COTEC HOLDINGS CORP. FILES SECOND QUARTER FINANCIAL STATEMENTS AND MD&A

Vancouver, British Columbia – August 13, 2026 – CoTec Holdings Corp. (TSXV: CTH; OTCQX: CTHCF) ("CoTec" or the "Company") is pleased to announce that it has filed its unaudited interim condensed consolidated financial statements and the accompanying management discussion and analysis ("MD&A") for the three and six months ended June 30, 2026. The financial statements and MD&A can be accessed under the Company's SEDAR profile at www.sedarplus.ca.

Julian Treger, CoTec CEO commented; *"CoTec continues to make strong progress in the roll out of its operations. At HyProMag USA we have taken occupation of the Texas based leased property that will house Plant 1 and CoTec has commenced the ordering of the long lead equipment, a reflection of our confidence in the future success of the project. We are making continued progress in securing feedstock and offtake for HyProMag USA and will announce further details in due course.*

The execution of Lac Jeannine remains on track and following the announcement of our positive updated preliminary economic assessment, we are well underway in the completion of the groundwork required for the full feasible study, expected by mid-2027.

We are very encouraged by the recent developments at MagIron, where we now have a pathway to both direct reduction pellet and pig iron production which we believe could add significant value to the value proposition of MagIron and our investment. MagIron is in the process of engaging with potential customers and possible financing partners for the re-start of its operations."

The Company announced a net loss for the three months ended June 30, 2026 of $7.6 million including G&A expenses and professional fees totaling $1.5 million, and the remainder largely attributable to accounting provisions including a $1.4 million provision for proportionate share of loss of associate and joint venture accounted for using the equity method of accounting, finance expense of $4 million mostly representing non-cash accounting provision applied to the HyProMag USA receivable, a loss on settlement of convertible loans of $568k and stock based compensation of $1.1 million, partially offset by a $106k gain on equity investments and $333k finance income.

Net loss for the six months ended June 30, 2026 was $10.3 million, compared to cash used in operating activities prior to changes in non-cash working capital balance of $2.8 million with the difference largely due to accounting provisions similar in nature to the above.

Highlights for the quarter include:

Operational

- **HyProMag USA (60.3% interest) – recycling of rare earth NdFeB permanent magnets:**
  - Installed three Inserma pre-processing and printed circuit board ("PCB") separation units at the ILS pre-processing sites in Williston, South Carolina and Las Vegas, Nevada, with additional machine upgrades underway, including HDD recognition and traceability functions
  - Took occupation of the approximately 125,000 square foot Texas Hub facility at Ironhead Commerce Center in Denton County, Texas, in June 2026, with the lease now fully in effect and preparatory work for the project execution phase commenced
  - Commenced procurement of critical-path long-lead equipment, including HPMS vessels, magnet processing and finishing equipment

  - Progressed the establishment of strong relationships across a range of feedstock sources and several supply opportunities are being pursued, with tests for quality and recoverability of magnets imminent on some of the feedstock
- **MagIron (16.7% interest) – extensive iron ore resource, concentrator and pelletizer in Minesota and Indiana:**
  - Commissioned concept study for potential production of up to 2 million tonnes per annum of granulated pig iron at the MagIron facilities in Minnesota and Indiana, with positive study results announced post quarter-end
  - Appointed Joe Nielson as Chief Operating Officer
- **Lac Jeannine Project (100% option) – iron ore tailings project in Quebec Canada:**
  - Announced the results of the updated Preliminary Economic Assessment ("2026 PEA") for the Lac Jeannine Project in May 2026. The 2026 PEA, indicates an after-tax NPV (7%) of US$92 million and an after-tax IRR of 29.6%, based solely on the updated 2026 Mineral Resource Estimate, which represents a 41% increase over the resource underlying the 2024 PEA. Life of mine was extended to 15 years (from 11 years), with total life-of-mine concentrate production of 5.4 Mt.
  - Released a mid-project update on the Lac Jeannine Feasibility Study in June 2026, which is currently expected to be completed during Q2 2027

Corporate

- Received gross proceeds of $19.1 million through the exercise of 16,062,749 warrants
- Settled $2.6 million of principal drawn under the Convertible Loan Agreement through the issuance of 2,260,869 common shares of the Company at $1.15 per share on April 30, 2026, and amended and restated the remaining $4 million of the facilities on June 11, 2026
- Drew down $4 million under the Amended and Restated Convertible Loans in June 2026. $3 million from Kings Chapel on June 4, 2026 and $1 million from Epic Capital on June 5, 2026
- Converted the full $4 million of principal drawn under the Amended and Restated Convertible Loans into 3,007,518 common shares at $1.33 per share
- Graduated to the OTCQX Best Market operated by OTC Markets Group Inc., from the OTCQB Venture Market in May 2026
- Signed a term sheet to form an early-stage exploration joint venture with U.S. based Copper Intelligence Inc. (“Copper Intelligence”) to target historical copper tailings opportunities in the Democratic Republic of Congo in May 2026

About CoTec

CoTec Holdings Corp. (TSX-V: 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 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

For further information, please contact:

Braam Jonker – (604) 992-5600

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 roll out of the Company's operational opportunities, as well as management's expectations with respect to other current and potential future investments 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; labor costs and shortages; uncertain supply and price fluctuations in materials; increases in energy costs; labor disputes and work stoppages; leasing costs and the availability of equipment; heavy equipment demand and availability; contractor and subcontractor performance issues; worksite safety issues; project delays and cost overruns; extreme weather conditions; and social disruptions. For further details regarding risks and uncertainties facing the Company please refer to "Risk Factors" in the Company's filing statement dated April 6, 2022, a copy of which may be found under the Company's SEDAR profile at www.sedar.com. The Company assumes no responsibility 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 and are encouraged to read the Company's continuous disclosure documents which are available on SEDAR at www.sedar.com.