



COTEC HOLDINGS CORP. NOTES EU STRATEGIC PROJECT DESIGNATION FOR HYPROMAG GMBH

European Commission recognition supports the development of rare earth magnet recycling capacity in Europe and complements HyProMag USA's efforts to establish a domestic U.S. supply chain for recycled rare earth magnetic materials

Vancouver, British Columbia – October 13, 2026 – CoTec Holdings Corp. (TSXV: CTH; OTCQX: CTHCF) ("CoTec" or the "Company") is pleased to note the press release issued on October 9, 2026, by HyProMag USA, LLC ("HyProMag USA"), its U.S.-based joint venture rare earth permanent magnet recycling and manufacturing company.

HyProMag USA announced the selection of HyProMag GmbH ("HyProMag Germany") as a Strategic Project under the European Union's Critical Raw Materials Act ("CRMA"). HyProMag Germany was included among 46 Strategic Projects announced by the European Commission to support the development of critical raw materials supply chains across Europe. HyProMag Germany operates a rare earth magnet recycling and manufacturing facility in Pforzheim, Germany using the patented Hydrogen Processing of Magnet Scrap ("HPMS") technology, the same technology that HyProMag USA is deploying in the United States

According to the European Commission, the selected projects are intended to contribute to the European Union's objectives of strengthening critical raw materials value chains, increasing processing and recycling capacity, enhancing competitiveness and improving supply chain resilience.

Julian Treger, Chief Executive Officer of CoTec Holdings Corp., commented: *"The designation of HyProMag Germany as a Strategic Project reflects the growing recognition of rare earth magnet recycling as an important component of critical minerals supply chains. The development of recycling capacity in Europe is complementary to HyProMag USA's objective of establishing a domestic source of recycled rare earth magnetic materials in the United States."*

About HyProMag USA

HyProMag USA LLC is owned 50:50 by CoTec Holdings Corp. (TSXV: CTH; OTCQX: CTHCF) and HyProMag Limited. HyProMag Limited is 100% owned by Maginito Limited ("Maginito") which is owned on a 79.4%/20.6% basis by Mkango Magnetic Materials Limited (AIM/TSXV: MKA) and CoTec. Maginito holds a 90% direct and indirect interest (assuming conversion of Maginito's convertible loan) in HyProMag Germany.

About CoTec

CoTec Holdings Corp. (TSXV: CTH, OTCQX: CTHCF) is redefining the future of resource extraction and recycling. Focused on rare earth magnets and strategic materials, CoTec integrates breakthrough technologies with strategic assets to unlock secure, sustainable, and low-cost supply chains.

CoTec's mission is clear: accelerate the energy transition while strengthening strategic mineral supply chains for the countries we operate in. By investing in and deploying disruptive technologies, the Company delivers capital-efficient, scalable solutions that transform marginal assets, tailings, waste streams, and recycled products into high-value critical minerals.

From its HyProMag USA magnet recycling joint venture in Texas, to iron tailings reprocessing and reclamation in Québec, to next-generation copper and iron solutions backed by global majors, CoTec is building a diversified portfolio with long-term growth, rapid cash flow potential, and high barriers to entry. The result is a differentiated platform at the intersection of technology, sustainability, and strategic materials.

For more information, please visit www.cotec.ca

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Forward-Looking Information Cautionary Statement

Statements in this press release regarding the Company and its investments which are not historical facts are “forward-looking statements” which involve risks and uncertainties, including statements relating to the Company's interests in HyProMag USA and Maginito (including HyProMag Limited and HyProMag Germany), the expected benefits of Strategic Project designation for HyProMag Germany, the development of rare earth magnet recycling capacity in Europe, HyProMag USA's objective of establishing a domestic U.S. supply chain for recycled rare earth magnetic materials, management's expectations with respect to its current and potential future investments, including HyProMag USA, and the benefits to the Company which may be implied from such statements.

Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements due to known and unknown risks and uncertainties affecting the Company, including but not limited to: resource and reserve risks; environmental risks and costs; permitting and regulatory risks; labor costs and shortages; uncertain supply and price fluctuations in materials; increases in energy costs; labor disputes and work stoppages; equipment leasing and availability; heavy equipment demand and availability;

contractor and subcontractor performance; worksite safety issues; project delays and cost overruns; extreme weather events; and social, transport, or geopolitical disruptions.

The Company assumes no obligation to update forward-looking statements in this press release except as required by law. Readers should not place undue reliance on the forward-looking statements and information contained in this news release.

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