



COTEC NOTES PORTFOLIO COMPANY HYPROMAG USA ADVANCES U.S. HUB-AND-SPOKE STRATEGY WITH ARRIVAL OF INSERMA HDD PRE-PROCESSING MACHINES AT SOUTH CAROLINA AND NEVADA SITES

Equipment delivery supports commissioning pathway for planned U.S. rare earth magnet recycling platform; on-site operational milestone events expected following commissioning

Vancouver, British Columbia – February 5, 2026 – CoTec Holdings Corp. (TSX-V: CTH; OTCQB: CTHCF) (“CoTec” or the “Company”) is pleased to note today’s press release by HyProMag USA LLC (“HyProMag USA”), its U.S.-based joint venture rare earth permanent magnet recycling and manufacturing company.

HyProMag USA announced the arrival of Inserma hard disk drive (“HDD”) recycling machines at Intelligent Lifecycle Solutions LLC (“ILS”) facilities in South Carolina and Nevada. The delivery represents a further step in advancing HyProMag USA’s planned U.S. rare earth magnet recycling platform and hub-and-spoke development strategy.

The equipment delivery builds on HyProMag USA’s recent expansion concept studiesⁱ and pre-feasibility planning for facilities in South Carolina and Nevada, as well as its partnershipⁱⁱ with ILS to secure and prepare magnet-bearing feedstocks. The Inserma machines are now on site and are expected to enter commissioning activities in line with site readiness and operational planning.

Julian Treger, Chief Executive Officer of CoTec, commented: *“The delivered Inserma machines represent continued execution against HyProMag USA’s scalable U.S. strategy. By advancing pre-processing capability in South Carolina and Nevada, we’re strengthening the foundation for a domestic recycling platform and supporting momentum across our broader development program.”*

HyProMag USA has indicated that installation and commissioning activities are planned over the coming weeks. Once commissioned, the machinery is expected to support feedstock sourcing and preparation activities in partnership with ILS, providing a bridge to subsequent operational milestones.

The U.S. deployment builds on HyProMag’s demonstratedⁱⁱⁱ commercial operations in the United Kingdom, where the patented Hydrogen Processing of Magnet Scrap (“HPMS”) technology is operating at industrial scale.

Following completion of commissioning, HyProMag USA expects to host small, on-site operational milestone events at the South Carolina and Nevada locations to demonstrate the equipment in operation and engage regional stakeholders. Further details regarding timing and participation are expected to be announced by HyProMag USA at a later date.

HyProMag USA's first U.S. facility, referred to as the Texas Hub, is completing detailed engineering and feasibility work following execution of a site lease^{iv} at the Ironhead Commerce Center. These developments support HyProMag USA's longer-term objective of advancing toward commercial operations and a scaled U.S. manufacturing footprint, including its intention to pursue a U.S. public listing.

About HyProMag USA

HyProMag USA LLC is owned 50:50 by CoTec Holdings Corp. (TSX-V: CTH; OTCQB: CTHCF) ("CoTec") and HyProMag Limited. HyProMag Limited is 100% owned by Maginito Limited which is owned on a 79.4%/20.6% basis by Mkango Resources Ltd. (AIM/TSX-V: MKA) and CoTec.

About CoTec

CoTec Holdings Corp. (TSX-V: CTH, OTCQB: 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 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 interest in HyProMag USA, the potential future value of HyProMag USA and its potential future listing in the United States and management's expectations with respect to its current and potential future investments, including HyProMag USA, and the benefits to the Company which may be obtained 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. For further details regarding risks and uncertainties facing the Company, please refer to the Company's public disclosure documents, copies of which may be found under the Company's SEDAR+ www.sedarplus.ca.

Neither 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 news release.

ⁱ <https://hypromagusa.com/following-completion-of-expansion-concept-studies-hypromag-usa-advances-expansion-to-three-states-supporting-a-path-to-triple-u-s-rare-earth-magnet-capacity-by-2029/>

ⁱⁱ <https://hypromagusa.com/hypromag-usa-expands-feedstock-supply-agreement-with-global-electronics-recycler-intelligent-lifecycle-solutions/>

ⁱⁱⁱ <https://hypromagusa.com/uk-minister-for-industry-officially-opens-rare-earth-magnet-recycling-and-manufacturing-facility-at-tyseley-energy-park-birmingham/>

^{iv} <https://hypromagusa.com/hypromag-usa-finalizes-long-term-lease-for-dallas-fort-worth-rare-earth-magnet-recycling-and-manufacturing-hub/>