



August 3, 2023

Ivanhoe Mines issues second quarter 2023 financial results, and review of construction and exploration activities



Kamoa-Kakula Copper Complex sold 101,526 tonnes of payable copper in Q2 2023 and recognized record quarterly revenue of \$702 million and EBITDA of \$457 million



Ivanhoe Mines recorded Adjusted EBITDA of \$172 million for Q2 2023, compared with \$101 million for the same period in 2022



Ivanhoe Mines recorded a quarterly profit of \$87 million, driven by income from the Kamoa-Kakula joint venture of \$123 million



Kamoa-Kakula's quarterly cost of sales total \$1.24 per lb. of payable copper; C1 cash costs of \$1.41 per lb. at the lower end of guidance



Ivanhoe Mines announces significant preliminary testwork for improving copper recoveries at Kamoa-Kakula



Platreef progressing well towards Q3 2024 start-up; over 2,000 metres underground development completed



Ivanhoe Mines welcomes the inclusion of copper on the 2023 U.S. Department of Energy Critical Minerals List

JOHANNESBURG, SOUTH AFRICA – Ivanhoe Mines' (TSX: IVN; OTCQX: IVPAF) President Marna Cloete and Chief Financial Officer David van Heerden are pleased to present the company's financial results for the three and six months ended June 30, 2023. Ivanhoe Mines is a leading Canadian mining company developing and operating its four principal mining and exploration projects in Southern Africa: expanding the operations of the world-class Kamoa-Kakula Copper Complex in the Democratic Republic of Congo (DRC); building the tier-

one Platreef palladium, rhodium, nickel, platinum, copper and gold development in South Africa; restarting the historic, ultra-high-grade Kipushi zinc-copper-lead-germanium mine in the DRC; as well as exploring the expansive exploration licences of Ivanhoe's Western Foreland for copper discoveries adjacent to Kamoakakula. **All figures are in U.S. dollars unless otherwise stated.**

Watch an August 2023 video highlighting Ivanhoe Mines' construction and exploration activities: <https://vimeo.com/850838953/163436ff95>



FINANCIAL HIGHLIGHTS

- Ivanhoe Mines recorded a profit of \$87 million for Q2 2023, net of a \$27 million non-cash loss on the \$575 million convertible bond fair valuation, compared with a profit of \$82 million for Q1 2023. The profit in the quarter includes Ivanhoe Mines' share of profit and finance income from the Kamoakakula joint venture of \$123 million.
- Kamoakakula sold 101,526 tonnes of payable copper during Q2 2023, recognizing a record revenue of \$702 million, an operating profit of \$394 million and a quarterly EBITDA of \$457 million.
- Kamoakakula's cost of sales per pound (lb.) of payable copper sold was \$1.24/lb. for Q2 2023 compared with \$1.25/lb. and \$1.15/lb. in Q1 2023 and Q2 2022, respectively. Cash costs (C1) per pound of payable copper produced in Q2 2023 totaled \$1.41/lb., compared to \$1.42/lb. and \$1.42/lb. in Q1 2023 and Q2 2022, respectively.
- Ivanhoe Mines Adjusted EBITDA was \$172 million for Q2 2023, compared with \$101 million for the same period in 2022, and \$172 million for Q1 2023.
- Since entering Phase 1 commercial production on July 1, 2021, the Kamoakakula joint venture has generated \$1.82 billion of net cash from operating activities, which has funded both the Phase 2 and Phase 3 expansions to date.
- Ivanhoe Mines has a strong balance sheet with cash and equivalents of \$393 million on hand as at June 30, 2023, and expects Kamoakakula's Phase 1 and Phase 2 cash flow to be sufficient to fund the Phase 3 expansion capital cost requirements at current copper prices.

- On May 22, 2023, Kipushi Corporation entered into a financing facility with Rawbank SA, one of the largest financial institutions in the Democratic Republic of the Congo. Under the terms of the facility, Rawbank provided an \$80 million loan, to be drawn down in two tranches of \$40 million each. The first tranche has been drawn and will be used to fund Kipushi's working capital requirements. The facility bears interest of 8% per annum.
- On April 27, 2023, Ivanhoe and joint-venture partner Gécamines, the DRC's state-owned mining company, announced an offtake term sheet for 100% of Kipushi's zinc concentrate, together with a \$250-million facility supported by Glencore International AG. The offtake and financing term sheet is subject to the execution of final, binding agreements, which are expected to be concluded in conjunction with the new Kipushi Corporation joint-venture agreement in the coming months.
- On June 15, 2023, Ivanhoe announced the replacement of an outstanding \$77.4-million loan receivable from High Power Exploration (HPX) with an equity investment in I-Pulse, its parent company, joining leading mining company BHP Group Limited as an investor. The company intends to enter into a collaboration agreement with I-ROX, an I-Pulse subsidiary, to investigate and develop applications for pulsed-power technology in the mining sector.

OPERATIONAL HIGHLIGHTS

- Record quarterly production of 103,786 tonnes of copper in concentrate was achieved at Kamoakakula for Q2 2023, compared with 93,603 tonnes in Q1 2023 and 87,314 tonnes in Q2 2022.
- Over the first six months of 2023, Kamoakakula has produced a total of 197,389 tonnes of copper in concentrate, placing it well on track to deliver annual production guidance of between 390,000 – 430,000 tonnes of copper.
- Kamoakakula's Phase 1 and 2 concentrators milled a record 2.2 million tonnes of ore during the second quarter at an average feed grade of 5.2% copper. This included high-grade, run-of-mine ore from the Kakula Mine, supplemented with ore from the surface stockpiles to achieve throughput higher than original design capacity.
- On July 2, 2023, Kamoakakula achieved a record daily milling rate of 29,968 dry metric tonnes, which is equivalent to an annual milling rate of 10 million tonnes per annum (after accounting for availability). For July, Kamoakakula produced 35,636 tonnes of copper in concentrate, just short of a record, and achieved recoveries of 88%.
- Kamoakakula's Phase 3 mine and concentrator expansion, 500,000-tonne-per-annum on-site, direct-to-blister copper smelter and the refurbishment of Turbine #5 at the Inga II hydroelectric facility are advancing on schedule and are expected to be complete in late 2024. At current copper prices, it is

expected that cashflow from Kamoakakula's Phase 1 and 2 operations will be sufficient to fund the remaining 2023 and 2024 expansion capital cost requirements of approximately \$2.1 billion.

- On July 27, 2023, Ivanhoe announced significant preliminary test work for improving copper recoveries at Kamoakakula. In 2022, Kamoakakula's process engineering team, together with a number of internationally recognized external metallurgy specialists, initiated work to investigate ways to economically recover additional copper units from the tailings stream of the Phase 1 and 2 concentrators. Results to-date indicate a significant improvement in total recoveries can be achieved by liberating copper from the tailings stream, which would further increase production, revenues and cash flow.
- Ivanhoe continues its expansive copper exploration program on its Western Foreland licences that cover approximately 2,407 square kilometres adjacent to Kamoakakula. The 2023 exploration program is budgeted at approximately \$19 million. A total of 37 holes and 10,853 metres were completed during Q2 2023, following the conclusion of the wet-season in May. A total of 15,736 metres of diamond core have been drilled in the first half of 2023.
- Ivanhoe is on schedule to publish a maiden Mineral Resource estimate for its Makoko and Kiala high-grade copper discoveries in the Western Foreland in Q3 2023.
- Ivanhoe is undertaking optimization work to identify value-accretive options for installing hoisting capacity to Platreef's Shaft 3, which was originally planned as a ventilation and secondary escape shaft. Shaft 3 is currently under construction and now is planned to be equipped for hoisting. Shaft 3 is currently being reamed to a diameter of 5.1 metres. Approximately, 340 metres of the total 950 metres have been reamed to date, with completion planned in Q4 2023. The additional hoisting capacity from Shaft 3 may be used to accelerate underground mining activities for Phase 2, in advance of the completion of Shaft 2, which is expected in 2027.
- Platreef underground development work is focused on lateral development towards the high-grade Flatreef orebody on the 750-metre, 850-metre and 950-metre levels. More than 2,000 metres of lateral development has been completed to date across all three levels, advancing at a rate of approximately 200 metres per month. Once the crusher and loading feeder installation on the 950-metre level is completed at the end of August, the rate of lateral underground development is expected to increase to approximately 300 metres per month throughout the remainder of the year.
- Drilling of the pilot drill hole for the reaming of the 10-metre-diameter Shaft 2, which commenced in February 2023, was completed during the quarter. Preparations are now underway to commence reaming of Shaft 2 to an initial diameter of 3.1 metres.

- At the Kipushi Mine, overall construction progress is approximately 50% complete and construction of the concentrator is on schedule for commissioning in Q3 2024. The concentrator includes dense media separation and a milling and flotation circuit. Kipushi is expected to produce more than 270,000 tonnes of zinc contained in concentrate over the first five years of production.
- Kipushi's underground development activity is ahead of schedule, with 2,147 metres of lateral development completed since September 2022. Stopping of ultra-high-grade Big Zinc orebody is expected to begin in January 2024. The year-to-date underground development rate averages approximately 250 metres per month. The underground development rate is expected to increase to approximately 450 metres per month by year-end.

Christelle Nday (centre left) and Micheline Kyenge (centre right), President and Vice President of Kamo's Women In Mining, conducted a tour of Kamo-Kakula for a group of Grade 10 students from the nearby Mutoshi Technical Institute. The students are pictured in front of a 21-tonne underground loader at the Kansoko Mine portals.



Conference call for investors on Thursday, August 3, 2023

Ivanhoe Mines will hold an investor conference call to discuss its 2023 second-quarter financial results at 3:30 p.m. London time / 10:30 a.m. Eastern time / 7:30 a.m. Pacific time on Thursday, August 3. The conference call will conclude with a question-and-answer (Q&A) session. Media are invited to attend on a listen-only basis.

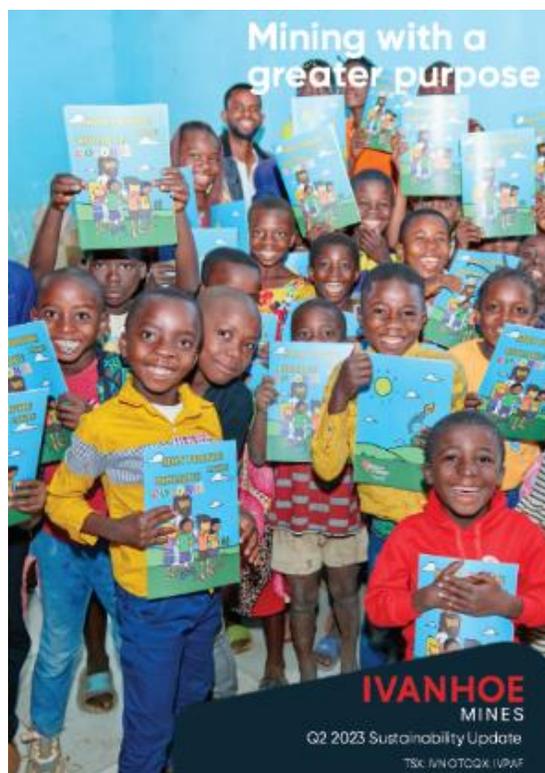
To view the webcast please use the following link: <https://edge.media-server.com/mmc/p/3envh996>

Analysts are invited to join by phone for the Q&A using the following link: <https://register.vevent.com/register/BI41a67c7e4bc743e7975234c0ae560d1a>

An audio webcast recording of the conference call, together with supporting presentation slides, will be available on Ivanhoe Mines' website at www.ivanhoemines.com.

After issuance, the Financial Statements and Management's Discussion and Analysis will be available at www.ivanhoemines.com and www.sedarplus.ca.

Read Ivanhoe's Second Quarter 2023 Sustainability Update: <https://ivanhoemines.com/site/assets/files/3775/sustainability-review-q2-2023.pdf>



Construction of the off-gas handling structure and the adjoining furnace building at Kamoia-Kakula's direct-to-blister copper smelter.



Principal projects and review of activities

1. Kamoia-Kakula Copper Complex

39.6%-owned by Ivanhoe Mines
Democratic Republic of Congo

The Kamoia-Kakula Copper Complex is approximately 25 kilometres southwest of the town of Kolwezi and about 270 kilometres west of Lubumbashi in the DRC Copperbelt. Kamoia-Kakula's Phase 1 concentrator began producing copper in May 2021 and achieved commercial production on July 1, 2021. The Phase 2 concentrator, which doubled nameplate production capacity, was commissioned in April 2022. Kamoia-Kakula is independently ranked by international mining consultant Wood Mackenzie to become the world's third-largest copper mining operation in 2027, following the completion of the ongoing Phase 3 expansion. Kamoia-Kakula's employee workforce is currently 97% Congolese.

The Kamoia-Kakula Copper Complex is operated as the Kamoia Holding joint venture between Ivanhoe Mines and Zijin Mining. Ivanhoe sold a 49.5% share interest in Kamoia Holding Limited (Kamoia Holding) to Zijin Mining and a 1% share interest in Kamoia Holding to privately owned Crystal River in December 2015. Kamoia Holding holds an 80% interest in the project. Ivanhoe and Zijin Mining each hold an indirect 39.6% interest in Kamoia-Kakula, Crystal River holds an indirect 0.8% interest, and the DRC government holds a direct 20% interest.

Kamoa-Kakula summary of operating and financial data

	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Ore tonnes milled (000's tonnes)	2,244	1,930	2,006	2,082	1,950
Copper ore grade processed (%)	5.21%	5.42%	5.40%	5.60%	5.44%
Copper recovery (%)	87.2%	87.1%	86.1%	85.9%	84.0%
Copper in concentrate produced (tonnes)	103,786	93,603	92,761	97,820	87,314
Payable copper sold (tonnes)	101,526	86,777	92,208	93,812	85,794
Cost of sales per pound (\$ per lb.)	1.24	1.25	1.08	1.05	1.15
Cash cost (C1) (\$ per lb.)	1.41	1.42	1.42	1.43	1.42
Realized copper price (\$ per lb.)	3.79	4.04	3.54	3.50	4.34
Sales revenue before remeasurement (\$'000)	729,924	659,529	619,997	570,504	699,381
Remeasurement of contract receivables (\$'000)	(27,542)	29,594	53,473	(110,031)	(205,248)
Sales revenue after remeasurement (\$'000)	702,382	689,123	673,470	460,473	494,133
EBITDA (\$'000) ⁽¹⁾	456,628	457,311	452,089	251,086	285,477
EBITDA margin (% of sales revenue)	65%	66%	67%	55%	58%

All figures in the above tables are on a 100%-project basis. Metal reported in concentrate is before refining losses or deductions associated with smelter terms. This news release includes "EBITDA", "Adjusted EBITDA", "EBITDA margin", normalized profit and "Cash costs (C1)" which are non-GAAP financial performance measures. For a detailed description of each of the non-GAAP financial performance measures used herein and a detailed reconciliation to the most directly comparable measure under IFRS, please refer to the non-GAAP Financial Performance Measures section of this news release starting on page 52.

(1) Unrealized foreign exchange losses have been excluded from EBITDA in the current and prior periods presented, as the Company believes that including the unrealized foreign exchange gains and losses does not give a valuable indication of the mine's ability to generate liquidity by producing operating cash flow to fund its working capital needs, service debt obligations, fund capital expenditures and distribute cash to its shareholders.

C1 cash cost per pound of payable copper produced can be further broken down as follows:

		Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Mining	(\$ per lb.)	0.39	0.41	0.40	0.41	0.39
Processing	(\$ per lb.)	0.19	0.19	0.16	0.12	0.14
Logistics charges (delivered to China)	(\$ per lb.)	0.45	0.46	0.50	0.56	0.51

Treatment, refining and smelter charges	(\$ per lb.)	0.25	0.23	0.23	0.21	0.21
General and administrative expenditure	(\$ per lb.)	0.13	0.13	0.13	0.13	0.17
C1 cash cost per pound of payable copper produced	(\$ per lb.)	1.41	1.42	1.42	1.43	1.42

C1 cash costs are prepared on a basis consistent with the industry standard definitions by Wood Mackenzie cost guidelines but are not measures recognized under IFRS. In calculating the C1 cash cost, the costs are measured on the same basis as the company's share of profit from the Kamo Holding joint venture that is contained in the financial statements. C1 cash costs are used by management to evaluate operating performance and include all direct mining, processing, and general and administrative costs. Smelter charges and freight deductions on sales to the final port of destination, which are recognized as a component of sales revenues, are added to C1 cash cost to arrive at an approximate cost of delivered, finished metal. C1 cash costs exclude royalties and production taxes and non-routine charges as they are not direct production costs.

All figures are on a 100% project basis and metal reported in concentrate is before refining losses or deductions associated with smelter terms.

(L-R) Guelord Ilunga, control room overseer; Derick Yav Tshang, control room overseer; Carine Ndala, control room overseer; Jean-Saint Kabange, plant metallurgist; Dan Mutamba, senior control room officer; and Chris Tshibanda, control room overseer, stand in the Kamo-Kakula concentrator plant control room.



Kamoa-Kakula produced a record 103,786 tonnes of copper in Q2 2023, including a monthly record of 35,856 tonnes for May 2023

Kamoa-Kakula's Phase 1 and 2 concentrators are now regularly operating at the increased processing rate of 9.2 million tonnes per annum (Mtpa), following the completion of the debottlenecking program. The \$50-million Phase 1 and 2 concentrator debottlenecking program was completed on budget and ahead of schedule in late February 2023, increasing production capacity up to 450,000 tonnes of copper in concentrate per annum.

The Kamoa-Kakula Phase 1 and Phase 2 concentrators continued to perform strongly in the second quarter, breaking several records including the quarterly production of 103,786 tonnes of copper in concentrate, a quarter-on-quarter increase of 11%. In addition, a monthly record was achieved in May 2023 with 35,856 tonnes of copper in concentrate produced. Also, during the quarter, a weekly production record of 9,710 tonnes of copper in concentrate was achieved in late April. Shortly after quarter-end, on July 2, 2023, a record daily milling rate of 29,968 dry metric tonnes was achieved, which is equivalent to an annual milling rate of 10 million tonnes per annum (after accounting for availability).

Kamoa-Kakula's Phase 1 and 2 concentrators milled a record 2.2 million tonnes of ore during the second quarter at an average feed grade of 5.2% copper. This included high-grade, run-of-mine ore from the Kakula Mine, supplemented with ore from the surface stockpiles to achieve throughput over original design capacity. Strong copper recoveries continued for the quarter averaging 87.2%.

For July, Kamoa-Kakula's Phase 1 and 2 concentrators milled 0.6 million tonnes of ore at an average feed grade of 5.8% copper and recoveries of 88.0%, producing 35,636 tonnes, just short of a monthly record.

The record second-quarter production at Kamoa-Kakula was achieved despite maintenance shutdowns in June and intermittent grid instability.

Since late Q4 2022, Kamoa Copper has been working alongside DRC's state-owned power company, La Société Nationale d'Electricité (SNEL), to identify the causes of instability across the southern DRC's grid infrastructure to assist with delivering long-lasting solutions. Kamoa Copper has identified a series of upgrades and has outlined a project plan to deliver the improvements. Mobilization of resources is underway, with vendor selection and equipment procurement having commenced.

Concurrently, Kamoa Copper's engineering team are working towards insulating Kamoa-Kakula from future instability by expanding on-site backup generation capacity, as well as sourcing additional power imported from the Zambian grid.

Over the next 12-18 months, on-site backup-power generation capacity will increase via a phased roll-out. During the second quarter, 11 megawatts (MW) of new generator capacity was installed, bringing the total on-site backup-power generation capacity to approximately 48 MW. Delivery of a further 30 MW in backup generation capacity,

sufficient to power Kamo-Kakula's entire Phase 1 and 2 operations in the event of grid disruptions, will commence later this year and is expected to be operational by Q2 2024. Over 130 MW of further backup generation capacity has been ordered and is expected to be installed in 2024, in time for the completion of the Phase 3 concentrator and smelter that are currently under construction.

Discussions are advancing to secure up to 100 MW of additional power via the Zambian grid interconnector, with the initial phase expected to be ready in the third quarter.

Draw-down of surface ore stockpiles at Kakula continues as required. While the ongoing expansion of underground infrastructure at the Kakula mine takes place, ore will be drawn as required from the stockpile to maximize copper production.

Kamo-Kakula's high- and medium-grade ore surface stockpiles totaled approximately 4.1 million tonnes at an estimated grade of 3.7% copper as of the end of June 2023 and contained more than 152,000 tonnes of copper. The operation mined 2.2 million tonnes of ore grading 5.2% copper in Q2 2023, which was comprised of 2.0 million tonnes grading 5.4% copper from the Kakula mine, including 0.68 million tonnes grading 7.0% copper from the mine's high-grade centre.

Jurie Human, civil supervisor, Kamo Copper and Julias Mblambo, site foreman with DRC-based contractor Kongo River Construction, study schematics underground at the Kakula Mine.



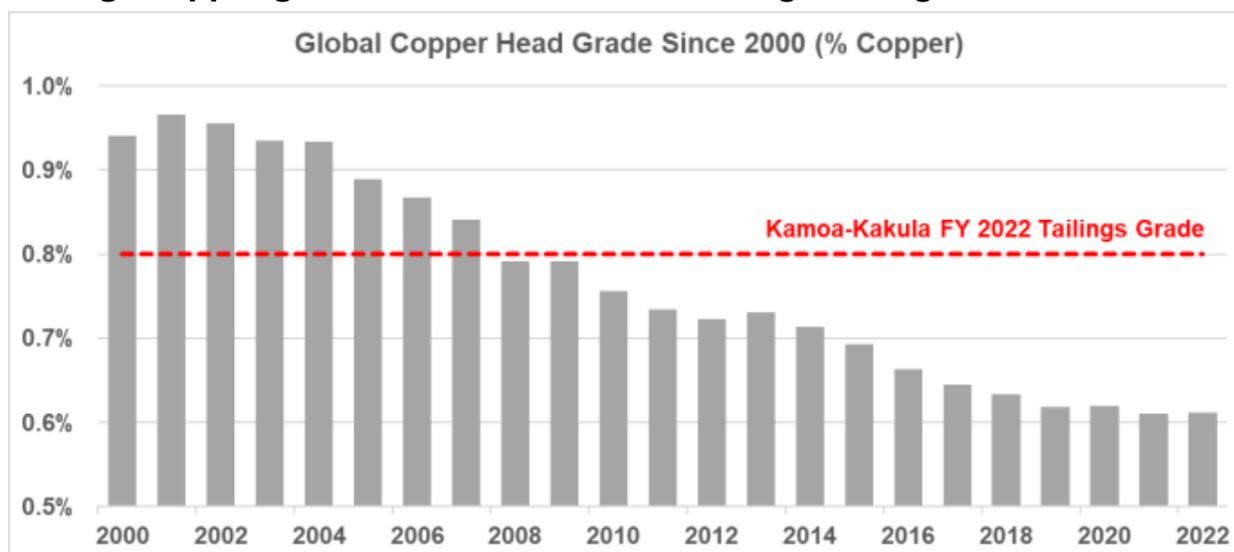
Significant preliminary testwork for improving copper recoveries at Kamo-Kakula

On July 27, 2023, Ivanhoe announced highly promising preliminary testwork to further improve copper recoveries at Kamo-Kakula by liberating copper from the tailings stream by a conventional process of fine-grinding the material followed by flotation, thickening and filtration. Initial preliminary results indicate that with a feed grade of less than 1% copper, approximately 65% of the contained copper can be recovered from the tailings stream, which could increase overall metallurgical recoveries to well over 90%. Based on these results, Kamo-Kakula can further increase production, revenues and cash flow.

In 2022, Kamo Copper's process engineering team, together with a number of internationally recognized external metallurgy specialists, initiated work to investigate ways to economically recover additional copper units from the tailings stream of the Phase 1 and 2 concentrators. There are 13 workstreams underway, including the process described above, which is subject to further metallurgical testwork and engineering work, to advance the project to an investment decision.

For context, in 2022 the Kamo-Kakula Copper Complex milled approximately 7.1 million tonnes of ore at an average feed grade of 5.5% copper, producing 333,497 tonnes of copper in concentrate. Based on the metallurgical recovery of 86% copper, which was in line with design parameters, more than 50,000 tonnes of copper was not recovered into concentrate and diverted to the tailings storage facility, or used underground as backfill. The grade of Kamo-Kakula's tailings in 2022 averaged approximately 0.8% copper. For comparison, the average head grade of the copper mines globally was approximately 0.6% in 2022, according to Bank of Montreal (BMO) research. See Figure 1.

Figure 1. Global average copper head grade since 2000, compared with the average copper grade of Kamo-Kakula's tailings during 2022.



Source: BMO Research, Wood Mackenzie

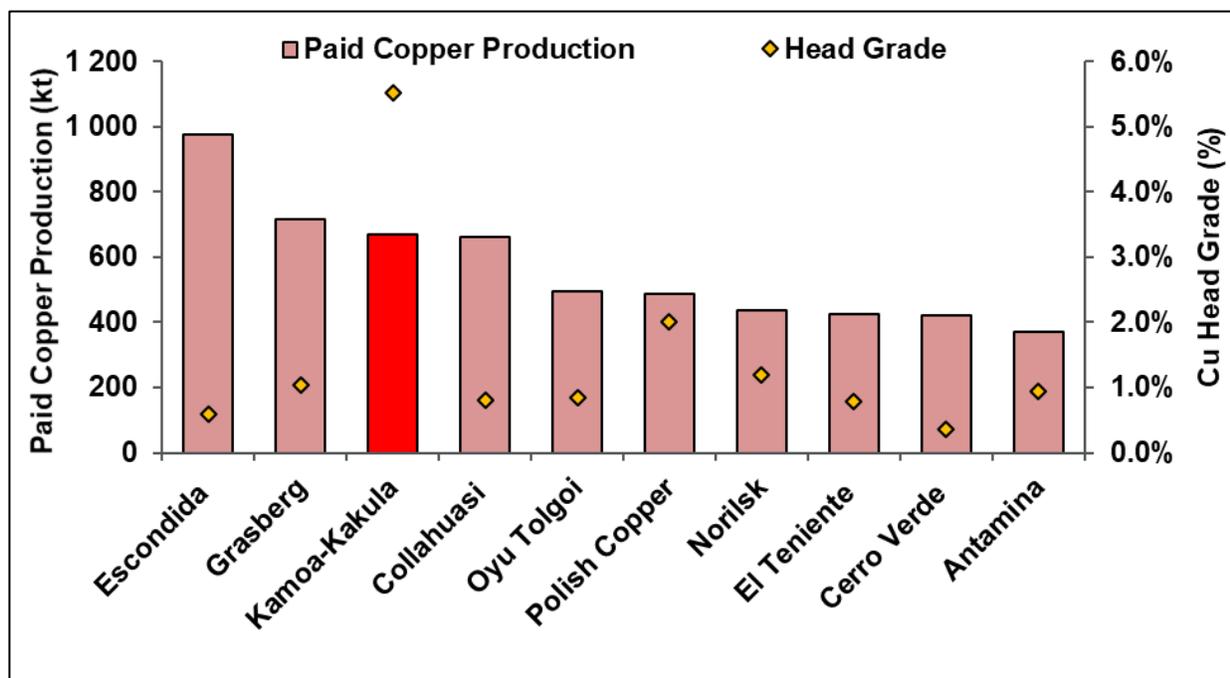
Construction of the Phase 3 concentrator plant and associated infrastructure is advancing well

Kamoa-Kakula's ongoing Phase 3 expansion is expected to be commissioned in Q4 2024 and includes a new 5-Mtpa concentrator at Kamoa, which is approximately 10 kilometres north of the Phase 1 and 2 concentrators.

The process design of the Phase 3 concentrator is very similar to that of the Phase 1 and 2 concentrators, but 30% larger. The front end of the concentrator (stockpile, crushing and screening) is being built to a capacity of 10 Mtpa, double the required capacity for Phase 3, in anticipation of the future Phase 4 expansion. This follows the same construction approach as that of Phase 1 and Phase 2. The bulk of the equipment is the same or similar to that installed in the Phase 1 and 2 concentrators, resulting in a commonality of spare parts, while also leveraging prior operational and maintenance experience.

Following the commissioning of Phase 3, Kamoa-Kakula will have a total design processing capacity of 14.2 Mtpa. The completion of Phase 3 is expected to increase annualized copper production to an average of approximately 620,000 tonnes per year over the next ten years, which will position Kamoa Copper as the world's third-largest copper mining complex in 2027, and the largest copper mine on the African continent. See Figure 2.

Figure 2: World's projected top 10 copper mines in 2027, by key metrics.



Note: Kamoa-Kakula production and grade are based on the Kamoa-Kakula 2023 PFS. The 'Cu Head Grade' for the projects benchmarked by Wood Mackenzie reflects the average reserve grade.

Source: Wood Mackenzie, 2023 (based on public disclosure, the Kamoa-Kakula 2023 PFS has not been reviewed by Wood Mackenzie).

Kamoa-Kakula's Phase 3 expansion, consisting of two new underground mines known as Kamoa 1 and Kamoa 2 and a new, 5-Mtpa concentrator plant, is well on track for first production in the fourth quarter of 2024. Construction of the twin declines to the Kamoa 1 and Kamoa 2 underground mines and excavation to access the Phase 3 mining areas is advancing well. The Kamoa 1 and Kamoa 2 mines share a single box cut with a twin service-and-conveyor decline. Over 2,000 metres of linear advance across both declines have been completed to date and access to the Kamoa 2 Mine has been achieved, holing of the services decline is expected in October 2023. Underground mining activities are expected to commence at Kamoa 1 in late 2023 and Kamoa 2 in 2025, which will both involve the same mechanized drift-and-fill mining methods used at the Kakula Mine.

Civil works for Kamoa-Kakula's Phase 3 concentrator plant are nearing completion, with over 25,000 cubic metres of concrete poured to date.



Construction of the concentrate thickener base is progressing well at Kamo-Kakula's Phase 3 concentrator site.



Representatives from DRC-based contractor Prosperre stand with members of the Kamo Copper team in front of the foundation for Kamo-Kakula's Phase 3 ball mill circuit.



Phase 3 concentrator project is 38% complete and on schedule for production in the fourth quarter of 2024

Detailed Phase 3 engineering design and procurement activities are nearly complete, with fabrication activities now 61% advanced. The rate of equipment deliveries to site is

steadily increasing. A total of 505 of the forecasted 1,799 truck deliveries have already taken place and a further 224 trucks laden with equipment are currently en route to site.

Civil works are nearing completion, with over 25,000 cubic metres of the total 30,000 cubic metres of concrete poured to date. The steel, mechanical, piping and plate work (SMPP) contract was also awarded during the quarter. Delivery of structural steel commenced during the quarter. Over 5,000 tonnes of the required 7,400 tonnes of structural steel and plate work have shipped to site. Orders for approximately 50,000 metres of the total 73,000 metres of piping have also been placed.

The last lot of the 1,830-tonne primary and secondary ball mill equipment package has been shipped by CITIC Heavy Industries of Henan province, China, with the first containers delivered to the Port of Durban, South Africa. Installation of the first of the two ball mills has commenced at the Phase 3 concentrator site, with scaffolding work well advanced. The first lots of the cone crushers, flotation cells, vibrating screens, concentrate filters, cyclone cluster, compressor and pump mechanical equipment packages are expected to be delivered to site imminently. Furthermore, the apron feeder was recently lifted into position inside the Phase 3 run-of-mine stockpile tunnel.

Smelter project is 56% complete and on target for commissioning in the fourth quarter of 2024

The Phase 3 expansion also includes the integration of Africa's largest direct-to-blister flash smelter, which will have a capacity of 500,000 tonnes of 99+%-pure blister copper anodes per annum. The on-site smelter is being built adjacent to the existing Phase 1 and Phase 2 concentrator plants. The smelter will incorporate leading-edge technology supplied by Metso Outotec of Espoo, Finland and will meet the world-leading International Finance Corporation's (IFC) emissions standards.

All major foundations for the equipment and buildings are complete. Most of the structural steel and equipment have been ordered and are now being manufactured. The first lots of structural steel and mechanical equipment have been delivered to site. Approximately 726 truckloads of steel and equipment out of an estimated total of 5,400 have been delivered. The main mechanical and electrical construction contractors have been appointed and mobilization is underway. Mechanical erection has started for the direct-to-blister flash furnace and electric slag-cleaning furnace and gas cleaning system. Approximately 2,000 construction workers are now working at the smelter site, and this is expected to peak at 3,000 in December 2023.

Kamoa-Kakula's Phase 3 expansion includes the refurbishment of Turbine #5 at the Inga II hydroelectric power station. The turbine will supply an additional 178 megawatts of clean hydroelectric power to the national grid, which is sufficient to meet the power requirements of the Phase 3 concentrator, the flash smelter, as well as provide spare capacity for future expansions. The 99.7% pure blister anode copper produced from Kamoa-Kakula's smelter is expected to be among the lowest carbon-dioxide emitters in the world per tonne of copper produced.

Civil construction of Kamoakakula's Phase 3 direct-to-blister smelter furnace is progressing on schedule for completion in Q4 2024. It will be Africa's largest direct-to-blister flash smelter.



Foundations and civil construction for the Phase 3 smelter high-strength acid storage and dispatch also are advancing on schedule. All major foundations for the equipment and buildings are complete.



The smelter will have a processing capacity of approximately 1.2 Mtpa of dry concentrate feed and is designed to run on a blend of concentrate produced from the Kakula (Phase 1 and 2) and Kamoia (Phase 3 and future Phase 4) concentrators. Under the Kamoia-Kakula 2023 Integrated Development Plan, the smelter is projected to accommodate approximately 80% of Kamoia-Kakula's total concentrate production. Kamoia-Kakula will also continue to toll-treat concentrates under a 10-year agreement with the Lualaba Copper Smelter (LCS), located approximately 50 kilometres from Kamoia-Kakula, near the town of Kolwezi. Deliveries to LCS are expected to account for approximately 150,000 tonnes of copper concentrate annually.

As a by-product, the smelter will also produce in the region of 650,000 to 800,000 tonnes per year of high-strength sulphuric acid. There is strong demand for sulphuric acid in the DRC, as it is used to recover copper from oxide ores via the SX-EW (solvent extraction and electrowinning) process. The DRC market consumed approximately 6 million tonnes of acid in 2022. The vast majority of the consumed high-strength sulphuric acid is imported by regional consumers in the form of sulphur and burned in domestic acid plants.

The on-site smelter will offer transformative financial benefits for the Kamoia-Kakula Copper Complex, most notable being a material reduction in logistics costs, and to a lesser extent reduced concentrate treatment charges and local taxes, as well as revenue from acid sales. Logistics costs accounted for 32% of Kamoia-Kakula's total cash costs (C1) during Q2 2023, and the volume of shipments is expected to halve following the Phase 3 expansion as trucks will transport 99+%-pure blister copper anodes instead of concentrate with approximately 50% contained copper. According to the Kamoia-Kakula 2023 Prefeasibility Study, smelter commissioning is expected to drive a decrease in average cash costs (C1) over the first five years (from 2025) to approximately \$1.15/lb. of copper, a 21% reduction from the midpoint of the 2023 guidance of \$1.45/lb. of payable copper produced.

Kamoia-Kakula's Phase 3 expansion also includes the rehabilitation of Turbine #5 at the Inga II hydroelectric power station, which is progressing well. The replaced turbine will supply an additional 178 megawatts (MW) of clean hydroelectric power to the national grid and provide power for Phase 3. Study work is also progressing well to upgrade the transmission capacity of the existing grid infrastructure between the Inga II hydropower facility and the Kamoia site.

COPPER PRODUCTION AND CASH COST GUIDANCE FOR 2023

Kamoia-Kakula 2023 Guidance

Contained copper in concentrate (tonnes)	390,000 to 430,000
Cash cost (C1) (\$ per pound)	1.40 to 1.50

2023 full-year cash cost (C1) and production guidance remain unchanged. The figures are on a 100%-project basis and metal reported in concentrate is before refining losses or deductions associated with smelter terms. Kamoia-Kakula's 2023 guidance is based on several assumptions and estimates and involves estimates of known and unknown

risks, uncertainties and other factors that may cause the actual results to differ materially.

Production guidance is based on assumptions about the disruption of power supply, among other things. The Kamoā-Kakula joint venture produced a total of 333,497 tonnes of copper in concentrate for the year ending December 31, 2022, and 197,389 tonnes in the first half of 2023 including 103,786 tonnes of copper in concentrate in Q2 2023.

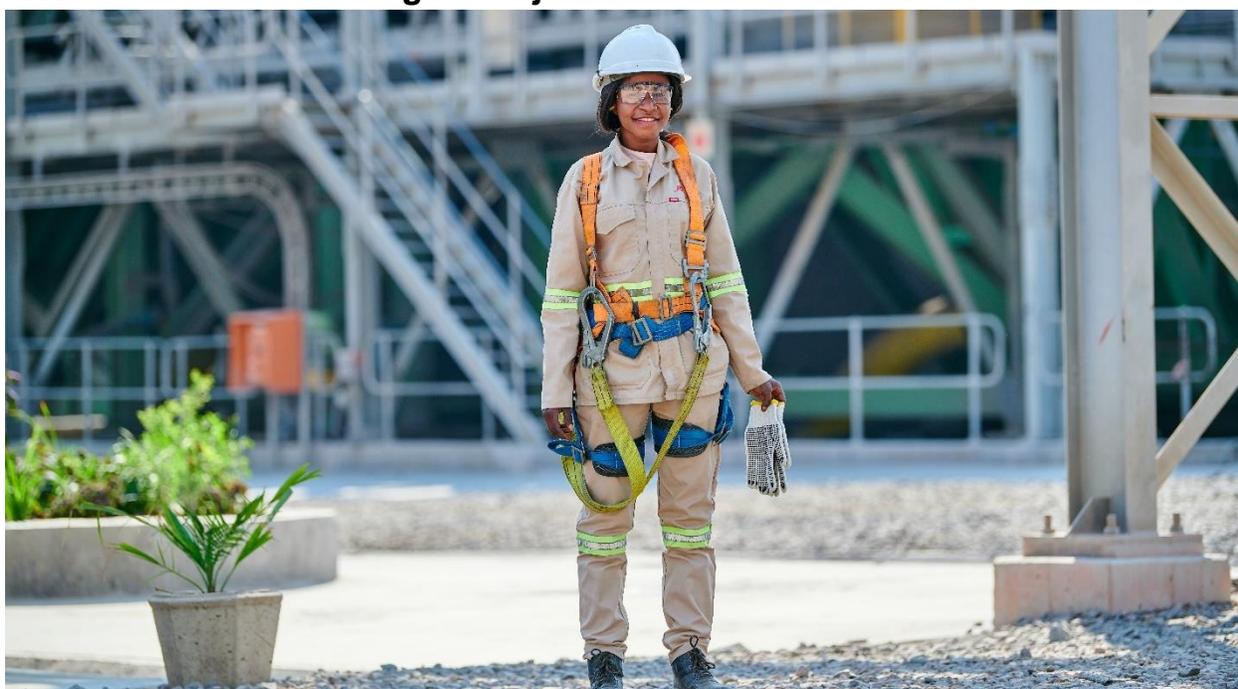
Cash costs (C1) per pound of payable copper amounted to \$1.41 for Q2 2023 and to \$1.42 for Q1 2023.

Cash cost (C1) guidance is based on assumptions including, among other things, prevailing logistics costs based on estimated regional trucking capacity, particularly as regional idled operations are expected to come online, as well as increased benchmark treatment and refining charges, and inflation in consumables and other inputs.

C1 cash cost is a non-GAAP measure used by management to evaluate operating performance and includes all direct mining, processing, stockpile rehandling charges, and general and administrative costs. Smelter charges and freight deductions on sales to the final port of destination (typically China), which are recognized as a component of sales revenues, are added to C1 cash cost to arrive at an approximate cost of delivered finished metal.

For historical comparatives, see the non-GAAP Financial Performance Measures section of this news release.

Chikuk Kawiz Lea, a member of Kamoā's CADET program, stands at the Phase 1 and Phase 2 concentrator site. The program trains members of local communities for high-skill jobs at Kamoā-Kakula.



Construction teams at Kamoakakula's Phase 3 concentrator site prepare for a structural steel lift with a new 450-tonne crane.



2. Platreef Project

64%-owned by Ivanhoe Mines
South Africa

The Platreef Project is owned by Ivanplats (Pty) Ltd (Ivanplats), which is 64%-owned by Ivanhoe Mines. A 26% interest is held by Ivanplats' historically disadvantaged, broad-based, black economic empowerment (B-BBEE) partners, which include 20 local host communities with approximately 150,000 people, project employees and local entrepreneurs. A Japanese consortium of ITOCHU Corporation, Japan Oil, Gas and Metals National Corporation, and Japan Gas Corporation, owns a 10% interest in Ivanplats, which it acquired in two tranches for a total investment of \$290 million.

The Platreef Project hosts an underground deposit of thick, platinum-group metals, nickel, copper, and gold mineralization on the Northern Limb of the Bushveld Igneous Complex in Limpopo Province – approximately 280 kilometres northeast of Johannesburg and eight kilometres from the town of Mokopane in South Africa.

On the Northern Limb, platinum-group metals mineralization is primarily hosted within the Platreef, a mineralized sequence traced for more than 30 kilometres along the strike. Ivanhoe's Platreef Project, within the Platreef's southern sector, is comprised of two contiguous properties: Turfspruit and Macalacaskop. Turfspruit, the northernmost property, is contiguous with, and along strike from, Anglo Platinum's Mogalakwena group of mining operations and properties.

Since 2007, Ivanhoe has focused its exploration and development activities on defining and advancing the down-dip extension of its original discovery at Platreef, now known as the Flatreef Deposit, which is amenable to highly mechanized, underground mining methods. With Shaft 1, the initial access to the deposit, now in operation and hoisting development rock from underground, Ivanhoe is focusing on construction activities to bring Phase 1 of Platreef into production by Q3 2024.

Platreef development is currently funded by \$300-million stream financing, with efforts to finalize an additional senior debt facility targeted for completion in Q3 2023.

The Shaft 2 headgear concrete structure (right) beside Shaft 1 (left) was completed early in the quarter to a height of approximately 79 metres. Shaft 2's overall height will be approximately 100 metres above ground, including the steel structure housing the main winders.



Surface construction activities and lateral underground mine development are progressing well

Underground development work has been focused on lateral development towards the high-grade Flatreef orebody on the 750-metre, 850-metre and 950-metre levels. More than 2,000 metres of lateral development has been completed to date across all three levels (750-metre, 850-metre and 950-metre levels), advancing at a rate of

approximately 200 metres per month. Once the crusher and loading feeder installation on the 950-metre level is completed at the end of August, the rate of lateral underground development is expected to continue to increase to approximately 300 metres per month through the remainder of the year. From January 2024, the advancement rate is expected to increase to approximately 500 metres per month.

Platreef's Phase 1 concentrator is on schedule for first production in Q3 2024. All foundation concrete has been poured, with formwork and steel fixing of the walls and plinths commenced. The fabrication of the long-lead order mechanical equipment items is progressing as planned. Over 70% of all Phase 1 orders have been placed. Structural, mechanical, plate work & piping (SMPP) and the mill building structural steel erection commenced in April with approximately 160 tonnes of the total 1,500 tonnes of steelwork erected to date. The Electrical, Control & Instrumentation (EC&I) installation work package has been placed, with site establishment and onboarding completed.

Foundation for Platreef's Phase 1 flotation cells is advancing well. Platreef's Phase 1 concentrator is on schedule for first production in Q3 2024, with all foundation concrete poured.



The 10-metre diameter Shaft 2 currently under construction will have a hoisting capacity of 8 Mtpa. Shaft 2 will be utilized in subsequent development phases and will be among the largest hoisting shafts in the world. The Shaft 2 headgear concrete structure was completed early in the quarter to a height of approximately 79 metres. Shaft 2's overall height will be approximately 100 metres above ground, including the steel structure housing the main winders. The Shaft 2 headgear internal structural steel construction is

progressing well. The kibble and stage winder civil construction is nearing completion with the winder deliveries planned for December 2023. The kibble winder ropes were recently delivered.

Drilling of the pilot drill hole for the reaming of Shaft 2, which commenced in February 2023, has reached the shaft bottom. Preparations are now underway to commence reaming Shaft 2 to an initial diameter of 3.1 metres. Raise boring will commence from the 950-metre level once bottom access has been established.

Construction of Platreef's first 5-MW solar-power plant commenced in Q4 2022 with commissioning expected later this year. The solar power plant inverter and solar panels were recently delivered to site. The power generated by this plant will support development activities and operations, together with other renewable energy sources to be introduced over time.

Sina Kekana, surveyor assistant, working at the base of Platreef's Shaft 2, which is on schedule for completion in late 2027.



Optimization work is underway to potentially accelerate Platreef's Phase 2 expansion

Ivanhoe has initiated optimization work to identify value-accretive options for installing hoisting capacity in Shaft 3 (previously named Vent Shaft 1). Shaft 3, originally planned as a ventilation and secondary escape shaft, is currently under construction and is now planned to be equipped for hoisting, which will provide additional hoisting capacity to remove ore and waste from the underground mine. This has the benefit of de-risking the development and ramp-up of the Phase 1 mine and may be used to accelerate the

ramp-up of underground mining activities for Phase 2, in advance of the completion of Shaft 2, which is expected in 2027.

Shaft 3 is currently being reamed to a diameter of 5.1 metres. Approximately 340 metres of 950 metres have been reamed to date, with planned completion in Q4 2023. The manufacturing of the auxiliary winder for the Shaft 3 headgear is well-advanced and on schedule. The civil contractor responsible for the foundations of the stage winder and equipping winder has been appointed and is mobilizing.

Long-term supply of bulk water for the Platreef Mine

The water requirement for the Phase 1 operation is projected to peak at approximately three million litres per day, which will then increase to nine million litres per day once the Phase 2 expansion is complete. In January 2022, Ivanplats signed new agreements for the rights to receive local, treated water to supply the bulk water needed for the phased development plan at Platreef. These agreements replace those originally signed in 2018.

Under the terms of a new offtake agreement, the Mogalakwena Local Municipality (MLM) has agreed to supply at least three million litres per day of treated effluent, up to a maximum of 10 million litres per day for 32 years, from the date of first production, sourced from the town of Mokopane's Masodi Wastewater Treatment Works, currently under construction.

Ivanplats also has signed a sponsorship agreement where Ivanplats has undertaken the commitment to complete the partially constructed Masodi Wastewater Treatment Works, which was halted in 2018. Since construction was restarted, work on the completion of the water treatment plant is progressing well towards completion in Q3 2023.

In addition, Ivanplats signed the Memorandum of Agreement to upgrade and refurbish the sewerage treatment infrastructure to increase the water offtake for future expansions.

3. Kipushi Project

68%-owned by Ivanhoe Mines
Democratic Republic of Congo

The Kipushi zinc-copper-germanium-silver-lead mine in the DRC is adjacent to the town of Kipushi, approximately 30 kilometres southwest of Lubumbashi on the Central African Copperbelt. Kipushi is approximately 250 kilometres southeast of the Kamao-Kakula Copper Complex and less than one kilometre from the Zambian border. Ivanhoe acquired its 68% interest in the Kipushi Project in November 2011, through Kipushi Holding which is 100%-owned by Ivanhoe Mines. The balance of 32% in the Kipushi Project is held by the state-owned mining company, Gécamines.

The Kipushi 2022 Feasibility Study focuses on the mining of Kipushi's zinc-rich Big Zinc and Southern Zinc zones, with an estimated 11.8 million tonnes of Measured and

Indicated Mineral Resources grading 35.3% zinc. Kipushi's exceptional zinc grade is more than twice that of the world's next-highest-grade zinc project, according to Wood Mackenzie, a leading, international industry research and consulting group.

On April 27, 2023, Ivanhoe Mines announced the signing of a tri-partite offtake and financing term sheet between Kipushi Corporation SA, Gécamines and Glencore International AG (Glencore) to return the historic Kipushi zinc-copper-lead-germanium mine to production.

The offtake is for 100% of Kipushi's zinc concentrates; between 400,000 and 600,000 dry metric tonnes per annum over a five-year term. The offtake term sheet contains standard, international commercial terms, including payables and treatment charges based on the zinc industry's annual benchmark. The concentrate produced by Kipushi is expected to contain approximately 55% zinc and low levels of impurities. The buyer will purchase the concentrate at the Kipushi Mine on a free-carrier basis, meaning the buyer will be responsible for arranging freight and shipment to the destination, with such costs reimbursed by Kipushi.

The \$250 million term financing facility will be split into two tranches and drawn down quarterly, subject to conditions precedent. The facility will bear an annual interest rate of the Secured Overnight Financing Rate (SOFR) plus 7% and shall be repaid, following a 24-month grace period from signing, in quarterly instalments over 36 months.

The offtake and financing term sheet is subject to the execution of final, binding agreements, which are expected to be concluded in conjunction with the new Kipushi joint-venture agreement.

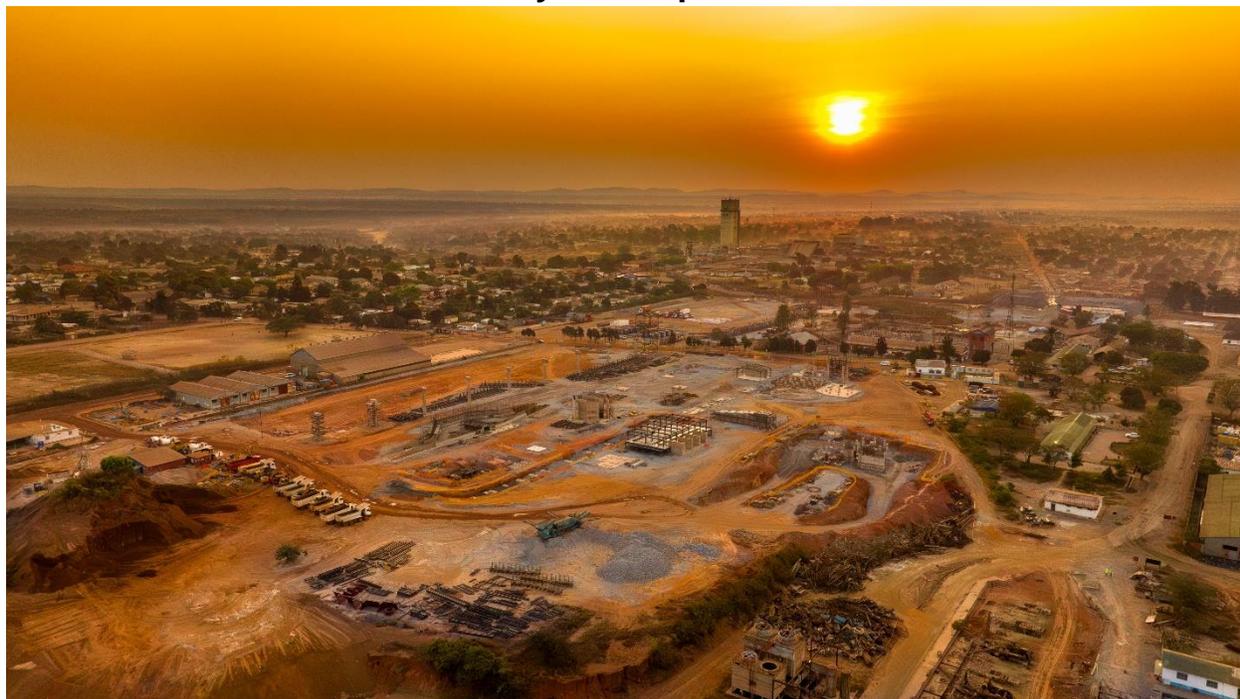
In June 2023, Kipushi Corporation finalized an unsecured, \$80-million financing facility with Rawbank SA. Rawbank is the largest domestic bank in the DRC, with a loan book to the DRC's mining industry expected to increase to over \$1 billion by the end of 2024.

The new facility has an annual interest rate of 8% and will rank junior to the \$250 million facility supported by Glencore. In addition, a corporate guarantee is provided by Ivanhoe Mines. Kipushi Holding has also drawn down the first of the two \$40 million tranches. The facility will be used to finance ongoing construction activities, reducing the shareholder loan requirement to Kipushi Corporation by Ivanhoe Mines.

The remaining initial capital for the Kipushi Project is \$354 million, which will be funded by a combination of the new \$80 million Rawbank facility and the \$250 million facility supported by Glencore, with any shortfall covered by additional shareholder loans from Ivanhoe Mines.

As previously reported, Kipushi Holding and Gécamines signed a new agreement to return the ultra-high-grade Kipushi Mine to commercial production in Q1 2022, which sets out the commercial terms that will form the basis of a new Kipushi joint-venture agreement establishing a robust framework for the mutually beneficial operation of Kipushi for years to come and are subject to execution of definitive documentation. Once the agreement is concluded, it is anticipated that Ivanhoe Mines' ownership in the Kipushi Project will reduce to 62%, with Gécamines holding the balance of 38%.

Construction of the new 800,000-tonne-per-annum concentrator facility is well underway. The concentrator is expected to produce more than 270,000 tonnes of zinc over the first five years of production.



Over 69 years, Kipushi produced a total of 6.6 million tonnes of zinc and 4.0 million tonnes of copper from 60 million tonnes of ore grading 11% zinc and approximately 7% copper. It also produced 278 tonnes of germanium and 12,673 tonnes of lead between 1956 and 1978. There is no formal record of the production of precious metals as the concentrate was shipped to Belgium and the recovery of precious metals remained undisclosed during the colonial era; however, drilling by Ivanhoe Mines has encountered significant silver values within Kipushi's current zinc- and copper-rich deposits.

Since acquiring its interest in the Kipushi Mine in 2011, Ivanhoe's drilling campaigns have upgraded and expanded the mine's zinc-rich Measured and Indicated Mineral Resources to an estimated 11.78 million tonnes grading 35.34% zinc, 0.80% copper, 23 grams/tonne (g/t) silver and 64 g/t germanium, at a 7% zinc cut-off, containing 9.2 billion pounds of zinc, 8.7 million ounces of silver and 24.4 million ounces of germanium.

Based on testwork conducted for the Kipushi 2022 Feasibility Study, concentrate assays for the Kipushi Mine include significant quantities of germanium and gallium.

Germanium is a strategic metal used today in electronic devices, flat-panel display screens, light-emitting diodes, night vision devices, optical fibre, optical lens systems, and solar power arrays.

Gallium is a strategic metal used today to manufacture compound semiconductor wafers used in integrated circuits, and optoelectronic devices such as laser diodes, light-emitting diodes, photodetectors, and solar cells.

Kipushi concentrator is on schedule for first production in Q3 2024, with the overall project approximately 50% complete

Construction of the new 800,000-tonne-per-annum concentrator facility is well underway. The concentrator includes dense media separation (DMS) and a milling and flotation circuit and is expected to produce more than 270,000 tonnes of zinc contained in concentrate over the first five years of operations. Design recoveries are targeted at 96%, with a concentrate grade of 55% contained zinc.

With overall project progress at approximately 50% complete, the Kipushi concentrator is on schedule and expected to be commissioned in Q3 2024. Detailed design is effectively complete, ahead of schedule. Procurement activities are nearing completion, with only five equipment packages outstanding. To date, 15 of the total 73 equipment packages have been delivered to site with a number, including the ball mill, currently en route.

The ball mill, fabricated by CITIC Heavy Industries of Henan Province, China, has arrived at the port of Durban, South Africa, and is expected to be delivered to site within a month. The DMS plant fabricated by Bond Equipment in Gauteng, South Africa, has been completed and is being prepared to be trucked to site. The fabrication of the flotation cells by FL Smidth in Gauteng, South Africa, is also complete and will be delivered to site in the coming month.

Kipushi steel erection commenced in April 2023 with 1,342 tonnes of total 2,074 tonnes dispatched to site. With overall project progress at approximately 50% complete, the Kipushi concentrator is on schedule and expected to be commissioned in Q3 2024.



The structural, mechanical, piping and plate work (SMPP) contractor has completed and handed over its first structure, which is the electrical substation building.

Underground development activity is ramping up, with 2,147 metres of lateral development completed since September 2022. Stopping of the ultra-high-grade Big Zinc orebody is expected to begin in January 2024.

In line with the 2022 Kipushi Feasibility Study, mining will focus on the zinc-rich Big Zinc and Southern Zinc zones, with an estimated 11.8 million tonnes of Measured and Indicated Mineral Resources grading 35.3% zinc. Kipushi's exceptional zinc grade is more than twice that of the world's next- highest-grade zinc project, according to Wood Mackenzie, a leading, international industry research and consulting group.

In the first quarter of 2023, the underground mining contractor was appointed, and the phased on-site mobilization of mining crews and equipment is well underway. The primary mining fleet is supplied by Epiroc of Stockholm, Sweden. Over half of the primary fleet and secondary support equipment has been mobilized, with the remainder expected to be delivered at the end of the third quarter.

The underground mining operation is fully mechanized, highly efficient and designed to enable a quick ramp-up to a steady state. At the end of the second quarter, three mining crews have been deployed underground. Each mining crew made up of five miners per shift, is equipped with a primary fleet consisting of an Epiroc 282 Twin Boomer, a ST 14 Scooptram (LHD) and two MT42 dump trucks.

Tinette Brümmer from Epoch Resources at the earthworks site for Kipushi's new tailings storage facility.



The first Simba long-hole drill rig for stoping (production mining) has also arrived on site and is being prepared to be lowered underground. Concurrent training of new underground miners is ongoing, targeting a full complement of four crews by the end of the third quarter.

Underground development is taking place to open multiple access levels to the Big Zinc orebody, from the top down. Perimeter, access and ventilation drives are under development at several locations between the 1,220-metre and 1,335-metre levels, while decline development continues to spiral down parallel to the plunging Big Zinc deposit. 1,526 metres of horizontal development have been completed year to date, approximately 20% ahead of schedule.

The year-to-date underground development rate have averaged approximately 250 metres per month. Following the mobilization of the remaining underground equipment fleet and the fourth mining crew, the underground development rate is expected to increase to approximately 450 metres per month by year-end.

Underground development throughout the remainder of the year will increasingly be in ore, grading between 20-25% zinc. The ore will be hauled to surface and stored on the stockpile ahead of concentrator commissioning.

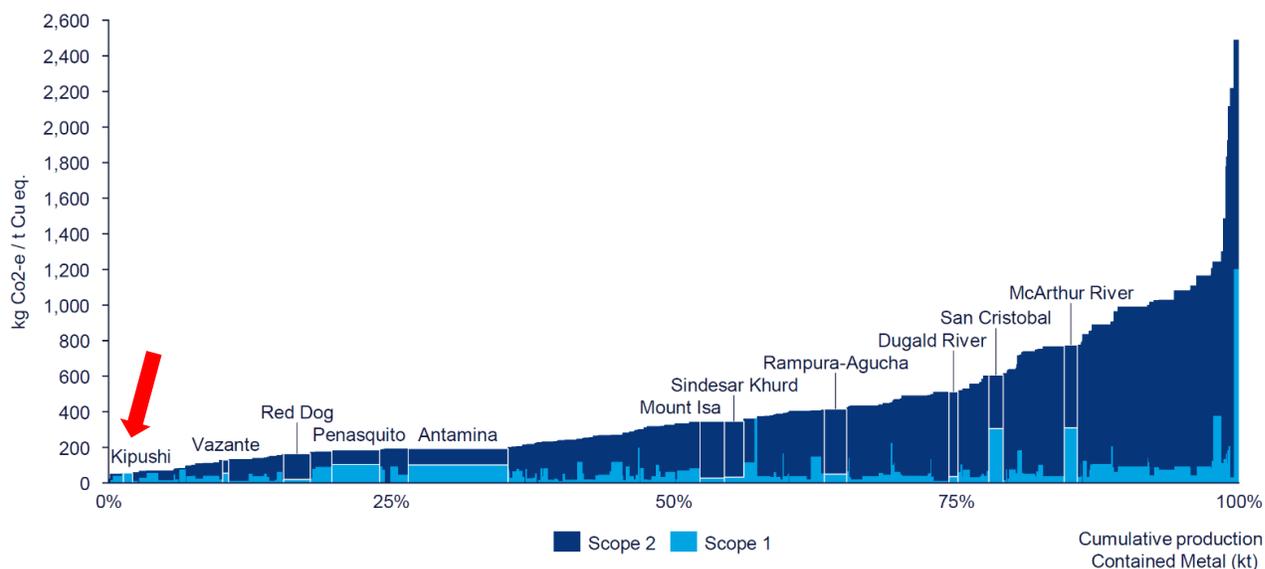
With underground development well ahead of schedule, stoping of the ultra-high-grade Big Zinc orebody has been accelerated to commence in January 2024. Stopping is the process of extracting the ore from an underground mine, leaving behind an open space known as a stope.

The mining method of the Big Zinc orebody will be transverse sublevel open stoping in a primary and secondary sequence. The void of the mined-out stopes will be filled with cemented aggregate to maximize the extraction of the ultra-high-grade ore.

The total mining height of long-hole stopes is 60 metres (comprising of an upper 30-metre-high stope and lower 30-metre-high stope), which will be separated by 15-metre-high sill pillars. The long-hole stopes will be mined with a bottom-up mining sequence, with the lower stope extracted first followed by the upper stope. The stopes will be extracted using a primary and secondary long-hole stoping sequence.

Kipushi's operations will be supplied with hydroelectric power from DRC's state-owned electricity company, SNEL. A study completed in 2020 by Wood Mackenzie ranked Kipushi at the 2nd percentile of the Scope 1 + 2 emissions curve. See Figure 3 below.

Figure 3. Global zinc mine site scope 1+2 greenhouse gas (GHG) emissions in equivalent kilograms of carbon dioxide per tonne of equivalent zinc produced (kg CO₂-e / t Zn eq.). Scope 1+2 annual GHG emissions from the Kipushi mine are forecast to be 0.06 equivalent tonnes of carbon dioxide per tonne of zinc produced (tCO₂e/t Zn).



Source: Wood Mackenzie, 2020

Dedicated Kipushi commercial border crossing to unlock direct access to Zambia

Kipushi Mine is adjacent to the border town of Kipushi, approximately 30 kilometres southwest of Lubumbashi on the DRC Copperbelt. Kipushi is approximately 250 kilometres southeast of the Kamoia-Kakula Copper Complex and less than one kilometre from the Zambian border.

The commercial border crossings at Kasumbalesa and Sakania, also in Haut-Katanga province, handle most of the DRC Copperbelt's imports and exports. They are located 110 kilometres and 230 kilometres by road southeast of Kipushi, respectively. The Kasumbalesa border experienced significant congestion in 2022 and Ivanhoe Mines has been working with the provincial government of Haut-Katanga on a series of initiatives to de-bottleneck the exporting of mineral products from the DRC.

One such initiative is a new commercial DRC-Zambia road border crossing at the town of Kipushi. Earlier this year, a series of study options were presented and reviewed by the provincial government of Haut-Katanga and the national authorities in the DRC. An agreement has since been reached to go ahead with building the new border crossing at Kipushi.

The new commercial border infrastructure consists of three project areas: a new 11-kilometre, street-lit, sealed by-pass road looping around the southern edge of Kipushi town; a new one-stop border post on the southern edge of the Kipushi town on the DRC side of the border, consisting of a staging area and a new administration building; and a

new one-stop border post also consisting of a staging area and new administration building on the Zambian side of the border.

The vendor appointment by the Haut-Katanga province for the 11-kilometre, by-pass road is expected to be made imminently, with the mobilization of construction contractors to be made in the coming month. Project award for the border infrastructure is expected to be made towards the end of 2023.

Concurrently, work is underway by the Zambian government to upgrade roads for commercial traffic on the Zambian side of the border, connecting the T5 highway to the new commercial Kipushi border (See Figure 4). Upgrades have already commenced on some sections of road, with further infrastructure upgrades and all-weather proofing planned to take place over the next 12 to 18 months.

A new commercial DRC-Zambia border crossing at Kipushi will not only benefit the Kipushi Mine but also Kamoia-Kakula as an additional route for exporting concentrate products. In addition, the border crossing will provide socio-economic benefits to the community of Kipushi and the city of Lubumbashi, the capital of Haut-Katanga province, which is approximately 30 kilometres away.

Figure 4. Map of the current and planned commercial DRC-Zambia border infrastructure.



Kipushi follows in Kamoia-Kakula's footsteps with a strong focus on local recruitment and progressive workforce training. There are currently more than 1,800 employees

and contractors working at the Kipushi site, peaking at approximately 2,000 in the fourth quarter of 2023. Once operations have ramped up to steady-state, total on-site labour, including mining and support contractors, is expected to be approximately 1,200. Of the current 504 full-time employees at Kipushi, approximately 97% are Congolese.

A training program is underway to ensure that skills and practical experience gained during Kamoakakula's construction, commissioning and operations are shared with the leadership and operations staff at Kipushi. Staff from Ivanhoe Mines regularly visit Kipushi and contribute to building on-site capacity, coaching and training, sharing lessons learned and experience gained at Kamoakakula, while key personnel from Kipushi visit Kamoakakula to learn from practical experience. A comprehensive upskilling training program is also under development for Kipushi and is expected to be rolled out later this month.

4. Western Foreland Exploration Project

90%- to 100%-owned by Ivanhoe Mines
Democratic Republic of Congo

Ivanhoe's DRC exploration group is targeting Kamoakakula-style copper mineralization on its Western Foreland Exploration Project. The 17 licences in the Western Foreland cover a combined area of 2,407 square kilometres to the north, south and west of the Kamoakakula Copper Complex. The exploration group is using models that successfully led to the discoveries of Kakula, Kakula West, and the Kamoakakula North Bonanza Zone on the Kamoakakula Copper SA mining licence. The group is composed of a mixture of the same exploration geologists responsible for the previous discoveries and others with experience in the greater Copperbelt.

The focus of exploration during Q2 2023 has been on diamond and air core drilling, with four contractor diamond core drill rigs, one Ivanhoe Landcruiser diamond core drill rig, and one Ivanhoe air core drill rig working by the end of the quarter. A total of 15,736 metres of diamond core have been drilled in the first half of 2023, with 10,853 metres for a total of 37 holes completed in Q2 2023. Air core drilling has completed 69 holes year-to-date for a total of 1,795 metres.

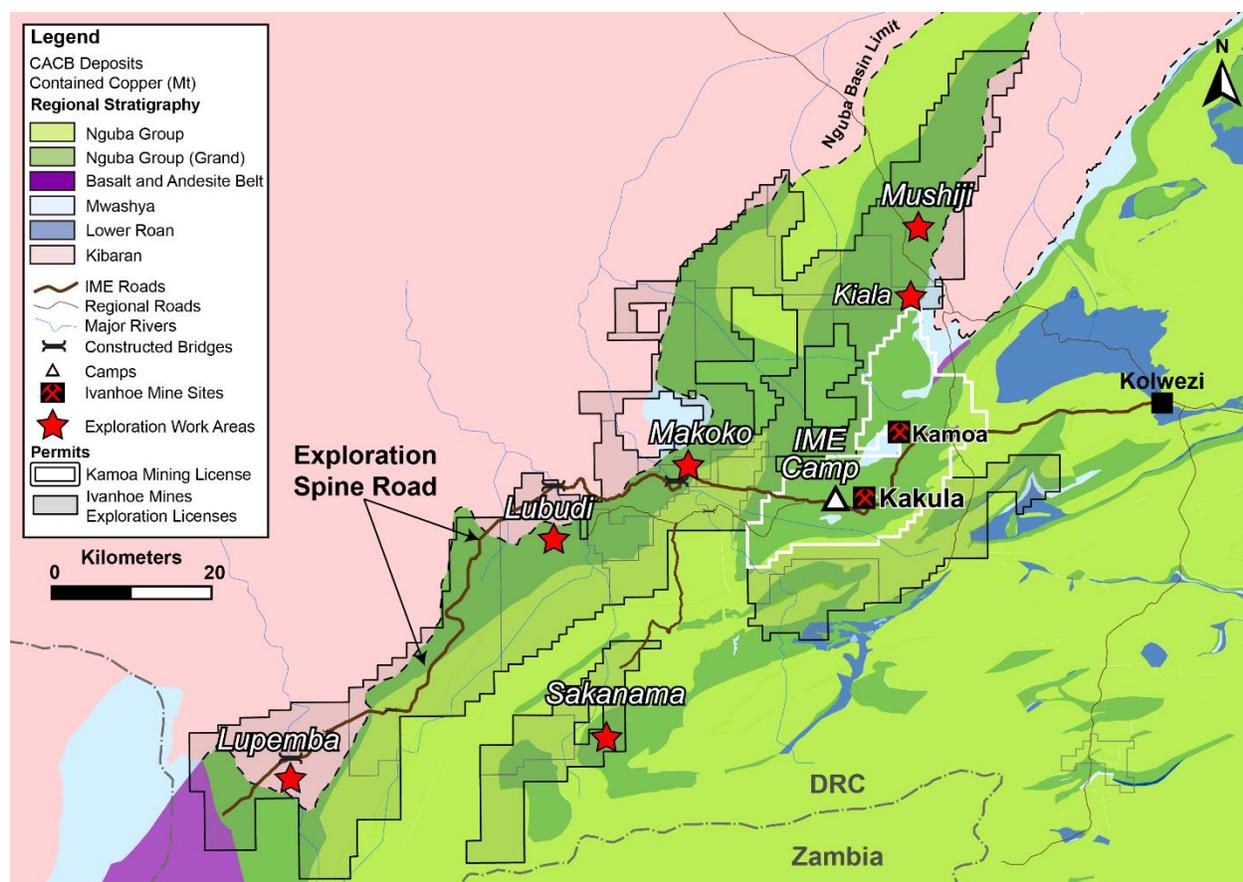
Two drill holes were started during the quarter between the Makoko and Kakula deposits on the Kakula-Monwezi trend to investigate the potential for mineralization at depth between the two identified deposits, and proximal to regional structures. One hole deviated from the planned orientation and has been put on hold. The second hole intersected a splay fault off the Nchana Fault which prevented the hole from reaching target depth. Further drilling in this area will be carried out as deflections off the two existing holes, with directional drilling tools to be mobilized to the DRC later in the year to ensure the lower contact of the Foreland shelf stratigraphy with basement lithologies is intersected.

A further four holes were completed down dip of Makoko West to determine the potential for extension of mineralization into deeper parts of the Western Foreland shelf. These holes drilled Nguba Group stratigraphy before intersecting the Kibaran

basement. Follow-up drilling is planned along sections to enhance the 3D geological interpretation of the area.

Road and bridge access to more remote parts of the Sakanama prospect were upgraded or constructed during the quarter. A single hole was drilled on this prospect, intersecting Roan group sediments to a depth of 443 metres.

Figure 5. Map highlighting Ivanhoe Mines' current exploration target areas across the Western Foreland licences.



Air core drilling was recommended on the Lupemba prospect during the quarter, extending the 800- by 800-metre grid of holes through exotic Kalahari sand cover. Drilling was carried out using a single air core rig, with a second air core rig planned to start drilling early in Q3 following repairs. Rock-chip samples are collected from each hole below the Kalahari sands, which average between 5 and 30 metres thick. These samples will be analyzed for multi-element geochemistry to map lithology and identify copper anomalism under variable thickness Kalahari sand cover.

Collection of ground gravity began in the quarter along regional lines across the Western Foreland Shelf on a tight grid in the extended Makoko west area. The ground gravity will be used to identify thicker sequences of Nguba Group sediments, which are an indication of growth faults. Pre-Katangan growth faults are a key targeting tool for sediment-hosted copper mineralization as they generate sub-grabens with thicker siltstone host rock units and increased primary sedimentary pyrite. These faults are also

thought to have played a key role in focusing mineralized fluid movement through the basal Roan sedimentary package.

An internal mineral resource model completed in early Q2 identified locations where additional infill diamond drilling is required in the Makoko resource. Fourteen holes were drilled in Q2 using the Ivanhoe Landcruiser rig for short holes (<150m) and two Titan drill rigs for deeper holes. The holes produced a total of 2,200 metres of core which will be added to the Makoko geological database.

The maiden inferred Mineral Resource Estimate for Makoko and Kiala is on course to be released in Q3 2023.

5. The Mokopane Feeder Exploration Project

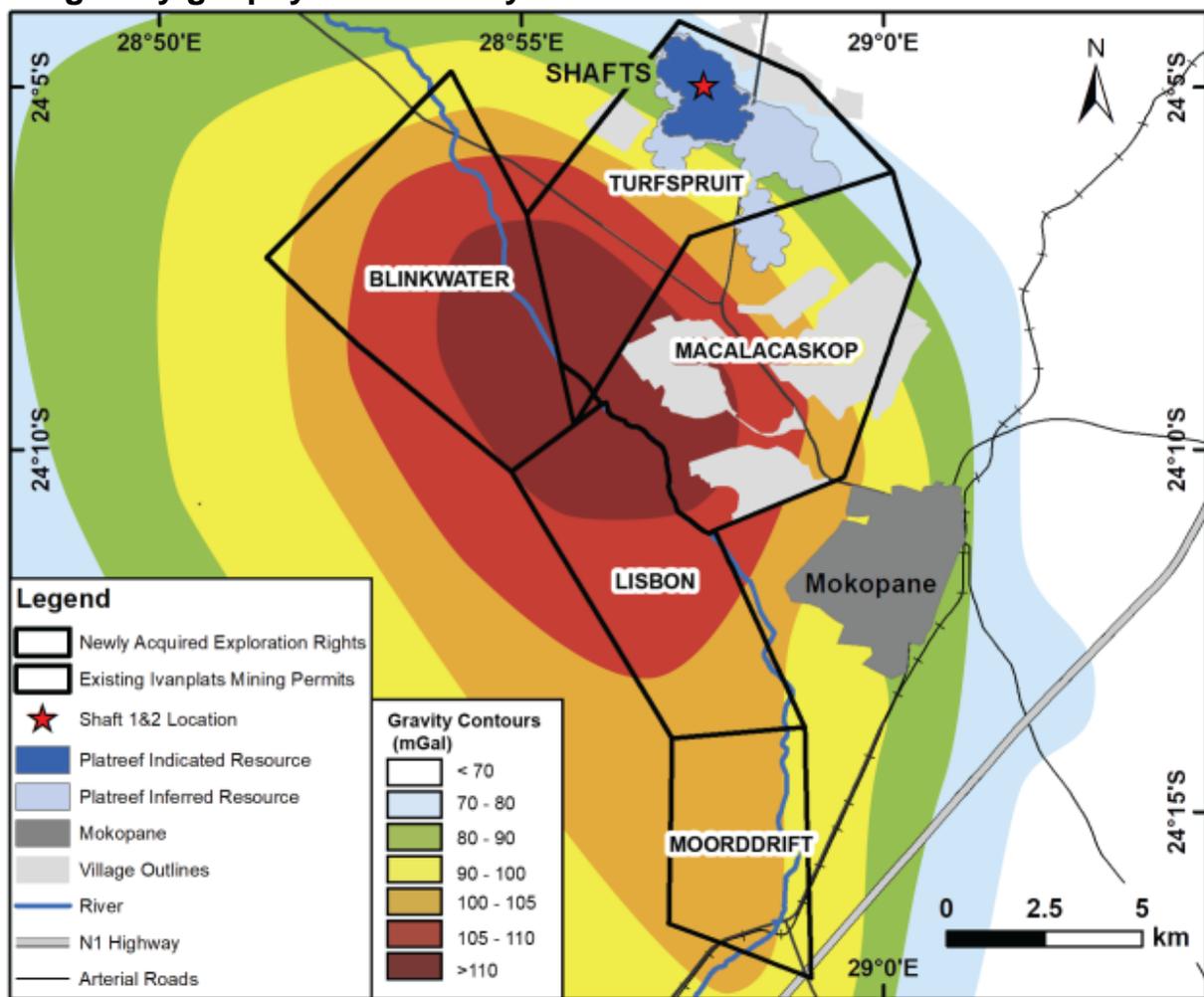
100%-owned by Ivanhoe Mines
South Africa

Three new 100%-owned exploration rights were granted on the Northern Limb of the Bushveld complex in South Africa during Q4 2022. The three new exploration rights (Blinkwater 244KR, Moordrift 289KR and Lisbon 288KR) cover 80 square kilometres forming a continuous block situated on the southwest border of the existing Platreef Project's mining rights.

This anomaly is interpreted to represent a primary feeder zone to the Rustenburg Layered Suite of the Northern Limb of the Bushveld Complex. Significant thickening of the Rustenburg Layered Suite, particularly of the more-dense Lower Zone units, is necessary to explain the large gravity anomaly. The proximity of the inferred feeder to the regional-scale crustal faults (the Ysterberg-Planknek and the Zebediela faults), as well as the anomalously thick zones of platinum-group metals mineralization at the Platreef Deposit, lead Ivanhoe to believe there is significant potential for Ni-Cu-PGE mineralization associated with this gravity feature.

Detailed high-resolution fixed-wing airborne magnetic and Falcon airborne gravity gradiometer geophysical surveys are being carried out to map and model the subsurface petrophysical characteristics of the anomaly. The magnetic survey was completed during Q2 2023, with the gravity survey to be flown during Q3 2023 due to equipment breakdown delays. Deep diamond drilling is now planned to commence in Q4 2023 to test targets identified from the results of the two surveys.

Figure 6. Image of the Platreef and Mokopane Feeder licences overlaid on the gravity geophysics anomaly.



SELECTED QUARTERLY FINANCIAL INFORMATION

The following table summarizes selected financial information for the prior eight quarters. Ivanhoe had no operating revenue in any financial reporting period. All revenue from commercial production at Kamoā-Kakula is recognized within the Kamoā Holding joint venture. Ivanhoe did not declare or pay any dividend or distribution in any financial reporting period.

	Three months ended			
	June 30, 2023	March 31, 2023	December 2022	September 2022
	\$'000	\$'000	\$'000	\$'000
Share of profit from joint venture	73,066	82,659	83,324	34,057
Finance income	61,956	57,826	58,477	46,720
Deferred tax recovery (expense)	1,965	926	(3,839)	4,252
Gain (loss) on fair valuation of financial asset	488	(1,595)	(1,170)	(2,873)
Loss on fair valuation of embedded derivative	(26,618)	(30,900)	(66,600)	(27,700)
General administrative expenditure	(10,474)	(8,571)	(11,870)	(9,199)
Share-based payments	(7,120)	(7,702)	(7,809)	(7,381)
Finance costs	(5,539)	(10,465)	(10,457)	(10,223)
Exploration and project evaluation expenditure	(4,375)	(3,381)	(3,887)	(4,312)
Profit (loss) attributable to:				
Owners of the Company	92,042	86,637	41,884	26,344
Non-controlling interests	(4,859)	(4,157)	(4,705)	(2,477)
Total comprehensive income (loss) attributable to:				
Owners of the Company	86,588	74,154	53,078	4,588
Non-controlling interest	(5,443)	(5,420)	(3,621)	(4,678)
Basic profit per share	0.08	0.07	0.03	0.02
Diluted profit per share	0.07	0.07	0.03	0.02

	Three months ended			
	June 30, 2022	March 31, 2022	December 2021	September 2021
	\$'000	\$'000	\$'000	\$'000
Gain (loss) on fair valuation of embedded derivative liability	183,600	(66,400)	(88,500)	54,900
Deferred tax recovery (expense)	114,184	(1,347)	74,069	(50)
Share of profit from joint venture	49,690	87,109	78,391	41,404
Finance income	38,596	31,505	27,978	26,437
Exploration and project evaluation	(13,470)	(12,243)	(15,800)	(15,677)
Finance costs	(10,013)	(7,391)	(10,539)	(10,451)
General administrative expenditure	(8,957)	(6,238)	(10,658)	(6,731)
Share-based payments	(4,637)	(7,389)	(7,490)	(5,117)
Profit (loss) attributable to:				
Owners of the Company	316,242	26,394	45,833	89,806
Non-controlling interests	35,278	(4,854)	2,333	(4,456)
Total comprehensive income (loss) attributable to:				

Owners of the Company	306,381	45,495	29,774	72,470
Non-controlling interest	34,495	(2,858)	632	(6,277)
Basic profit per share	0.26	0.02	0.04	0.07
Diluted profit per share	0.11 ⁽¹⁾	0.02	0.04	0.03 ⁽¹⁾

⁽¹⁾ During the period, the Company identified that it had not considered the effect of the convertible notes in the diluted profit per share calculation since issuance of the notes in March 2021. As a result, the diluted profit per share disclosed during the three and six months ended June 30, 2022 was overstated. Refer to Ivanhoe Mines Ltd. condensed consolidated interim financial statements for the three and six months ended June 30, 2023 for additional information.

DISCUSSION OF RESULTS OF OPERATIONS

Review of the three months ended June 30, 2023 vs. June 30, 2022

The company recorded a profit for Q2 2023 of \$87 million compared to a profit of \$352 million for the same period in 2022. The profit for Q2 2022 included a gain on the fair valuation of the embedded derivative financial liability of \$184 million, compared to a loss on the fair valuation of the embedded derivative financial liability of \$27 million in Q2 2023, as well as the recognition of the deferred tax asset relating to the Kipushi Project of \$114 million, both of which are described in greater detail below. The total comprehensive income for Q2 2023 was \$81 million compared to \$341 million for Q2 2022.

The Kamo-a-Kakula Copper Complex sold 101,526 tonnes of payable copper in Q2 2023, realizing revenue of \$702 million for the Kamo-a Holding joint venture, compared to 85,794 tonnes of payable copper sold for revenue of \$494 million for the same period in 2022. The company recognized income in aggregate of \$123 million from the joint venture in Q2 2023, which can be summarized as follows:

	Three months ended	
	June 30,	
	2023	2022
	\$'000	\$'000
Company's share of profit from joint venture	73,066	49,690
Interest on loan to joint venture	49,837	34,874
	122,903	84,564

The company's share of profit from the Kamo-a Holding joint venture was \$23 million more in Q2 2023 compared to the same period in 2022 and is broken down in the following table:

	Three months ended	
	June 30,	
	2023	2022
	\$'000	\$'000
Revenue from contract receivables	729,924	699,381
Remeasurement of contract receivables	(27,542)	(205,248)
Revenue	702,382	494,133
Cost of sales	(277,646)	(217,112)
Gross profit	424,736	277,021
General and administrative costs	(27,794)	(23,964)
Amortization of mineral property	(3,005)	–
Profit from operations	393,937	253,057
Finance costs	(90,701)	(66,828)
Foreign exchange (loss) gain	(29,333)	863
Finance income and other	5,193	2,449
Profit before taxes	279,096	189,541
Current tax expense	(119,120)	(4,726)
Deferred tax recovery (expense)	30,278	(57,389)
Profit after taxes	190,254	127,426
Non-controlling interest of Kamo Holding	(42,645)	(27,044)
Total comprehensive income for the period	147,609	100,382
Company's share of profit from joint venture (49.5%)	73,066	49,690

The realized and provisional copper prices used for the remeasurement (mark-to-market) of contract receivables for the three months ended June 30, 2023, and for the same period in 2022, can be summarized as follows:

	Three months ended	
	June 30,	
	2023	2022
	\$'000	\$'000
<i>Realized during the period – open at the start of the period</i>		
Opening forward price (\$/lb.) ⁽¹⁾	4.05	4.69
Realized price (\$/lb.) ⁽¹⁾	3.79	4.34
Payable copper tonnes sold	37,092	50,608
Remeasurement of contract receivables (\$'000)	(21,356)	(39,227)
<i>Realized during the period – new copper sold in the current period</i>		
Provisional price (\$/lb.) ⁽¹⁾	4.00	–
Realized price (\$/lb.) ⁽¹⁾	3.80	–
Payable copper tonnes sold	30,792	–
Remeasurement of contract receivables (\$'000)	(13,006)	–
<i>Open at the end of the period – open at the start of the period</i>		
Opening forward price (\$/lb.) ⁽¹⁾	–	4.69
Closing forward price (\$/lb.) ⁽¹⁾	–	3.80
Payable copper tonnes sold	–	39,797
Remeasurement of contract receivables (\$'000)	–	(78,391)
<i>Open at the end of the period – new copper sold in current</i>		
Provisional price (\$/lb.) ⁽¹⁾	3.77	4.26
Closing forward price (\$/lb.) ⁽¹⁾	3.81	3.79
Payable copper tonnes sold	69,935	85,794
Remeasurement of contract receivables (\$'000)	6,820	(87,630)
Total remeasurement of contract receivables (\$'000)	(27,542)	(205,248)

⁽¹⁾ Calculated on a weighted average basis

Of the \$91 million (Q2 2022: \$67 million) finance costs recognized in the Kamoia Holding joint venture for Q2 2023, \$72 million (Q2 2022: \$58 million) relates to interest on shareholder loans where each shareholder funded Kamoia Holding in an amount equivalent to its proportionate shareholding interest before generating sufficient operational cashflow. Of the remaining finance costs, \$14 million (Q2 2022: \$7 million) relates to the provisional payment facility available under Kamoia-Kakula's offtake agreements, while \$3 million (Q2 2022: \$2 million) relates to the equipment financing facilities and \$2 million relates to bank over-drafts (Q2 2022: \$nil).

Ivanhoe's exploration and project evaluation expenditure amounted to \$4 million in Q2 2023 and \$13 million for the same period in 2022. Exploration and project evaluation expenditure for Q2 2023 related mainly to exploration at Ivanhoe's Western Foreland exploration licences, while Q2 2022 also included amounts spent at the Kipushi Project,

for which expenditure was capitalized in Q2 2023 due to the recommencement of the development of the project.

Finance income for Q2 2023 amounted to \$62 million and was \$23 million more than for the same period in 2022 (\$39 million). Included in finance income is the interest earned on loans to the Kamoia Holding joint venture to fund past development, which amounted to \$50 million for Q2 2023, and \$35 million for the same period in 2022, and increased due to the higher LIBOR rates and accumulated loan balance. The company earns interest on the loan at USD 12-month LIBOR +7%. The average USD 12-month LIBOR rate for the three months ended June 30, 2023, was 5.53% compared to 2.81% for the same period in 2022. Interest will be calculated based on the term SOFR reference rate effective from July 1, 2023.

The company recognized a loss on the fair valuation of the embedded derivative financial liability of \$27 million for Q2 2023, compared to a gain on the fair valuation of the embedded derivative financial liability of \$184 million for Q2 2022, which is further explained in the accounting for the convertible notes section in Ivanhoe Mines' MD&A for the three and six months ended June 30, 2023.

In Q2 2022, the company recognized the deferred tax asset relating to the Kipushi Project resulting in a deferred tax recovery (income) of \$114 million. With the agreement of the development plan by the shareholders of Kipushi and the approval of the development budget consistent with the Kipushi 2022 Feasibility Study, it was deemed probable that future taxable profit will be available from the Kipushi Project, against which the unused tax losses and unused tax credits can be utilized.

Review of the six months ended June 30, 2023, vs. June 30, 2022

The company recorded a profit of \$170 million and a total comprehensive income of \$150 million for the six months ended June 30, 2023, compared to a profit of \$373 million and a total comprehensive income of \$384 million for the same period in 2022. The profit for the six months ended June 30, 2022, included a gain on fair valuation of embedded derivative liability of \$117 million, compared to a loss on fair valuation of embedded derivative financial liability of \$58 million for the same period in 2023, as well as the recognition of the deferred tax asset relating to the Kipushi Project of \$114 million described above.

The company recognized income in aggregate of \$253 million from the joint venture in the six months ended June 30, 2023 (2022: \$200 million), which can be summarized as follows:

	Six months ended	
	June 30,	
	2023	2022
	\$'000	\$'000
Company's share of profit from joint venture	155,725	136,799
Interest on loan to joint venture	97,429	63,163
Company's income recognized from joint venture	253,154	199,962

The company's share of profit from the Kamoā Holding joint venture was \$156 million for the six months ended June 30, 2023, compared to a profit of \$137 million for the same period in 2022, the breakdown of which is summarized in the following table:

	Six months ended	
	June 30,	
	2023	2022
	\$'000	\$'000
Revenue from contract receivables	1,389,453	1,166,834
Remeasurement of contract receivables	2,052	(153,106)
Revenue	1,391,505	1,013,728
Cost of sales	(517,223)	(340,482)
Gross profit	874,282	673,246
General and administrative costs	(58,440)	(39,732)
Amortization of mineral property	(5,601)	–
Profit from operations	810,241	633,514
Finance costs	(179,374)	(121,471)
Foreign exchange (loss) gain	(34,218)	4,536
Finance income and other	10,188	4,280
Profit before taxes	606,837	520,859
Current tax expense	(195,593)	(9,941)
Deferred tax expense	(9,339)	(162,218)
Profit after taxes	401,905	348,700
Non-controlling interest of Kamoā Holding	(87,308)	(72,339)
Total comprehensive income for the period	314,597	276,361
Company's share of profit from joint venture (49.5%)	155,725	136,799

The realized and provisional copper prices used for the remeasurement (mark-to-market) of contract receivables for the six months ended June 30, 2023, and for the same period in 2022, can be summarized as follows.

	Six months ended	
	June 30,	
	2023	2022
	\$'000	\$'000
<i>Realized during the period - open at the start of the period</i>		
Opening forward price (\$/lb.) ⁽¹⁾	3.90	4.55
Realized price (\$/lb.) ⁽¹⁾	3.95	4.43
Payable copper tonnes sold	88,271	103,673
Remeasurement of contract receivables (\$'000)	11,269	(28,171)
<i>Realized during the period - new copper sold in the current period</i>		
Provisional price (\$/lb.) ⁽¹⁾	4.05	-
Realized price (\$/lb.) ⁽¹⁾	3.94	-
Payable copper tonnes sold	86,913	-
Remeasurement of contract receivables (\$'000)	(21,556)	-
<i>Open at the end of the period - open at the start of the period</i>		
Opening forward price (\$/lb.) ⁽¹⁾	3.79	4.55
Closing forward price (\$/lb.) ⁽¹⁾	4.05	4.23
Payable copper tonnes sold	6,625	76,716
Remeasurement of contract receivables (\$'000)	3,748	(55,278)
<i>Open at the end of the period - new copper sold in current</i>		
Provisional price (\$/lb.) ⁽¹⁾	3.84	4.36
Closing forward price (\$/lb.) ⁽¹⁾	3.88	4.13
Payable copper tonnes sold	100,241	137,713
Remeasurement of contract receivables (\$'000)	8,591	(69,657)
Total remeasurement of contract receivables (\$'000)	2,052	(153,106)

⁽¹⁾ Calculated on a weighted average basis

Of the \$179 million (2022: \$121 million) finance costs recognized in the Kamoia Holding joint venture for the six months ended June 30, 2023, \$145 million (2022: \$107 million) relates to interest on shareholder loans where each shareholder funded Kamoia Holding in an amount equivalent to its proportionate shareholding interest before generating sufficient operational cashflow. Of the remaining finance costs, \$27 million (2022: \$12 million) relates to the provisional payment facility available under Kamoia-Kakula's offtake agreements, while \$5 million (2022: \$3 million) relates to the equipment financing facilities and \$2 million relates to bank overdrafts (2022: \$nil).

Exploration and project evaluation expenditure amounted to \$8 million for the six months ended June 30, 2023, and was \$18 million less than for the same period in 2022 (\$26 million). Exploration and project evaluation expenditure for 2023 related mainly to exploration at Ivanhoe's Western Foreland exploration licences while 2022 also included amounts spent at the Kipushi Project. Expenditure incurred at the Kipushi

Project was capitalized in 2023 due to the recommencement of the development of the Project.

Finance income amounted to \$120 million for the six months ended June 30, 2023, and \$70 million for the same period in 2022. Included in finance income is the interest earned on loans to the Kamoia Holding joint venture to fund operations that amounted to \$97 million for the six months ended June 30, 2023, and \$63 million for the same period in 2022. No additional loans were advanced in 2023 with joint venture cashflow funding its operations and expansions. Interest increased due to higher LIBOR rates and due to the higher accumulated loan balance. The average USD 12-month LIBOR rate for the six months ended June 30, 2023, was 5.46% compared with 2.02% for the same period in 2022.

As explained in the accounting for the convertible notes section in Ivanhoe Mines' MD&A for the three and six months ended June 30, 2023, the company recognized a loss on fair valuation of the embedded derivative financial liability of \$58 million for the six months ended June 30, 2023 (2022: gain of \$117 million).

The total comprehensive income for the six months ended June 30, 2023, included an exchange loss on translation of foreign operations of \$20 million, compared to an exchange gain on translation of foreign operations recognized for the same period in 2022 of \$10 million, resulting mainly from the weakening of the South African Rand by 10% from December 31, 2022, to June 30, 2023.

Financial position as at June 30, 2023 vs. December 31, 2022

The company's total assets increased by \$268 million, from \$3,969 million as at December 31, 2022, to \$4,237 million as at June 30, 2023. The increase in total assets was mainly attributable to the increase in the company's investment in the Kamoia Holding joint venture by \$253 million, the increase in property, plant and equipment of \$180 million as project development continued at the Platreef and Kipushi projects, as well as the increase in deferred tax assets by \$13 million.

The company's investment in the Kamoia Holding joint venture increased by \$253 million from \$2,047 million as at December 31, 2022, to \$2,300 million as at June 30, 2023. The company's investment in the Kamoia Holding joint venture can be broken down as follows:

	June 30, 2023	December 2022
	\$'000	\$'000
Company's share of net assets in joint venture	666,165	510,439
Loan advanced to joint venture	1,634,030	1,536,601
Total investment in joint venture	2,300,195	2,047,040

The company's share of net assets in the Kamoia Holding joint venture can be broken down as follows:

	June 30, 2023		December 31, 2022	
	100%	49.5%	100%	49.5%
	\$'000	\$'000	\$'000	\$'000
Assets				
Property, plant and equipment	3,340,132	1,653,365	2,733,176	1,352,922
Mineral property	784,286	388,222	789,888	390,995
Indirect taxes receivable	335,736	166,189	279,385	138,296
Cash and cash equivalents	333,204	164,936	365,633	180,988
Consumable stores	314,843	155,847	257,434	127,430
Other receivables	297,050	147,040	212,221	105,049
Long-term loan receivable	263,096	130,233	252,523	124,999
Non-current inventory	231,960	114,820	246,424	121,980
Trade receivables	106,031	52,485	63,196	31,282
Current inventory	78,141	38,680	27,011	13,370
Right-of-use asset	46,554	23,044	11,549	5,717
Prepaid expenses	14,253	7,055	9,216	4,562
Non-current deposits	1,872	927	2,272	1,125
Deferred tax asset	626	310	710	351
Liabilities				
Shareholder loans	(3,300,152)	(1,633,575)	(3,103,381)	(1,536,174)
Trade and other payables	(345,098)	(170,824)	(309,710)	(153,306)
Deferred tax liability	(283,180)	(140,174)	(273,841)	(135,551)
Income taxes payable	(137,368)	(67,997)	(14,600)	(7,227)
Equipment finance facility	(113,490)	(56,178)	(102,890)	(50,931)
Rehabilitation provision	(84,413)	(41,784)	(45,231)	(22,389)
Other provisions	(58,833)	(29,122)	(26,675)	(13,204)
Provisional payment facility	(53,520)	(26,492)	(38,866)	(19,239)
Lease liability	(47,624)	(23,574)	(13,243)	(6,555)
Non-controlling interest	(378,319)	(187,268)	(291,012)	(144,051)
Net assets of the joint venture	1,345,787	666,165	1,031,189	510,439

Before commencing commercial production in July 2021, the Kamo Holding joint venture principally used loans advanced to it by its shareholders to advance the Kamo-Kakula Copper Complex through investing in development costs and other property, plant and equipment. No additional shareholder loans were advanced in 2022 or 2023 with joint venture cashflow funding its operations and expansions. The joint venture had a healthy cash position as at June 30, 2023, with cash and cash equivalents of \$333 million on hand.

The Kamo-Kakula's Phase 1 and 2 operations are anticipated to generate significant operating cash flow to fund Phase 3 capital cost requirements at current copper prices

and the joint venture is arranging short-term financing facilities should a shortfall occur due to a significant decrease in copper prices. Kamo-a-Kakula has \$150 million in overdraft facilities in place from local DRC banks.

The cash flows of the Kamo-a Holding joint venture can be summarized as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Net cash generated from operating activities	405,417	249,877	851,957	634,362
Change in working capital items	(83,794)	116,320	(256,913)	(43,646)
Net cash used in investing activities	(370,232)	(143,751)	(623,388)	(250,767)
Net cash (used in) generated from financing activities	(6,142)	(895)	(3,744)	1,133
Effect of foreign exchange rates on cash	(1,669)	(5,097)	(341)	(6,664)
Net cash (outflow) inflow	(56,420)	216,454	(32,429)	334,418
Cash and cash equivalents - beginning of the period	389,624	139,995	365,633	22,031
Cash and cash equivalents - end of the period	333,204	356,449	333,204	356,449

The Kamo-a Holding joint venture's net increase in property, plant and equipment from December 31, 2022, to June 30, 2023, amounted to \$607 million and can be further broken down as follows:

	Six months ended June 30,	
	2023	2022
	\$'000	\$'000
Kamo-a Holding joint venture		
Expansion capital	518,049	267,756
Sustaining capital	105,707	25,709
Initial capital	–	9,009
	623,756	302,474
Depreciation capitalized	18,197	5,340
Total capital expenditure	641,953	307,814
Borrowing costs capitalized	51,544	21,554
Total additions to property, plant and equipment for Kamo-a Holding	693,497	329,368
Less depreciation, disposals and foreign exchange translation	(86,541)	(54,296)
Net increase in property, plant and equipment of Kamo-a	606,956	275,072

Ivanhoe's cash and cash equivalents decreased by \$204 million, from \$597 million as at December 31, 2022, to \$393 million as at June 30, 2023. The company spent \$198 million on project development and acquiring other property, plant and equipment and \$28 million on its operating activities.

The net increase in property, plant and equipment amounted to \$180 million, with additions of \$206 million to project development and other property, plant and equipment. Of this total, \$106 million pertained to development costs and other acquisitions of property, plant and equipment at the Platreef Project, while \$70 million pertained to development costs and other acquisitions of property, plant and equipment at the Kipushi Project as set out on page 48. Ivanhoe also purchased a corporate aircraft in Q2 2023 for \$29 million.

The main components of the additions to property, plant and equipment – including capitalized development costs – at the Platreef and Kipushi projects for the six months ended June 30, 2023, and for the same period in 2022, are set out in the following tables:

	Six months ended	
	June 30,	
	2023	2022
	\$'000	\$'000
Platreef Project		
Phase 1 construction	55,912	17,959
Phase 2 construction	25,785	4,722
Salaries and benefits	6,478	6,706
Administrative and other expenditure	3,288	3,053
Depreciation	3,152	739
Studies and contracting work	2,181	2,079
Site costs	1,984	1,034
Social and environmental	883	556
Total development costs	99,663	36,848
Other additions to property, plant and equipment	6,233	2,093
Total additions to property, plant and equipment for Platreef	105,896	38,941

	Six months ended	
	June 30,	
	2023	2022
	\$'000	\$'000
Kipushi Project		
Mine construction costs	39,159	–
Administration and overheads	6,619	3,519
Salaries and benefits	7,832	5,725
Other expenditure	5,186	2,107
Depreciation - development	4,170	–
Studies and contracting work	3,569	1,698
Electricity	3,533	1,544
Other additions to property, plant and equipment	427	1,459
Depreciation - exploration and project evaluation	–	3,759
Total project expenditure	70,495	19,811
<i>Accounted for as follows:</i>		
Additions to property, plant and equipment	38,265	1,459
Development costs capitalized to property, plant and equipment	32,230	–
Exploration and project evaluation expenditure in the loss from operating activities	–	18,352
Total project expenditure	70,495	19,811

Costs incurred during 2023 at the Platreef and Kipushi projects are deemed necessary to bring the project to commercial production and are therefore capitalized as property, plant and equipment.

On June 30, 2023, the company entered into an exchange agreement with I-Pulse Inc. (I-Pulse), under which the company replaced the outstanding convertible loan balance owed to it by HPX Inc. with an equity investment in I-Pulse. The company extended a \$50 million convertible loan to HPX on April 25, 2019. As at June 30, 2023, the loan balance was \$77 million, comprising a principal amount of \$50 million and accrued interest of \$27 million. Under the exchange agreement, the company transferred all convertible loan obligations from HPX to I-Pulse, in exchange for the issuance of common stock in I-Pulse to Ivanhoe. HPX is a subsidiary of I-Pulse. The equity investment in I-Pulse represents approximately 5% of the issued and outstanding common stock of I-Pulse.

The company's total liabilities increased by \$102 million to \$1,230 million as at June 30, 2023, from \$1,128 million as at December 31, 2022, with the increase mainly due to the loss on the fair valuation of the embedded derivative liability of \$58 million and the loan facility of \$40 million entered into by the Kipushi Project explained below.

On May 22, 2023, Kipushi Corporation SA (Kipushi), a subsidiary of the company and the operator of the Kipushi Project, entered into a loan agreement with Rawbank SA (Rawbank), a financial institution in the DRC. Under the terms of the loan agreement, Rawbank provided an \$80 million loan, to be drawn down in two tranches of \$40 million

each, to Kipushi to fund its working capital requirements. The first tranche of the loan was drawn down by Kipushi on June 27, 2023. The loan incurs interest at 8% per year plus a commission of 0.5% per quarter. The loan and accumulated interest and commission are repayable on May 31, 2024. Ivanhoe has guaranteed all amounts due by Kipushi to Rawbank under this loan agreement.

LIQUIDITY AND CAPITAL RESOURCES

The company had \$393 million in cash and cash equivalents as at June 30, 2023. At this date, the company had consolidated working capital of approximately \$349 million, compared to \$595 million at December 31, 2022.

The company's capital expenditure for 2023 and 2024 can be summarized as follows:

Capital Expenditure	H1 2023 Actuals (\$' million)	2023 Guidance (\$' million)	2024 Guidance (\$' million)
Kamoa-Kakula			
Phase 3 expansion	407	1,400 – 1,800	1,100 – 700
Phase 2 and other expansion capital	111	120	–
Sustaining capital	106	180	80
	624	1,700 – 2,100	1,180 – 780
Platreef			
Phase 1 initial capital	77	190 – 240	200 – 150
Phase 2 capital	26	60	60
	103	250 – 300	260 – 210
Kipushi			
Initial capital	66	200 – 250	180 – 130

All capital expenditure figures are presented on a 100%-project basis.

The ranges provided reflect uncertainty in the timing of Kamoa-Kakula Phase 3 expansion, Platreef Phase 2 capital and Kipushi cash flows between calendar years 2023 and 2024. The 2024 capital expenditure guidance for Platreef and Kipushi excludes sustaining capital required in 2024 post-initial production.

As documented in the Kamoa-Kakula 2023 Integrated Development Plan announced on January 30, 2023, the remaining capital cost for the total Phase 3 expansion was estimated at \$3.0 billion, including the mine, concentrator, smelter, infrastructure and investment in off-site hydropower infrastructure. 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. The joint venture had cash and cash equivalents of \$333 million on hand at the end of June 2023.

Construction for Platreef's Phase 1 Mine is well underway, with the first production on track for Q3 2024. The planned Phase 2 capital expenditure at Platreef mainly represents the continuation of sinking Shaft 2 and the construction of the Shaft 2

headframe, as well as Shaft 3 construction and equipping, allowing optionality for possible acceleration in Phase 2, which is currently under review.

Construction of the Kipushi Mine is also underway, with the processing plant scheduled for completion by Q3 2024. Of the \$380 million capital budget to completion, approximately \$163 million has been committed to date. On April 27, 2023, Ivanhoe and joint-venture partner Gécamines announced an offtake term sheet for 100% of Kipushi's zinc concentrate, together with a \$250 million facility supported by Glencore International AG. The offtake and financing term sheet is subject to the execution of final, binding agreements, which are expected to be concluded in conjunction with the new Kipushi Corporation joint-venture agreement in the coming months.

On May 22, 2023, Kipushi entered into a loan agreement with Rawbank SA, a financial institution in the DRC. Under the terms of the loan agreement, Rawbank provided an \$80 million loan, to be drawn down in two tranches of \$40 million each, to Kipushi to fund its working capital requirements. The first tranche of the loan was drawn down by Kipushi on June 27, 2023. The loan incurs interest at 8% per year plus a commission of 0.5% per quarter. The loan and accumulated interest and commission are repayable on May 31, 2024. Ivanhoe has guaranteed all amounts due by Kipushi to Rawbank under this loan agreement.

Exploration activities at the Western Foreland Exploration Project in the DRC and other targets will continue in 2023 with an initial budget of \$31 million.

On March 17, 2021, the company closed a private placement offering of \$575 million of 2.50% convertible senior notes maturing in 2026. The convertible senior notes are senior unsecured obligations of the company which will accrue interest payable semi-annually in arrears at a rate of 2.50% per annum and will mature on April 15, 2026, unless earlier repurchased, redeemed or converted. The notes will be convertible at the option of holders, before the close of business on the business day immediately preceding October 15, 2025, only under certain circumstances and during certain periods, and thereafter, at any time until the close of business on the second scheduled trading day immediately preceding the maturity date. Upon conversion, the notes may be settled, at the company's election, in cash, common shares or a combination thereof. The carrying value of the host liability was \$480 million and the fair value of the embedded derivative liability was \$279 million as at June 30, 2023.

The company has a mortgage bond outstanding on its offices in London, United Kingdom, of £3.2 million (\$4.1 million). The bond is fully repayable on August 28, 2025, secured by the property, and incurs interest at a rate of 1 month Sterling Overnight Index Average (SONIA) plus 1.90% payable monthly in arrears. Only interest will be payable until maturity.

In 2013, the company became a party to a loan payable to ITC Platinum Development Limited, which had a carrying value and contractual value of \$37 million as at June 30, 2023. The loan is repayable once the Platreef Project has residual cash flow, which is defined in the loan agreement as gross revenue generated by the Platreef Project, less all operating costs attributable thereto, including all mining development and operating costs. The loan incurs interest of USD 3-month LIBOR plus 2% calculated monthly in

arrears. Interest is not compounded. Interest will be calculated based on the Term SOFR applicable to United States Dollars on a 3-month deposit plus 2.26% effective from June 30, 2023.

The company has an implied commitment in terms of spending on work programs submitted to regulatory bodies to maintain the good standing of exploration and exploitation permits at its mineral properties. The following table sets forth the company's long-term obligations:

Contractual obligations as at June 30, 2023	Payments Due By Period				
	Total \$'000	<1 year \$'000	1-3 years \$'000	4-5 years \$'000	>5 years \$'000
Convertible notes	577,993	2,993	575,000	–	–
Debt	81,429	40,027	4,072	–	37,330
Lease commitments	1,689	348	770	571	–
Total contractual	661,111	43,368	579,842	571	37,330

Debt in the above table represents the mortgage bond owing to Citibank, the loan payable to ITC Platinum Development Limited and the loan from Rawbank, as described above.

The company is required to fund its Kamoā Holding joint venture in an amount equivalent to its proportionate shareholding interest.

NON-GAAP FINANCIAL PERFORMANCE MEASURES

Kamoā-Kakula's C1 cash costs and C1 cash costs per pound

C1 cash costs and C1 cash costs per pound are non-GAAP financial measures. These are disclosed to enable investors to better understand the performance of Kamoā-Kakula in comparison to other copper producers who present results on a similar basis.

C1 cash costs are prepared on a basis consistent with the industry standard definitions by Wood Mackenzie cost guidelines but are not measures recognized under IFRS. In calculating the C1 cash cost, the costs are measured on the same basis as the company's share of profit from the Kamoā Holding joint venture that is contained in the financial statements. C1 cash costs are used by management to evaluate operating performance and include all direct mining, processing, and general and administrative costs. Smelter charges and freight deductions on sales to the final port of destination, which are recognized as a component of sales revenues, are added to C1 cash cost to arrive at an approximate cost of finished metal. C1 cash costs and C1 cash costs per pound exclude royalties and production taxes and non-routine charges as they are not direct production costs.

Reconciliation of Kamoakakula's cost of sales to C1 cash costs, including on a per pound basis:

	Three months ended		Six months ended	
	June 30,		June 30,	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Cost of sales	277,646	217,112	517,223	340,482
Logistics, treatment and refining charges	123,887	113,671	235,330	162,512
General and administrative expenditure	27,794	23,964	58,440	39,732
Royalties and production taxes	(59,994)	(55,651)	(113,806)	(84,227)
Depreciation	(47,722)	(32,457)	(86,210)	(47,693)
Power rebate	(4,779)	–	(9,272)	–
Movement in finished goods inventory	(774)	545	(1,462)	548
General and administrative expenditure of other group entities	(4,321)	(2,074)	(4,645)	(2,302)
C1 cash costs	311,737	265,110	595,598	409,052
Cost of sales per pound of payable copper sold (\$ per lb.)	1.24	1.15	1.25	1.12
C1 cash costs per pound of payable copper produced (\$ per lb.)	1.41	1.42	1.41	1.34
Payable copper produced in concentrate (tonnes)	100,413	84,476	190,974	138,271

Figures in the above table are for the Kamoakakula joint venture on a 100% basis.

EBITDA, Adjusted EBITDA, EBITDA margin and normalized profit

EBITDA, Adjusted EBITDA, EBITDA margin and normalized profit are non-GAAP financial measures. Ivanhoe believes that Kamoakakula's EBITDA is a valuable indicator of the mine's ability to generate liquidity by producing operating cash flow to fund its working capital needs, service debt obligations, fund capital expenditures and distribute cash to its shareholders. EBITDA and Adjusted EBITDA are also frequently used by investors and analysts for valuation purposes. Kamoakakula's EBITDA and the EBITDA and Adjusted EBITDA for the company are intended to provide additional information to investors and analysts and do not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared per IFRS. EBITDA and Adjusted EBITDA excludes the impact of cash costs of financing activities and taxes, and the effects of changes in operating working capital balances, and therefore are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate

EBITDA and Adjusted EBITDA differently.

The EBITDA margin is an indicator of Kamo-Kakula's overall health and denotes its profitability, which is calculated by dividing EBITDA by revenue. The EBITDA margin is intended to provide additional information to investors and analysts, does not have any standardized definition under IFRS, and should not be considered in isolation, or as a substitute, for measures of performance prepared per IFRS.

Reconciliation of profit after tax to Kamo-Kakula's EBITDA:

	Three months ended		Six months ended	
	June 30,		June 30,	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Profit after taxes	190,254	127,426	401,905	348,700
Finance costs	90,701	66,828	179,374	121,471
Current and deferred tax expense	88,842	62,115	204,932	172,159
Depreciation	50,727	32,457	91,811	47,693
Unrealized foreign exchange loss (gain) ⁽¹⁾	41,355	(836)	46,244	(6,011)
Finance income	(5,251)	(2,513)	(10,327)	(4,319)
EBITDA	456,628	285,477	913,939	679,693

Figures in the above table are for the Kamo-Kakula joint venture on a 100% basis.

⁽¹⁾ Unrealized foreign exchange losses (gains) have been excluded from EBITDA in the current and prior periods presented, as the company believes that including the unrealized foreign exchange gains and losses does not give a useful indication of Kamo-Kakula's overall health and profitability.

Reconciliation of profit after tax to Ivanhoe's EBITDA and adjusted EBITDA:

	Three months ended		Six months ended	
	June 30,		June 30,	
	2023	2022	2023	2022
			\$'000	\$'000
Profit after taxes	87,183	351,520	169,663	373,060
Finance income	(61,956)	(38,596)	(119,782)	(70,101)
Current and deferred tax recovery	(1,769)	(114,183)	(2,650)	(112,976)
Finance costs	5,539	10,013	16,004	17,404
Unrealized foreign exchange loss ⁽¹⁾	1,934	2,384	3,225	752
Depreciation	609	2,276	1,085	4,538
EBITDA	31,540	213,414	67,545	212,677
Share of profit from joint venture net of tax	(73,066)	(49,690)	(155,725)	(136,799)
Company's share of EBITDA from Kamoakakula joint venture ⁽²⁾	180,489	114,309	361,285	268,934
Loss (gain) on fair valuation of embedded derivative liability	26,618	(183,600)	57,518	(117,200)
Non-cash share-based payments	6,589	6,457	13,127	12,710
Adjusted EBITDA	172,170	100,890	343,750	240,322

(1) Unrealized foreign exchange losses have been excluded from EBITDA in the current and prior periods presented, as the Company believes that including the unrealized foreign exchange gains and losses does not give a valuable indication of the company's ability to generate liquidity and operating cash flow and distribute cash to its shareholders

(2) The company's attributable share of EBITDA from the Kamoakakula joint venture is calculated using the company's effective shareholding in Kamoakakula Copper SA (39.6%), Ivanhoe Mines Energy DRC SARL (49.5%), Kamoakakula Holding Limited (49.5%) and Kamoakakula Services (Pty) Ltd (49.5%).

This news release should be read in conjunction with Ivanhoe Mines' audited 2022 Financial Statements and Management's Discussion and Analysis report available at www.ivanhoemines.com and at www.sedarplus.ca.

Disclosure of technical information

Disclosures of a scientific or technical nature in this news release regarding the Kamoakakula Copper Complex (other than stockpiles estimation), the Platreef Project and the Kipushi Project have been reviewed and approved by Steve Amos, who is considered, by virtue of his education, experience and professional association, a Qualified Person under the terms of National Instrument 43-101 (NI 43-101). Mr. Amos is not considered independent under NI 43-101 as he is the Executive Vice President, Projects, at

Ivanhoe Mines. Mr. Amos has verified the technical data related to the foregoing disclosed in this news release.

Disclosures of a scientific or technical nature regarding the Kamoakakula stockpiles in this news release have been reviewed and approved by George Gilchrist, who is considered, by virtue of his education, experience and professional association, a Qualified Person under the terms of NI 43-101. Mr. Gilchrist is not considered independent under NI 43-101 as he is the Vice President, Resources, at Ivanhoe Mines. Mr. Gilchrist has verified the technical data regarding the Kamoakakula stockpiles disclosed in this news release.

Disclosures of a scientific or technical nature regarding the Western Foreland Exploration Project in this news release have been reviewed and approved by Stephen Torr, who is considered, by virtue of his education, experience and professional association, a Qualified Person under the terms of NI 43-101. Mr. Torr is not considered independent under NI 43-101 as he is the Vice President, Geosciences, at Ivanhoe Mines. Mr. Torr has verified the technical data regarding the Western Foreland Exploration Project disclosed in this news release.

Ivanhoe has prepared an independent, NI 43-101-compliant technical report for the Kamoakakula Project, the Platreef Project and the Kipushi Project, each of which is available on the company's website and under the company's SEDAR+ profile at www.sedarplus.ca:

- Kamoakakula Integrated Development Plan 2023 Technical Report dated March 6, 2023, prepared by OreWin Pty Ltd.; China Nerin Engineering Co. Ltd.; DRA Global; Epoch Resources; Golder Associates Africa; Metso Outotec Oyj; Paterson and Cooke; SRK Consulting Ltd.; and The MSA Group.
- The Kipushi 2022 Feasibility Study dated February 14, 2022, prepared by OreWin Pty Ltd., MSA Group (Pty) Ltd., SRK Consulting (South Africa) (Pty) Ltd, and METC Engineering.
- The Platreef 2022 Feasibility Study dated February 28, 2022, prepared by OreWin Pty Ltd., Mine Technical Services, SRK Consulting Inc., DRA Projects (Pty) Ltd and Golder Associates Africa.

These technical reports include relevant information regarding the effective dates and the assumptions, parameters and methods of the mineral resource estimates on the Platreef Project, the Kipushi Project and the Kamoakakula Copper Complex cited in this news release, as well as information regarding data verification, exploration procedures and other matters relevant to the scientific and technical disclosure contained in this news release in respect of the Platreef Project, Kipushi Project and Kamoakakula Copper Complex.

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Forward-looking statements

Certain statements in this news 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 news release.

Such statements include without limitation, the timing and results of: (i) statements that Kamoakakula expects Phase 1 and Phase 2 cash flow to be sufficient to fund the Phase 3 expansion capital cost requirements at current copper prices; (ii) statements regarding highly promising preliminary testwork to further improve copper recoveries at Kamoakakula, with results indicating that recoveries well over 90% can be achieved by liberating copper from the tailings stream and that based on these results, Kamoakakula can further increase production, revenues and cash flow; (iii) statements that Kamoakakula has been working alongside DRC’s state-owned power company, SNEL, to identify the causes of instability across the southern DRC’s grid infrastructure to assist with delivering long-lasting solutions and that Kamoakakula has identified a series of upgrades and has outlined a project plan to deliver the improvements; (iv) statements that Kamoakakula’s engineering team are working towards insulating Kamoakakula from future instability by expanding on-site backup generation capacity, as well as sourcing additional power imported from the Zambian grid; (v) statements that over the next 12-18 months, on-site backup-power generation capacity at Kamoakakula will increase via a phased roll-out; (vi) statements that the delivery of a further 30 MW in backup generation capacity, sufficient to power Kamoakakula’s entire Phase 1 and 2 operations in the event of grid disruptions, will commence later this year and is expected to be operational by Q2 2024; (vii) statements that over 130 MW of further backup generation capacity has been ordered and is expected to be installed in 2024, in time for the completion of the Phase 3 concentrator and smelter that are currently under construction; (viii) statements that discussions are advancing to secure up to 100 MW of additional power via the Zambian grid interconnector, with the initial phase expected to be ready in the third quarter; (ix) statements that following the commissioning of Phase 3, Kamoakakula will have a total design processing capacity of 14.2 Mtpa; (x) statements that the completion of Phase 3 is expected to increase annualized copper production to an average of approximately 620,000 tonnes per year over the next ten years, which will position Kamoakakula as the world’s third-largest copper mining complex in 2027, and the largest copper mine on the African continent; (xi) statements that underground mining activities are expected to commence at Kamoakakula 1 in late 2023 and Kamoakakula 2 in 2025, which will both involve the same mechanized drift-and-fill mining methods used at the Kakula Mine; (xii) statements that the smelter at Kamoakakula will incorporate leading-edge

technology supplied by Metso Outotec of Espoo, Finland and will meet the world-leading IFC emissions standards; (xiii) statements that the number of workers at the smelter site is expected to peak at 3,000 in December 2023; (xiv) statements that the 99.7% pure blister anode copper produced from Kamoakakula's smelter is expected to be among the lowest carbon-dioxide emitters in the world per tonne of copper produced; (xv) statements that the smelter will have a processing capacity of approximately 1.2 Mtpa of dry concentrate feed and is designed to run on a blend of concentrate produced from the Kakula (Phase 1 and 2) and Kamoakakula (Phase 3 and future Phase 4) concentrators; (xvi) statements that under the Kamoakakula 2023 Integrated Development Plan, the smelter is projected to accommodate approximately 80% of Kamoakakula's total concentrate production; (xvii) statements regarding Kamoakakula continuing to toll-treat concentrates under a 10-year agreement with the LCS, located approximately 50 kilometres from Kamoakakula, near the town of Kolwezi and that deliveries to LCS are expected to account for approximately 150,000 tonnes of copper concentrate annually; (xviii) statements that Kamoakakula's Phase 3 mine and concentrator expansion and 500,000-tonne-per annum on-site, direct-to-blister copper smelter, which is expected to be Africa's largest direct-to-blister flash smelter, are advancing on schedule and are expected to be completed in late 2024, and that meanwhile ore will be drawn from the stockpiles to maximize copper production; (xix) statements that as a by-product, the smelter at Kamoakakula will also produce in the region of 650,000 to 800,000 tonnes per year of high-strength sulphuric acid; (xx) statements that the on-site smelter will offer transformative financial benefits for the Kamoakakula Copper Complex, most notable being a material reduction in logistics costs, and to a lesser extent reduced concentrate treatment charges and local taxes, as well as revenue from acid sales; (xxi) statements that the volume of shipments is expected to halve following the Phase 3 expansion as trucks will transport 99+%-pure blister copper anodes instead of concentrate with approximately 50% contained copper and that according to the Kamoakakula 2023 Prefeasibility Study, smelter commissioning is expected to drive a decrease in average cash costs (C1) over the first five years (from 2025) to approximately \$1.15/lb. of copper; (xxii) statements that the rehabilitation of Turbine #5 at the Inga II hydroelectric power station, will supply an additional 178 MW of clean hydroelectric power to the national grid and provide power for Phase 3 concentrator, the flash smelter, as well as provide spare capacity for future expansion; (xxiii) statements regarding Kamoakakula's 2023 guidance including contained copper in concentrate of 390,000 to 430,000 tonnes and cash cost (C1) of \$1.40 to \$1.50 per lb; (xxiv) statements regarding the company focusing on construction activities to bring Phase 1 of Platreef into production by Q3 2024; (xxv) statements that once the crusher and loading feeder installation on the 950-metre level is completed at the end of August, the rate of lateral underground development is expected to continue to increase to approximately 300 metres per month through the remainder of the year and that from January 2024, the advancement rate is expected to increase to approximately 500 metres per month; (xxvi) statements that the 10-metre diameter Shaft 2 currently under construction will have a hoisting capacity of 8 Mtpa and that Shaft 2 will be utilized in subsequent development phases and will be among the largest hoisting shafts in the world; (xxvii) statements that the kibble and stage winder civil construction is nearing completion with the winder deliveries planned for December 2023; (xxviii) statements that commissioning of Platreef's first 5-MW solar-power plant is expected later this year and that power generated by this plant will support development activities and operations, together with other renewable energy sources to be introduced over time; (xxix) statements that Shaft 3, originally planned as a ventilation and secondary escape shaft, is currently under construction and is now planned to be equipped for hoisting, which will provide additional hoisting capacity to remove ore and waste from the underground mine and that this has the benefit of de-risking the development and ramp-up of the Phase 1 mine and may be used to accelerate the ramp-up of underground mining activities for Phase 2, in advance of the completion of Shaft 2, which is expected in 2027; (xxx) statements that Shaft 3 is currently being reamed to a diameter of 5.1 metres with planned completion in Q4 2023; (xxxi) statements that Platreef's water requirement for the Phase 1 operation is projected to peak at approximately three million litres per day, which will then increase to nine million litres per day once the Phase 2

expansion is complete; (xxxii) statements that Masodi Wastewater Treatment Works is progressing well towards completion in Q3 2023; (xxxiii) statements that the concentrate produced by Kipushi is expected to contain approximately 55% zinc and low levels of impurities; (xxxiv) statements that the buyer will purchase the concentrate at the Kipushi Mine on a free-carrier basis, meaning the buyer will be responsible for arranging freight and shipment to the destination, with such costs reimbursed by Kipushi; (xxxv) statements that Kipushi concentrator is on schedule for commissioning and first production in Q3 2024; (xxxvi) statements that the Kipushi concentrator includes DMS and a milling and flotation circuit and is expected to produce more than 270,000 tonnes of zinc contained in concentrate over the first five years of operations; (xxxvii) statements that the Kipushi concentrator's design recoveries are targeted at 96%, with a concentrate grade of 55% contained zinc; (xxxviii) statements that stoping of the ultra-high-grade Big Zinc orebody is expected to begin in January 2024; (xxxix) statements that over half of the Kipushi primary fleet and secondary support equipment has been mobilized, with the remainder expected to be delivered at the end of the third quarter; (xl) statements that concurrent training of new underground miners is ongoing at Kipushi, targeting a full complement of four crews by the end of the third quarter; (xli) statements that the year-to-date underground development rate averages approximately 250 metres per month and that following the mobilization of the remaining underground equipment fleet and the fourth mining crew, the underground development rate is expected to increase to approximately 450 metres per month by year-end; (xlii) statements that underground development at Kipushi throughout the remainder of the year will increasingly be in ore, grading between 20-25% zinc and that the ore will be hauled to surface and stored on the stockpile ahead of concentrator commissioning; (xliii) statements that the new commercial DRC-Zambia border crossing at Kipushi will not only benefit the Kipushi Mine but also Kamoakakula as an additional route for exporting concentrate, and that such border crossing will provide socio-economic benefits to the community of Kipushi and the city of Lubumbashi; (xliv) statements that the mining method of the Big Zinc orebody at Kipushi will be transverse sublevel open stoping in a primary and secondary sequence and that the void of the mined-out stopes will be filled with cemented aggregate to maximize the extraction of the ultra-high-grade ore; (xlv) statements that at Kipushi the total mining height of long-hole stopes is 60 metres (comprising of an upper 30-metre-high stope and lower 30-metre-high stope), which will be separated by 15-metre-high sill pillars, that the long-hole stopes will be mined with a bottom-up mining sequence, with the lower stope extracted first followed by the upper stope and that the stopes will be extracted using a primary and secondary long-hole stoping sequence; (xlvi) statements that the vendor appointment by the Haut-Katanga province for the 11-kilometre, by-pass road from Kipushi is expected to be made imminently, with the mobilization of construction contractors to be made in the coming month and that the project award for the border infrastructure is expected to be made towards the end of 2023; (xlvii) statements that employees and contractors working at the Kipushi site will peak at approximately 2,000 in the fourth quarter of 2023 and that once operations have ramped up to steady-state, total on-site labour, including mining and support contractors, is expected to be approximately 1,200; (xlviii) statements that follow-up drilling is planned along sections of the four holes that were completed down dip of Makoko West to enhance the 3D geological interpretation of the area; (xlix) statements that the gravity survey to be flown at the Mokopane Feeder Project will be completed during Q3 2023 due to equipment breakdown delays and that deep diamond drilling is now planned to commence in Q4 2023 to test targets identified from the results of the magnetic survey and the gravity survey to be completed; (l) statements that 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; (li) statements that the offtake and financing term sheet between Ivanhoe and joint-venture partner Gécamines, supported by Glencore International AG, is subject to the execution of final, binding agreements, which are expected to be concluded in conjunction with the new Kipushi Corporation joint-venture agreement in the coming months, and the particulars of such offtake and financing, including the fact that the company's ownership in the Kipushi Project will reduce to 62%; (lii) statements that Phase 1 and Phase 2 operations at Kamoakakula are anticipated to

generate significant operating cash flows in 2023 and 2024, and are expected to fund capital cost requirements of approximately \$2.1 billion at current copper prices, and that the joint venture is arranging short-term financing facilities should a shortfall occur due to a significant decrease in copper prices; (liii) statements with respect to the company's capital expenditure guidance and planned expenditures for 2023 and 2024; (liv) statements that 2023 exploration activities have an initial budget of \$31 million, including \$19 million for Western Foreland; (lv) statements that the company intends to enter into a collaboration agreement with I-ROX, an I-Pulse subsidiary, to investigate and develop applications for pulsed-power technology in the mining sector; (lvi) statements that the company is on schedule to publish a maiden Mineral Resource estimate for its Makoko and Kiala high-grade copper discoveries in the Western Foreland in Q3 2023; and (lvii) statements that a second air core rig is planned to start drilling at Western Forelands in early Q3 2023.

As well, all of the results of the feasibility study for the Kakula copper mine, the Kamoia-Kakula 2023 IDP, the Platreef 2022 feasibility study, and the Kipushi 2022 feasibility study 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 Kamoia-Kakula Copper Complex, Platreef and Kipushi projects, and the exploration of the Western Foreland Exploration Project and the Mokopane Feeder Exploration Project, 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 and exploration; (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; (xviii) water inflow into the mine and its potential effect on mining operations, and (xix) the consistency and availability of electric power.

This news release also contains references to estimates of Mineral Resources and Mineral Reserves. The estimation of Mineral Resources is inherently uncertain and involves subjective judgments about many relevant factors. Estimates of Mineral Reserves provide more certainty but still involve similar subjective judgments. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The accuracy of any such estimates is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation (including estimated future production from the company's projects, the anticipated tonnages and grades that will be mined and the estimated level of recovery that will be realized), which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that ultimately may prove to be inaccurate. Mineral Resource or Mineral Reserve estimates may have to be re-estimated based on: (i) fluctuations in copper, nickel, zinc, platinum group elements (PGE), gold or other mineral prices; (ii) results of drilling; (iii) metallurgical testing and other studies; (iv) proposed mining operations, including dilution; (v) the evaluation of mine plans after the date of any estimates and/or changes in mine plans; (vi) the possible failure to receive required permits, approvals and licences; and (vii) changes in law or regulation.

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” section in the company’s MD&A for the three and six months ended June 30, 2023, and its Annual Information Form, and elsewhere in this news release, 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 as a result of the factors outlined in the “Risk Factors” section in the company’s MD&A for the three and six months ended June 30, 2023, and its Annual Information Form.