling and manufacturing plant (the "Plant") located at Tyseley Energy Park, Birmingham, UK ("TEP").

The HPMS vessel is fundamental to the Plant, producing a high grade, recycled neodymium-iron-boron ("NdFeB") alloy powder for commercial sale or to feed downstream magnet manufacturing. All major equipment for the Plant has been constructed on site and will be commissioned sequentially over the coming months.

- **The Plant at TEP is the only commercial scale rare earth sintered magnet making facility in the UK. Development of the Plant was largely funded by Driving the Electric Revolution, an Industrial Strategy Challenge Fund delivered by UK Research and Innovation via UoB**
- **As the commercial partner for the Plant and exclusive licensee from the UoB for the patented HPMS technology, HyProMag has entered into an agreement with the UoB for utilisation of Plant equipment and infrastructure**
- **HyProMag is targeting UK sales of around 0.5 tonnes per month of recycled HPMS NdFeB product by the end of July, increasing to a minimum of 2 tonnes per month by the end of 2025, in advance of potential expansion to 100-350 tonnes per year in 2026 with further expansion options being evaluated**
- **HyProMag commercial operations will be underpinned by existing NdFeB scrap inventories, ongoing purchases of NdFeB scrap, as well as product offtake, spot purchases and sales**
- **The NdFeB product from HPMS has a total rare-earth content (neodymium/praseodymium together with dysprosium/terbium) exceeding 28% and is analogous to a typical NdFeB alloy for magnet manufacture, whilst having a minimal CO₂ footprint relative to both primary and other recycled NdFeB products. Initially sold to third parties for long-loop chemical processing, this material will in future be used for magnet manufacture within HyProMag**
- **Following the commissioning of the Plant's downstream powder processing plant (for HPMS powder sieving, blending and jet milling), magnet manufacturing presses and sintering furnaces, targeted by the end of Q3 2025, HyProMag will have access to capacity for production of value-added magnets at scale - enabling both customer qualification and commercial sales of rare earth magnets, which will form an increasing proportion of the NdFeB product mix going forward**
- **At present, the accelerated pilot programme at the UoB is providing NdFeB powder, block and finished magnet samples to customers, to support product marketing, offtake discussions and scale-up of planned operations in the UK, Germany and the United States as announced previously: [News | Mkango Resources Ltd.](#)**
- **HPMS technology was developed by the Magnetic Materials Group ("MMG") at the University of Birmingham ("UoB"), and is underpinned by approximately US 100 million of research and development funding**

Will Dawes, Chief Executive of Mkango commented: "This is a major milestone for Mkango, HyProMag, the University of Birmingham and all our stakeholders. Furthermore, bringing back sintered magnet manufacturing to the UK after a 20-year hiatus will be a major step forward for the UK's critical mineral ambitions. It also creates a strong platform for further expansion in the UK and we are evaluating expansion options and partnership opportunities to accelerate development."

Nick Mann, Managing Director of HyProMag Ltd commented: "Seeing first HPMS powder production from the commercial scale vessel at Tyseley is a credit to the dedication and vision of the combined HyProMag and University of Birmingham teams who have worked hard to reach this milestone. We are looking forward to optimising the process at scale to unlock recycled material for rare earth magnet production in the UK."

Allan Walton, Head of the Magnetic Materials Group at the University of Birmingham and Founding Director of HyProMag Ltd, commented: "The Magnetic Materials Group has been at the forefront of research into recycling of rare earth magnets since Emeritus Prof Rex Harris conceived the idea of directly recycling spent sintered magnets back into new materials using hydrogen over 20 years ago. Since then, multiple process routes incorporating HPMS have been developed and proven at pilot scale. This new Plant will enable commercial scale demonstration of the technology for the first time, which has only been possible because of the dedication and skills of the MMG and the support of the wider University, including the School of Metallurgy and Materials."

In parallel with development of the UK Plant, HyProMag is rolling out HPMS technology into Germany and the USA, and is also evaluating other jurisdictions including Japan, Canada and South Korea. In Germany, HyProMag GmbH ("HyProMag Germany") is developing a rare earth magnet recycling and manufacturing plant at Pforzheim (the "Pforzheim Plant"), with first production targeted by the end of 2025. HyProMag USA LLC ("HyProMag USA") completed a feasibility study in 2024 for a rare earth magnet recycling and manufacturing operation in the USA, with detailed engineering currently underway and first production targeted for H1 2027.

About Mkango Resources Ltd.

Mkango is listed on the AIM and the TSX-V. Mkango's corporate strategy is to become a market leader in the production of recycled rare earth magnets, alloys and oxides, through its interest in Maginito Limited ("Maginito"), which is owned 79.4 per cent by Mkango and 20.6 per cent by CoTec Holdings Corp "CoTec"), and to develop new sustainable sources of neodymium, praseodymium, dysprosium and terbium to supply accelerating demand from electric vehicles, wind turbines and other clean energy technologies.

Maginito holds a 100 per cent interest in HyProMag and a 90 per cent direct and indirect interest (assuming conversion of Maginito's convertible loan to HyProMag Germany) in HyProMag Germany, focused on short loop rare earth magnet recycling in the UK and Germany, respectively, and a 100 per cent interest in Mkango Rare Earths UK Ltd ("Mkango UK"), focused on long loop rare earth magnet recycling in the UK via a chemical route.

Maginito and CoTec are also expanding HPMS recycling technology into the United States via the 50/50 owned HyProMag USA joint venture company.

Mkango also owns the advanced stage Songwe Hill rare earths project in Malawi ("Songwe") and the Pulawy rare earths separation project in Poland ("Pulawy"). Both the Songwe and Pulawy projects have been selected as Strategic Projects under the European Union Critical Raw Materials Act. Mkango has signed a Business Combination Agreement with Crown PropTech Acquisitions to list the Songwe Hill and Pulawy rare earths projects on NASDAQ via a SPAC Merger.

For more information, please visit www.mkango.ca

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.

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This news release contains forward-looking statements (within the meaning of that term under applicable securities laws) with respect to Mkango. 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 recycling plants being developed by Maginito in the UK, Germany and the US (the "Maginito Recycling Plants"), 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 Maginito Recycling Plants and Pulawy, and future investments in the United States pursuant to the proposed cooperation agreement between Maginito and CoTec, cost overruns, complexities in building and operating the plants, and the positive results of feasibility studies on the various proposed aspects of Mkango's and Maginito's activities. The forward-looking statements contained in this news release are made

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