

COTEC HOLDINGS CORP. ANNOUNCES INITIAL CLOSING OF PRIVATE PLACEMENT OF UNSECURED CONVERTIBLE DEBENTURES

Vancouver, British Columbia – September 17, 2026 – CoTec Holdings Corp. (TSXV: CTH; OTCQX: CTHCF) (“CoTec” or the “Company”) is pleased to announce that it has completed an initial closing (the “Initial Closing”) of its previously announced non-brokered private placement of unsecured convertible debentures (the “Convertible Debentures”).

Pursuant to the Initial Closing, the Company issued Convertible Debentures with an aggregate principal amount of \$12,059,000. The Company expects to complete an additional closing of the offering, subject to the receipt of all necessary approvals, including approval of the TSX Venture Exchange (the “TSXV”). Kings Chapel International Ltd. (“Kings Chapel”) has agreed to purchase up to \$5 million principal amount of Convertible Debentures at the additional closing to the extent that the Company has not otherwise secured subscriptions from third party investors for those Convertible Debentures (the “Backstopped Convertible Debentures”).

The Convertible Debentures bear interest at a rate of 12.5% per annum, calculated and payable semi-annually in arrears, with the first interest payment occurring on February 28, 2027. The Convertible Debentures mature September 10, 2031 and are convertible at the option of the holder into common shares of the Company. For further details regarding the terms of the Convertible Debentures please refer to the Company’s press release dated August 11, 2026. The Company notes that under the final terms of the Convertible Debentures, accrued and interest on the Convertible Debentures is payable only in cash.

The Company intends to use the net proceeds from the offering to fund equipment purchases relating to its HyProMag USA permanent magnet recycling joint venture and for working capital and general corporate purposes.

Subject to the receipt of all necessary TSXV approvals, Kings Chapel will be paid a cash finder fee equal to 2% of the gross proceeds received by the Company from third party investors in respect of subscriptions for the Backstopped Convertible Debentures. Kings Chapel is an existing insider and Control Person (as defined by TSXV Rules) of the Company. Julian Treger, a director of the Corporation and its Chief Executive Officer, is a beneficiary of a family trust associated with Kings Chapel.

In connection with the Initial Closing, the Corporation paid cash fees and compensation warrants (“Compensation Warrants”) to certain finders as follows: \$275,000 and 157,143 Compensation Warrants to FM Global Markets Inc., \$217,990 and 129,023 Compensation Warrants to Integrity Capital Group Inc., \$7,800 to Kernaghan & Partners Ltd. and \$27,100 and 15,486 Compensation Warrants to Richmond Partners GmbH.

Certain insiders of the Company participated in the Initial Closing, making the Initial Closing a “related party transaction” as defined under Multilateral Instrument 61-101 – Protection of Minority Security Holdings in Special Transactions (“MI 61-101”). The Company intends to rely on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and 5.7(1)(a) of MI 61-101 as the Company’s shares are currently listed only on the TSXV and OTCQB and neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involves interested parties, exceeds 25% of the Company’s market capitalization (as determined under MI 61-101). The material change report in connection with the Initial Closing was not filed 21 days in advance of the Initial Closing for the purposes of section 5.2(2) of MI 61-101 on the basis that the subscriptions with respect to the Initial Closing were not be finalized until shortly before the Initial Closing.

The securities being offered have not, nor will they be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any applicable securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent such registration or an applicable exemption from such registration requirements. This release does not constitute an offer for sale or the solicitation of an offer to buy any of the securities in the United States or to, or for the account or benefit of, a U.S. person. “U.S. Person” and “United States” are as defined in Regulation S under the U.S. Securities Act, or elsewhere.

All securities issued to investors in connection with the Initial Closing will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation in Canada.

About CoTec

CoTec 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 further information, please contact:

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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 Project, its mid-project update, future development, Project net present value, expected return on investment, life of mine, the ongoing Feasibility Study, the Project option exercise, the Project's critical minerals status potential, potential for production of higher-purity iron concentrate, the Company's participation in the industry's transition to new production methods and the Project in general, as well as management's expectations with respect to the Lac Jeannine investment and 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 that, by their very nature, 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 requirements and delays; labour costs and shortages; uncertain supply and price fluctuations in materials; increases in energy costs; labour 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 Indigenous or social disruptions logistics and transportation availability or 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 and in the Company's other continuous disclosure documents, copies of which may be found under the Company's SEDAR+ profile at www.sedarplus.ca. 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 press release and are encouraged to read the Company's continuous disclosure documents which are available on SEDAR+ at www.sedarplus.ca.

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