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Ivanplats arranging project-level financing of up to US\$420 million to advance development of the world-scale Platreef palladium, platinum, rhodium, nickel, copper and gold project in South Africa

Non-binding term sheet signed with Orion Mine Finance for US\$300 million streaming facility

Societe Generale and Nedbank appointed as mandated lead arrangers for a senior project debt facility of up to US\$120 million

Detailed engineering underway on mine design, 770-ktpa concentrator and associated infrastructure for Platreef's phased development plan, which is expected to be incorporated into an updated feasibility study by the end of 2021

Platreef's Shaft 1 changeover progressing well in preparation for permanent hoisting by early 2022

MOKOPANE, SOUTH AFRICA – Ivanhoe Mines' (TSX: IVN; OTCQX: IVPAF) Co-Chairs Robert Friedland and Yufeng "Miles" Sun are pleased to announce that the company's South African subsidiary, Ivanplats, has signed a non-binding term sheet with Orion Mine Finance, a leading international provider of production-linked stream financing to base and precious metals mining companies, for a US\$300 million gold, palladium and platinum streaming facility.

Ivanplats also has appointed two prominent, international commercial banks – Societe Generale and Nedbank – as mandated lead arrangers for a senior project debt facility of up to US\$120 million. Both the stream financing and project debt facility will be used to advance the development of Ivanplats' tier one Platreef palladium, platinum, rhodium, nickel, copper and gold project in Limpopo province, South Africa, toward initial production.

The appointment and proposed financings follow the November 30, 2020 issuance of the outstanding findings of an independent Platreef Integrated Development Plan 2020

(Platreef IDP20) for the Platreef Project, which consists of an updated feasibility study (Platreef 2020 FS) and a preliminary economic assessment (Platreef 2020 PEA). The initial capital cost for the phased development plan envisaged under the Platreef 2020 PEA, starting at a mining rate of 700,000 tonnes per annum (700 ktpa), is estimated at US\$390 million.

The US\$300 million stream financing remains subject to completion of legal due diligence and structuring, as well as negotiation and execution of definitive documentation. The streaming facility is planned to be drawn down in four separate tranches, as needed, in parallel with the engineering studies to upgrade the Platreef 2020 PEA to a feasibility study and the changeover of Platreef's Shaft 1 to a production shaft.

Detailed engineering is underway on the mine design, 770-ktpa concentrator and associated infrastructure for the phased development plan, which is scheduled to be incorporated into an updated feasibility study before the end of 2021. The Shaft 1 changeover is progressing well in preparation for permanent hoisting by early 2022.

Platreef's budget for 2021 is US\$59 million, which includes US\$10 million for commencement of headframe construction for Shaft 2. The first draw from the streaming funds, which is expected to occur shortly after establishment of the facility, is expected to fully cover Platreef's 2021 budget.

The senior project debt facility of up to US\$120 million is scheduled to be utilized only after the streaming facility is fully drawn down. Definitive terms and conditions of the debt facility are subject to the completion of the feasibility study for Platreef's phased development plan, completion of due diligence and structuring, as well as negotiation and execution of definitive documentation. Terms and conditions of the debt facility will be made available when finalized.

"This is very auspicious timing for the Platreef financing announcement as it coincides with the celebration of Chinese New Year, which signifies the start of spring, and the Year of the Golden Ox," said Mr. Friedland. "The Ox is an animal that is symbolic of a silent hard worker who strives for self-improvement and endeavours to get out of 2020's challenges. Tradition also says the Year of the Ox will bring prosperity and success in business."

We are excited to work with Orion, Societe Generale, Nedbank and our other long-term investors to unlock Platreef's world-scale potential. The production of key 'green metals' needed to reduce greenhouse gas emissions is at a critical inflection point as businesses are pressed to secure long-term supplies. We are confident that this project-level funding will be the catalyst needed to launch Platreef to become a leading, long-life supplier of palladium, platinum, rhodium, nickel, copper and gold."

“Platreef’s Shaft 1 has been sunk to its final depth and is within a few hundred metres of the initial high-grade mining zone. The deposit has an enormous endowment of palladium, platinum, rhodium, nickel, copper and gold in a thick, high-grade, flat-lying underground orebody that is ideal for modern, bulk-scale, mechanized mining,” Mr. Friedland continued.

The Platreef 2020 PEA is an alternate, phased development plan that fast-tracks Platreef into production. The plan uses the project’s first shaft (Shaft 1) for initial hoisting and mine development, with 825-ktpa total rock-hoisting capacity, of which 700 ktpa are earmarked for ore hoisting and a further 125 ktpa for development rock during the ore extraction phase. The phased plan envisions building an initial concentrator with a capacity of 770 ktpa for first concentrate production in mid-2024.

The recently-completed sinking of Shaft 1 creates the opportunity to access early, high-grade tonnes in this scenario. While the 700-ktpa initial mine is being operated using Shaft 1, there would be opportunities to refine the timing of subsequent phases of expanded production, which is driven by the sinking of Shaft 2. Once completed, two 2.2-Mtpa concentrator modules would be commissioned, and the initial concentrator would be ramped up to its full capacity of 770 ktpa – increasing the steady-state production to 5.2 Mtpa.

The Platreef IDP20 reflects the first phase of development for the Platreef Mine. It is designed to establish an operating platform to support potential future expansions up to 12 Mtpa, as demonstrated in previous studies. This would position Platreef among the largest platinum-group-metals producing mines in the world, producing in excess of 1.1 million ounces of palladium, platinum, rhodium and gold per year.

Ivanhoe Mines indirectly owns 64% of the Platreef Project through its subsidiary, Ivanplats, and is directing all mine development work. The South African beneficiaries of the approved broad-based, black economic empowerment structure have a 26% stake in the Platreef Project. The remaining 10% is owned by a Japanese consortium of ITOCHU Corporation; Japan Oil, Gas and Metals National Corporation; ITC Platinum Development Ltd., an ITOCHU affiliate; and Japan Gas Corporation.

Platreef operational update

The Shaft 1 changeover is progressing to plan and is on schedule for commencement of rock hoisting early in 2022. All equipment for the shaft changeover has been procured and is on site. The detailed engineering designs for the shaft changeover have been completed, reviewed and approved. The changeover work within the shaft will be conducted by Platreef’s experienced owners team.

The winder that was used to successfully sink Shaft 1 will be converted and re-equipped to function as the permanent rock, personnel and material winder for the life of mine. The shaft will be equipped with two 12.5-tonne skips (with hoisting capacity of

825,000 tonnes per year) and an interchangeable cage to accommodate the movement of personnel and materials up and down the shaft during the initial phase of mining.

The shaft will be equipped using rope guides for the main rock, personnel and materials conveyances. The stage and winder ropes used during the sinking phase have been removed, and the equipping stage, new permanent guide-ropes and the new permanent hoisting ropes have been delivered to site. Further to this, an auxiliary winder will be installed to mainly function as a man winder during the main rock-hoisting cycle.

The construction of the winder foundations is underway and will be completed in time for the auxiliary winder installation and commissioning. The head gear, both winders, equipping stage, conveyances and control systems will comply with the highest industry safety standards, with proven and tested safety and redundancy systems in place.

Newly-designed rock chutes will connect the conveyors feeding the concentrator plant and the waste rock area, from where the rock will be converted to cemented back-fill and also used for protection berms to contain storm water and reduce noise emissions.

The new ropes and the newly-designed and constructed equipping stage will be installed in the shaft by specialist contractors. The equipping in the shaft barrel is scheduled to commence at the end of March 2021 for completion by end of February 2022. Following the completion of the changeover work in the underground stations, and establishment of the ore and waste passes, lateral underground mine development will commence toward high-grade ore zones.

Innocent Nchabeleng (Rigger) operating the rope reeler to remove the stage and winder ropes used during the sinking phase.



Murray Roberts, a South Africa-based engineering and mining contractor, removing the rock chutes from the headframe as part of Shaft 1 changeover.



Victor Skinner (Winder Technician) installing cables at Shaft 1 new winder house.



Qualified persons

In December 2020, Ivanhoe Mines filed a new National Instrument 43-101 (NI 43-101) technical report titled “Platreef Integrated Development Plan 2020” with an effective date of December 6, 2020 (Platreef IDP20).

The Platreef IDP20, which includes the Platreef 2020 FS and Platreef 2020 PEA, was independently prepared by OreWin Pty Ltd. of Adelaide, Australia; Wood plc (formerly Amec Foster Wheeler) of Vancouver, Canada; SRK Consulting Inc. of Johannesburg, South Africa; Stantec Consulting International LLC of Phoenix, USA; DRA Global of Johannesburg, South Africa; and Golder Associates Africa of Midrand, South Africa.

Other scientific and technical information in this news release has been reviewed and approved by Stephen Torr, P.Geo., Ivanhoe Mines’ Vice President, Project Geology and Evaluation, 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, Project Geology and Evaluation of Ivanhoe Mines. Mr. Torr has verified the technical data disclosed in this news release.

Sample preparation, analyses and security

During Ivanhoe’s work programs, sample preparation and analyses were performed by accredited independent laboratories. Sample preparation is accomplished by Set Point

laboratories in Mokopane. Sample analyses have been accomplished by Set Point Laboratories in Johannesburg, Lakefield Laboratory (now part of the SGS Group) in Johannesburg, Ultra Trace Laboratory in Perth, Genalysis Laboratories in Perth and Johannesburg, SGS Metallurgical Services in South Africa, Acme in Vancouver, and ALS Chemex in Vancouver. Bureau Veritas Minerals Pty Ltd assumed control of Ultra Trace during June 2007 and is responsible for assay results after that date.

Sample preparation and analytical procedures for samples that support Mineral Resource estimation have followed similar protocols since 2001. The preparation and analytical procedures are in line with industry-standard methods for platinum, palladium, gold, copper and nickel deposits. Drill program included insertion of blank, duplicate, standard reference material (SRM), and certified reference material (CRM) samples. The quality assurance and quality control (QA/QC) program results do not indicate any problems with the analytical protocols that would preclude use of the data in Mineral Resource estimation.

Sample security has been demonstrated by the fact that the samples were always attended or locked in the on-site core facility in Mokopane.

Information on sample preparation, analyses and security is contained in the Platreef Project NI 43-101 Technical Report titled "Platreef Integrated Development Plan 2020" with an effective date of December 6, 2020, filed on SEDAR at www.sedar.com and on the Ivanhoe Mines website at www.ivanhoemines.com.

About Ivanhoe Mines

Ivanhoe Mines is a Canadian mining company focused on advancing its three principal joint-venture projects in Southern Africa: the development of major new, mechanized, underground mines at the Kamoa-Kakula discoveries in the Democratic Republic of Congo (DRC) and at the Platreef palladium-platinum-nickel-copper-rhodium-gold discovery in South Africa; and the extensive redevelopment and upgrading of the historic Kipushi zinc-copper-germanium-silver mine, also in the DRC. Kamoa-Kakula and Kipushi will be powered by clean, renewable hydroelectricity and will be among the world's lowest greenhouse gas emitters per unit of metal produced. Ivanhoe also is exploring for new copper discoveries on its wholly-owned Western Foreland exploration licences in the DRC, near the Kamoa-Kakula Project.

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Cautionary statement on forward-looking information

Certain statements in this news release constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the company, the Platreef Project, 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 by the use of 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.

The forward-looking statements and forward-looking information in this news release include without limitation, (i) statements regarding the establishment of the stream financing facility and that it remains subject to legal due diligence and structuring, and negotiation and execution of definitive documentation; (ii) statements regarding the establishment of the senior project debt facility, and its term and conditions, and that it remains subject to completion of the feasibility study of Platreef’s phased development plan, completion of legal due diligence and structuring, as well as negotiation and execution of definitive documentation; (iii) statements regarding the timing of the first draw of the streaming facility and that the senior project debt facility would only be utilized after the streaming facility is fully drawn; (iv) statements regarding the Platreef budget for 2021 is US\$59 million, which includes US\$10 million for commencement of the construction of the headframe to the collar of Shaft 2; (v) statements regarding the Platreef IDP20 is designed to establish an operating platform to support potential future expansions up to 12 Mtpa producing in excess of 1.1 million ounces of palladium, platinum, rhodium and gold per year, as demonstrated in previous studies, which would position Platreef among the largest platinum-group-metals producing mines in the world; (vi) statements that the equipping of the shaft barrel is scheduled to commence at the end of March 2021 for scheduled completion by the end of February 2022; (vii) the timing of commencement of lateral underground mine development; and (viii) the timing of Shaft 1 changeover for the commencement of rock hoisting early in 2022.

In addition, all of the results of the Platreef IDP20, Platreef 2020 PEA and Platreef 2020 FS constitute forward-looking statements and forward-looking information. The forward-looking statements include metal price assumptions, cash flow forecasts, projected capital and operating costs, metal recoveries, mine life and production rates, and the financial results of the Platreef 2020 PEA and FS. These include estimates of internal rates of return after-tax of 20.0% (PEA) and 19.8% (FS) with payback periods of 8.4 years and 4.4 years respectively; net present values including a PEA NPV at an 8% discount rate of US\$1.6 billion and a FS NPV at an 8% discount rate of US\$1.8 billion; future production forecasts and projects, including average annual production of 512koz 3PE+Au in the PEA and 508koz 3PE+Au in the FS; estimates of net total cash cost, net of copper and nickel by-product credits and including stay-in-business (SIB) capital costs of US\$460/oz. 3PE+Au in the PEA and US\$442/oz. 3PE+Au in the FS; mine life estimates, including a 30 year mine life in the PEA and a 30 year mine life in the FS; initial capital costs of US\$0.39 billion in the PEA and US\$1.4 billion in the FS; average 3PE+Au grades of 4.4 g/t in the PEA and 4.4 g/t in the FS; cash flow forecasts; and estimates of 3PE+Au recoveries of 86.4% in the PEA and 86.4% in the FS. Readers are cautioned that actual results may vary from those presented.

All such forward-looking information and statements are based on certain assumptions and analyses made by Ivanhoe Mines’ management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believe are appropriate in the circumstances. These statements, however, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information or statements including, but not limited to, unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of

parties to contracts to perform as agreed; social or labour unrest; changes in commodity prices; unexpected failure or inadequacy of infrastructure, industrial accidents or machinery failure (including of shaft sinking equipment), or delays in the development of infrastructure, and the failure of exploration programs or other studies to deliver anticipated results or results that would justify and support continued studies, development or operations. Other important factors that could cause actual results to differ from these forward-looking statements also include those described under the heading "Risk Factors" in the company's most recently filed MD&A as well as in the most recent Annual Information Form filed by Ivanhoe Mines. Readers are cautioned not to place undue reliance on forward-looking information or statements. Certain of the factors and assumptions used to develop the forward-looking information and statements, and certain of the risks that could cause the actual results to differ materially are presented in the "Platreef Integrated Development Plan 2020", available on SEDAR at www.sedar.com and on the Ivanhoe Mines website at www.ivanhoemines.com.

This news release also contains references to estimates of Mineral Resources and Mineral Reserves. The estimation of Mineral Resources and Mineral Reserves is inherently uncertain and involves subjective judgments about many relevant factors. 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, which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. Mineral Resource or Mineral Reserve estimates may have to be re-estimated based on, among other things: (i) fluctuations in platinum, palladium, gold, rhodium, copper, nickel or other mineral prices; (ii) results of drilling; (iii) results of metallurgical testing and other studies; (iv) changes to proposed mining operations, including dilution; (v) the evaluation of mine plans subsequent to the date of any estimates; and (vi) the possible failure to receive required permits, approvals and licences.

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.