Mkango Resources Limited Announces HyProMag and ILS Commission Pre-Processing System

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HYPROMAG USA AND INTELLIGENT LIFECYCLE SOLUTIONS COMMISSION INSERMA RARE EARTH MAGNET PRE-PROCESSING SYSTEM IN SOUTH CAROLINA

- Commissioning of Inserma hard disk drive magnet pre-processing system at the ILS facility in Williston, South Carolina
- Operational milestone advances U.S. rare earth magnet recycling platform and supports domestic supply chains for advanced manufacturing and AI infrastructure
- The Williston site houses two automated mobile skid-mounted Inserma pre-processing units that separate magnet assemblies from end-of-life hard disk drives in approximately three seconds per drive, with combined capacity exceeding 60,000 drives per week.

CALGARY, March 16, 2026 - Mkango Resources Ltd. (AIM:MKA)(TSX-V:MKA) ("Mkango") is pleased to announce that HyProMag USA, LLC ("HyProMag USA" or the "Company"), a U.S. rare earth magnet recycling and manufacturing company, in partnership with global electronics recycling company Intelligent Lifecycle Solutions ("ILS"), hosted a commissioning event for the Inserma hard disk drive magnet separation system installed at the ILS facility in Williston, South Carolina on Friday 13 th March.

The commissioning marks an operational milestone in HyProMag USA's growing U.S. rare earth magnet recycling platform and represents the first stage of feedstock preparation supporting the Company's broader "hub-and-spoke" manufacturing strategy. Under this model, magnet-bearing materials are recovered and pre-processed at regional facilities before being supplied to HyProMag USA's planned rare earth magnet recycling and manufacturing hub in Dallas-Fort Worth, Texas.

The Williston facility forms part of HyProMag USA's broader U.S. development platform, which is expected to support the creation of approximately 90-100 skilled jobs across the Company's U.S. operations as facilities are developed and commissioned. At the Williston site, ILS is supporting the initial feedstock processing operations for HyProMag USA's magnet recycling platform, with four positions currently in place and plans to add approximately four additional roles as operations ramp up. The South Carolina facility will support the preparation of feedstock for HyProMag USA's planned rare earth magnet recycling and manufacturing hub [1] in Dallas-Fort Worth Texas.

Federal Support for Advanced Manufacturing

The commissioning event was attended by federal, state and regional leaders who highlighted the importance of expanding domestic capabilities in critical materials and advanced manufacturing.

"This investment demonstrates how South Carolina continues to attract innovative companies to build the technologies that will power the next generation of American manufacturing - creating jobs," said Congressman Joe Wilson. "Rare earth minerals are critical to our national security, and we must take control of our domestic manufacturing and supply chains to protect American interests."

Building a Domestic Rare Earth Magnet Supply Chain

"We're grateful to Congressman Wilson and the many state and local South Carolina leaders who joined us

today to mark this important milestone," said Julian Treger, CEO of CoTec Holdings Corp. (supporting HyProMag USA). "Partnership and community support are essential as we work to establish a new domestic platform for rare earth magnet recycling and manufacturing in the United States. Through collaborations with companies like ILS and strong engagement with local stakeholders, HyProMag USA is building the feedstock supply chains and operational capabilities needed to support large-scale magnet production in the years ahead."

"We're proud to host this commissioning at our Williston facility and to work alongside HyProMag USA to advance rare earth magnet recycling in the United States," said Graham Davy, CEO, Intelligent Lifecycle Solutions. "By deploying advanced separation technology at this site, we're expanding our ability to recover critical materials from end-of-life electronics and prepare them for the next stage of recycling and manufacturing."

Local leaders and regional economic development partners also welcomed the project:

"On behalf of Barnwell County Council, I would like to welcome HyProMag USA to Barnwell County and thank them for choosing to partner with Intelligent Lifecycle Solutions here in the town of Williston," said Barnwell County Council Chairman Freddie Houston. "We look forward to working with you, and the county stands ready to assist in any way that we can. We wish you continued success and thank you for choosing Barnwell County to locate your operations."

"SouthernCarolina Alliance congratulates Barnwell County and Intelligent Lifecycle Solutions on this strategic partnership with HyProMag USA in rare earth magnet recycling, said SouthernCarolina Alliance President and CEO Danny Black. "The work that HyProMag USA and ILS are doing not only creates jobs and investment in our region, but also support sustainability, strengthens our environment and enhances national security. We welcome these critical recycling operations to our region, which support both innovation and a greener, safer future."

Momentum Toward U.S. Commercial Scale

The South Carolina operation forms part of HyProMag USA's broader development strategy to establish a scalable domestic rare earth magnet recycling and manufacturing platform. Separately, HyProMag's broader global magnet recycling platform is being developed through Maginito Limited, the parent company of HyProMag Limited, with partners including Mkango Resources, CoTec Holdings and Inserma. Recent deployments include Inserma units commissioned in the United Kingdom, with additional facilities planned in Germany. [2]

The Williston facility will focus on the recovery of neodymium-iron-boron ("NdFeB") magnets from end-of-life hard disk drives and other electronic equipment. The Inserma system separates magnet assemblies in approximately three seconds per drive. Each unit has the potential to process more than 30,000 hard disk drives per week on a single shift once fully operational, creating a scalable feedstock source for HyProMag USA's recycling platform.

This process represents an example of "urban mining," recovering valuable rare earth materials from end-of-life electronics and industrial equipment rather than extracting them through traditional mining. These materials are used across a wide range of technologies including electric vehicles, robotics, defense systems, advanced electronics, and rapidly expanding AI and data-center infrastructure.

HyProMag USA's planned facility in Dallas-Fort Worth, Texas will serve as the central hub of the Company's U.S. operations and is expected to create approximately 90-100 skilled jobs once operational. The facility will utilize HyProMag's patented Hydrogen Processing of Magnet Scrap ("HPMS") technology to recycle magnet materials recovered from facilities such as the Williston site.

Together with additional pre-processing operations planned in Nevada, the network is designed to support a scalable U.S. recycling ecosystem capable of supplying domestic manufacturers with critical materials needed for next-generation technologies.

As the platform expands, HyProMag USA expects to work closely with manufacturers, recyclers and

infrastructure operators - including hyperscale data-center providers - to recover magnet-bearing components from end-of-life equipment and reintroduce them into domestic production.

The commissioning of the Inserma system in South Carolina represents an important operational step toward that broader vision.

About HyProMag USA

HyProMag USA is developing advanced rare earth magnet recycling and manufacturing operations to establish a secure domestic U.S. supply chain for NdFeB magnets, essential components for AI infrastructure, defense systems, robotics, electric vehicles, and advanced electronics. Leveraging the revolutionary HPMS technology, developed over 15 years by the Magnetic Materials Group at the University of Birmingham with more than $100 million in R&D investment, the Company delivers faster magnet-to-magnet short-loop recycling that uses 88% less energy and reduces carbon emissions by 85% compared to conventional methods. HPMS accepts a wide range of magnet-bearing feedstocks - including end-of-life EV motors, data-center, and industrial equipment, consumer electronics, and manufacturing scrap - enabling recovery of magnet-grade material without chemical processing. Selected by the U.S. Department of State as a Minerals Security Partnership project, HyProMag USA is targeting 10% of U.S. domestic magnet supply within five years, ensuring supply chain security and resilience for technologies critical to national defense and economic competitiveness.

Ownership

HyProMag USA LLC is owned 50:50 by CoTec and HyProMag Limited. HyProMag Limited is 100 per cent owned by Maginito Limited which is owned on a 79.4/20.6 per cent basis by Mkango Resources Ltd. (AIM/TSX-V: MKA) and CoTec.

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, which is owned 79.4 per cent by Mkango and 20.6 per cent byCoTec, 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) in HyProMag GmbH, 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 rolling out HPMS recycling technology into the United States via the 50/50 owned HyProMag USA LLC 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 under the name Mkango Rare Earths Limited.

For more information, please visit www.mkango.ca

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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 Company in the United States. The securities of the Company 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.

[1]
https://hypromagusa.com/hypromag-usa-finalizes-long-term-lease-for-dallas-fort-worth-rare-earth-magnet-recycling-and

[2]
https://mkango.ca/news/mkango-subsidiary-hypromag-commissions-second-uk-inserma-unit-for-rapid-automated-pre-p

SOURCE: Mkango Resources Ltd.

View the original press release on ACCESS Newswire