

IVANHOE MINES

NEW HORIZONS

January 31, 2023

Ivanhoe Mines announces capital expenditure guidance to first production for Kamoakakula Phase 3, Platreef (Phase 1) and Kipushi

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Kamoakakula Phase 3 and future expansion capital costs expected to be funded by operating cash flow, at current copper prices

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Platreef Phase 1 initial capital currently funded with proceeds from stream facility; \$150 million senior debt facility progressing well

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Kipushi construction activities underway, with pre-payment financing and offtake discussions nearing completion

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Investor call today covering the Kamoakakula 2023 Integrated Development Plan announced yesterday

JOHANNESBURG, SOUTH AFRICA – Ivanhoe Mines' (TSX: IVN; OTCQX: IVPAF) President Marna Cloete and Chief Financial Officer David van Heerden announced today capital expenditure (capex) guidance at Ivanhoe's three material properties for 2023 and 2024, as well as an update on financing activities. **All capital expenditure figures are presented on a 100%-project basis.**

Capital Expenditure Guidance	2023 & 2024
<i>(100% basis)</i>	(\$'million)
Kamoakakula	
Phase 3 expansion	2,530
Phase 2 and other expansion capital	120
Sustaining capital	260
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	2,910
Platreef	
Phase 1 initial capital	390
Phase 2 capital	100
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	490
Kipushi	
Initial capital	380
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All capital expenditure figures are presented on a 100%-project basis. The 2024 capital expenditure guidance for Platreef and Kipushi excludes sustaining capital required in 2024 post-initial production.

Ivanhoe Mines' capex guidance is based on several assumptions and estimates as of January 31, 2023. These include the assumption that the Phase 3 expansion at Kamoakakula, including the smelter and Inga II refurbishment are completed in Q4 2024, as well as the construction of Platreef's Phase 1 Mine is completed in Q3 2024, and that the construction of the Kipushi Mine is completed in Q3 2024. Guidance also involves estimates of known and unknown risks, uncertainties and other factors that may cause the actual results to differ materially. This includes assumptions regarding commissioning, price of key materials and equipment, as well as those risk factors and assumptions disclosed elsewhere in this press release.

The full year 2022 capex for Phase 1 of the Platreef Project is expected to be approximately \$100 million, and the full year 2022 capex for Platreef's Phase 2 is expected to be approximately \$25 million. This is lower than the total capital expenditure at Platreef of \$146 million, as forecasted in Ivanhoe's management's discussion and analysis (MD&A) for the three and nine months ended September 30, 2022.

Capital expenditure for Kipushi is expected to be approximately \$45 million for 2022, also lower than the \$57 million forecasted for 2022 in Ivanhoe's MD&A for the three and nine months ended September 30, 2022.

The final capital expenditure figures for 2022 will be confirmed in the company's financial results for the fourth quarter and year ended December 31, 2022.

The capex guidance provided above excludes expenditure at the Western Foreland and other exploration projects, which are generally expensed per the company's accounting policies, as well as capital expenditure at a corporate level.

Kamoakakula Phase 3 and future expansion capital costs expected to be funded by operating cash flow, at current copper prices

As documented in the Kamoakakula 2023 Integrated Development Plan (IDP 2023) announced on January 30, 2023, the remaining capital cost for the total Phase 3 expansion is estimated at \$3.0 billion, including the mine, concentrator, smelter, infrastructure and investment in off-site hydropower infrastructure.

Of the remaining Phase 3 capital cost of \$3.0 billion, approximately \$2.5 billion is expected to be spent in 2023 and 2024, up to the commissioning of the Phase 3 concentrator and other infrastructure, with approximately 60% expected to be spent during 2023. In parallel, the Phase 1 and 2 operations are anticipated to generate significant operating cash flow in 2023 and 2024 and are expected to fund capital cost requirements at current copper prices.

Kamoak Copper's unaudited cash balance as at December 31, 2022, was \$343 million. Short-term financing facilities at Kamoak Copper are being arranged should a shortfall occur due to a significant decrease in copper prices.

Platreef Phase 1 initial capital currently funded with proceeds from stream facility; \$150 million senior debt facility progressing well

Construction for Platreef's Phase 1 Mine is underway, with the first production on track for Q3 2024. On surface, earthworks and civil construction activities are advancing well. Long-lead equipment orders have been placed and manufacturing is under way.

Underground development work is focused on establishing the required infrastructure, and developing towards the first mining areas, as well as the first ventilation shaft location. The remaining capital cost to the completion of Phase 1 is estimated at \$390 million, of which approximately 50% is expected to be spent in 2023.

The \$300-million stream facilities already in place have been fully drawn down, and are being utilized for the funding of the development of the Phase 1 project.

The company continues to progress the Platreef Project's senior debt facility of \$150 million with its mandated lead arrangers, Société Générale and Nedbank. The facility, which is targeted to close during the first half of 2023, subject to due-diligence, is expected to limit potential equity contributions for Platreef's Phase 1 development.

The Phase 2 capital expenditure of \$100 million at Platreef represents mainly the continuation of sinking Shaft 2 and the construction of the Shaft 2 headframe, allowing optionality for possible acceleration in Phase 2, which is currently under review.

Kipushi construction activities underway, with \$250 million pre-payment financing and offtake discussions nearing completion

Construction of the Kipushi Mine is also underway, with the processing plant scheduled for completion by Q3 2024. Long-lead equipment items have been ordered and manufacturing is underway, and earthworks and civil construction activities are taking place on surface.

Rehabilitation activities for underground mining are complete, and drilling-and-blasting activities have commenced for the development of the Big Zinc orebody.

As the project has advanced into execution, the project team has updated the budget from the feasibility study published in 2022 to reflect work packages placed to date and incorporating any changes associated with the scope and in line with inflationary pressures. Of the \$380 million capital budget to completion, approximately \$95 million has been committed to date.

Offtake discussions, including a proposed \$250 million pre-payment financing facility, have now advanced to final draft term sheets, which have been received from shortlisted parties and are currently under review by Kipushi's shareholders. The agreements are intended to be completed, as well as a final, revised joint venture agreement between Kipushi Holding and Gécamines, during the first half of 2023.

The company also is evaluating a possible \$50 million working capital facility for Kipushi.

Ivanhoe Mines has a strong balance sheet with significant cash and other financial resources

As at September 30, 2022, the company had approximately \$663 million in cash and cash equivalents. The company also has limited financial indebtedness except for the \$575 million of 2.50% convertible senior notes which were issued in 2021. The notes maturing in 2026, unless earlier repurchased, redeemed or converted, accrue interest payable semi-annually in arrears at a rate of 2.50% per annum.

Ivanhoe to host today an investor call covering Kamo-Kakula 2023 Integrated Development Plan

Today, on January 31, 2023, Ivanhoe will host a conference call to discuss the findings of the updated 2023 IDP for the Kamo-Kakula Copper Complex, as well as guidance for cash costs for 2023, and capital costs for 2023 and 2024 across the Kamo-Kakula, Platreef and Kipushi projects.

The investor call will include a video update from the Kamo-Kakula Copper Complex, as well as remarks from Ivanhoe's Co-Chairman Robert Friedland, President Marna Cloete, and members of the company's management team. It also will feature a question and answer session.

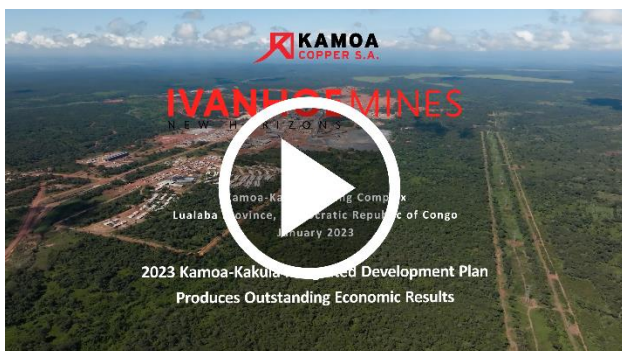
DATE: Tuesday, January 31, 2023

TIME: 10:30 am Eastern / 7:30 am Pacific / 3:30 pm London

LINK: <https://app.webinar.net/Xxn3K9eK9Ap>

A recording of the call, together with supporting presentation slides, will be made available on Ivanhoe Mines' website at www.ivanhoemines.com.

Watch a video encompassing the core elements of the 2023 Integrated Development Plan as well as ongoing expansion activities at Kamo-Kakula:
<https://vimeo.com/793832552/c6e4f1f11d>



About Ivanhoe Mines

Ivanhoe Mines is a Canadian mining company focused on advancing its three principal projects in Southern Africa; the expansion of the Kamo-Kakula Copper Complex in the Democratic Republic of Congo, the construction of the tier-one Platreef palladium-rhodium-platinum-nickel-copper-gold project in South Africa; and the restart of the historic ultra-high-grade Kipushi zinc-copper-germanium-silver mine, also in the Democratic Republic of Congo.

Ivanhoe Mines is also exploring for new copper discoveries across its circa 2,400km² of 90-100% owned exploration licences in the Western Foreland, which are located adjacent to the Kamoakakula Copper Complex in the Democratic Republic of Congo.

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Forward-Looking Statement

Certain statements in this release constitute “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws. Such statements and information involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the company, its projects, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified using words such as “may”, “would”, “could”, “will”, “intend”, “expect”, “believe”, “plan”, “anticipate”, “estimate”, “scheduled”, “forecast”, “predict” and other similar terminology, or state that certain actions, events, or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. These statements reflect the company’s current expectations regarding future events, performance and results and speak only as of the date of this release.

Such statements include without limitation, the timing and results of: (i) statements regarding Kamoakakula’s Phase 3 and future expansion capital costs expected to be funded by operating cash flow, at current copper prices; (ii) statements regarding the remaining capital cost for the total Kamoakakula Phase 3 expansion estimated at \$3.0 billion, including the mine, concentrator, smelter, infrastructure and investment in off-site hydropower infrastructure; (iii) statements regarding that of the remaining Phase 3 Kamoakakula capital cost of \$3.0 billion, approximately \$2.5 billion is expected to be spent in 2023 and 2024, up to the commissioning of the Phase 3 concentrator and other infrastructure, with approximately 60% expected to be spent during 2023; (iv) statements regarding the Kamoakakula Phase 1 and 2 operations anticipated to generate significant operating cash flow in 2023 and 2024 and are expected to fund capital cost requirements at current copper prices; (v) statements regarding short-term financing facilities at Kamoakakula Copper being arranged; (vi) statements regarding construction for Platreef’s Phase 1 Mine, with the first production on track for Q3 2024; (vii) statements regarding remaining capital cost to completion for Platreef’s Phase 1 estimated at \$390 million, of which approximately 50% is expected to be spent in 2023; (viii) statements regarding the proposed senior debt facility of \$150 million for the Platreef Project targeted for close during the first half of 2023; (ix) statements regarding the Phase 2 capital expenditure of \$100 million at Platreef represents mainly the continuation of Shaft 2 sinking and the construction of the Shaft 2 headframe to allow optionality for possibly accelerating Phase 2, which

remains under review; (x) The full year 2022 capex for Phase 1 of the Platreef Project is expected to be approximately \$100 million, while the full year 2022 capex for Platreef's Phase 2 is expected to be approximately \$25 million; (xi) statements regarding the construction of the Kipushi Mine, with the processing plant scheduled for completion by Q3 2024; (xii) statements regarding offtake discussions, including a proposed \$250 million pre-payment financing facility, being reviewed by the shareholders of Kipushi that are intended to be completed during the first half of 2023; (xiii) statements regarding the company evaluating a possible \$50 million working capital facility for Kipushi; (xiv) Capital expenditure for Kipushi is expected to be approximately \$45 million for 2022.

All of the results of the Kamoakakula 2023 PFS and 2023 PEA constitute forward-looking statements or information and include future estimates of internal rates of return, net present value, future production, estimates of cash cost, proposed mining plans and methods, mine life estimates, cash flow forecasts, metal recoveries, estimates of capital and operating costs and the size and timing of phased development of the projects.

Furthermore, concerning this specific forward-looking information concerning the operation and development of the Kamoakakula, the company has based its assumptions and analysis on certain factors that are inherently uncertain. Uncertainties include: (i) the adequacy of infrastructure; (ii) geological characteristics; (iii) metallurgical characteristics of the mineralization; (iv) the ability to develop adequate processing capacity; (v) the price of copper, nickel, zinc, platinum, palladium, rhodium and gold; (vi) the availability of equipment and facilities necessary to complete development; (vii) the cost of consumables and mining and processing equipment; (viii) unforeseen technological and engineering problems; (ix) accidents or acts of sabotage or terrorism; (x) currency fluctuations; (xi) changes in regulations; (xii) the compliance by joint venture partners with terms of agreements; (xiii) the availability and productivity of skilled labour; (xiv) the regulation of the mining industry by various governmental agencies; (xv) the ability to raise sufficient capital to develop such projects; (xvi) changes in project scope or design; (xvii) recoveries, mining rates and grade; (xviii) political factors; (xix) water inflow into the mine and its potential effect on mining operations, and (xx) the consistency and availability of electric power.

Forward-looking statements and information involve significant risks and uncertainties, should not be read as guarantees of future performance or results and will not necessarily be accurate indicators of whether such results will be achieved. Many factors could cause actual results to differ materially from the results discussed in the forward-looking statements or information, including, but not limited to, the factors discussed above and under the "Risk Factors", and elsewhere in the company's MD&A for the three and nine months ended September 30, 2022, as well as unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts with the company to perform as agreed; social or labour unrest; changes in commodity prices; and the failure of exploration programs or studies to deliver anticipated results or results that would justify and support continued exploration, studies, development or operations. Although the forward-looking statements contained in this news release are based upon what management of the company believes are reasonable assumptions, the company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this news release and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this news release.

The company's actual results could differ materially from those anticipated in these forward-looking statements because of the factors set forth below in the "Risk Factors" section in the company's MD&A for the three and nine months ended September 30, 2022.