



## **SHARE UNIT AWARD PLAN**

(Last amended June 29, 2022)

**IVANHOE MINES LTD.**  
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**PART 1 INTRODUCTION**

**1.1 Purpose**

The purpose of this Plan is to secure for the Company and its shareholders the benefits of incentive inherent in share ownership by the employees and directors of the Company and its Affiliates who, in the judgment of the Board and the Committee, will be largely responsible for its future growth and success.

**1.2 Definitions**

- (a) **“Affiliate”** has the meaning set forth in Section 1(2) of the *Securities Act* (Ontario), as amended, and includes those issuers that are similarly related, whether or not any of the issuers are corporations, companies, partnerships, limited partnerships, trusts, income trusts or investment trusts or any other organized entity issuing securities.
- (b) **“Associate”** has the meaning assigned to it in the *Securities Act* (Ontario), as amended.
- (c) **“Award Grant Agreement”** means an agreement evidencing a Unit Award substantially in the form attached as Schedule “A”, except for a Participant in the United Kingdom in which case the form shall be the form attached as Schedule “B”.
- (d) **“Award Market Value”** means the volume weighted average trading price of the Shares on the TSX on the five (5) trading days immediately preceding the grant (or other relevant date in the case of grants of securities other than Share Units);
- (e) **“Awardee”** means a Participant that, at the relevant time, holds a Unit Award.
- (f) **“Board”** means the board of directors of the Company as it may be constituted from time to time.
- (g) **“Blackout Period”** means a period in which the trading of Shares or other securities of the Company is restricted under the Company’s Corporate Disclosure, Confidentiality and Securities Trading Policy, or under an insider trading policy or other policy of the Company then in effect.
- (h) **“Business Day”** means a day that is not a statutory holiday and a day on which banks are open in Vancouver, Canada.
- (i) **“Cash Settlement Procedures”** mean the procedure to settle vested Restricted Stock Units in cash as outlined in Section 3.3 of this Plan.
- (j) **“Company”** means Ivanhoe Mines Ltd., a company continued under the laws of the British Columbia.

- (k) **“Committee”** has the meaning attributed thereto in Section 6.1.
- (l) **“Dividend”** has the meaning attributed thereto in Section 5.4.
- (m) **“Dividend Adjustment Unit Awards”** has the meaning attributed thereto in Section 5.4.
- (n) **“Eligible Directors”** means the directors of the Company or any Affiliate thereof who are, as such, eligible for participation in this Plan.
- (o) **“Eligible Employees”** means employees (including employees who are officers and directors) of the Company or any Affiliate thereof and Eligible Joint Venture Employees, whether or not they have a written employment contract with Company or any Affiliate, determined by the Board, upon recommendation of the Committee, as employees eligible for participation in this Plan. “Eligible Employees” shall include Service Providers eligible for participation in this Plan as determined by the Board.
- (p) **“Eligible Joint Venture Employees”** means employees (including employees who are officers and directors) of any issuer that would be an Affiliate except that the Company does not hold voting securities constituting more than 50% of the votes for election of directors of the issuer but where the Company has significant board representation and management influence of the issuer, and provided such employees of such issuer are permitted to participate in this Plan under securities legislation in the jurisdiction where the employee ordinarily resides without the Company being required to file a prospectus, registration statement or similar document to permit such employee to participate in this Plan.
- (q) **“Insider”** has the meaning assigned to it in the *Securities Act* (Ontario), as amended, and also includes an Associate or Affiliate of any person who is an Insider.
- (r) **“Participant”** means, in respect of this Plan, an Eligible Employee or Eligible Director who participates in this Plan voluntarily.
- (s) **“Performance Conditions”** means (i) the performance target for the relevant grant of a Unit Award and (ii) any conditions imposed on a Unit Award, and in both cases, which are required to be satisfied or discharged during the Performance Period in order that a Unit Award shall vest.
- (t) **“Performance Period”** means the period of time during which Performance Conditions must be satisfied or discharged following which the Unit Award shall terminate unvested.
- (u) **“Performance Share Units”** or **“PSU”** means the right of an Awardee to receive one (1) Share or a cash payment equal to the equivalent for one (1) Share, following the Vesting Period of a Unit Award as well as the satisfaction in the Performance Period of required Performance Condition(s) attached to the Unit Award, subject to the terms and provisions set forth in this Plan and the applicable Award Grant Agreement.
- (v) **“Restricted Share Units”** or **“RSU”** means the right of an Awardee to receive one (1) Share or a cash payment equal to the equivalent for one (1) Share, following the Vesting Period of a Unit Award and which Unit Award does not have attached any Performance Conditions attached, subject to the terms and provisions set forth in this Plan and the applicable Award Grant Agreement.
- (w) **“Retirement”** means the resignation by a Participant as an Eligible Employee or Eligible

Director from the Company in circumstances where each and all of the following conditions are true:

- (i) the resignation is voluntary;
  - (ii) the Participant has, at the effective date of Retirement, achieved the age of fifty-five (55) years;
  - (iii) the Participant has provided continuous service to the Company:
    - (A) for not less than ten (10) consecutive years if the Participant has not reached the age of sixty-five (65) years at the effective date of Retirement; or
    - (B) for not less than five (5) consecutive years if the Participant has reached the age of sixty-five (65) years at the effective date of Retirement; and
  - (iv) the Participant has a *bona fide* intention to depart, and to not return to, seek or participate in, paid employment or labour in any industry (other than nominal or token participation).
- (x) **“Share Unit Award Plan”** or **“Plan”** means this Share Unit Award Plan, as amended from time to time.
- (y) **“Share Unit”** means an RSU or a PSU.
- (z) **“Service Provider”** means any person or company engaged by the Company or an Affiliate to provide services for an initial, renewable or extended period of 12 months or more.
- (aa) **“Settlement Election”** has the meaning attributed thereto in Section 2.5.
- (bb) **“Shares”** means the Class A common shares of the Company.
- (cc) **“Share Settlement Procedures”** means the procedure to settle vested Restricted Stock Units in Shares as outlined in Section 3.4 of this Plan.
- (dd) **“Tax Act”** means the *Income Tax Act* (Canada), as amended from time to time.
- (ee) **“TSX”** means the Toronto Stock Exchange.
- (ff) **“Unit Award”** means an award of an RSU or PSU under this Plan.
- (gg) **“Vesting Period”** means the period of time which must pass as set out in Section 3.1 before which a Unit Award entitles the Awardee to the settlement of such Share Units.
- (hh) **“VWAP”** means the volume weighted average trading price of the Shares, calculated by dividing the total value by the total volume of securities traded for the relevant period on the TSX, or such other securities exchange upon which the Shares may be listed if not listed on the TSX at the relevant time.

### **1.3 Share certificate**

Where this Plan calls for the issuance or delivery of a Share certificate, such obligation may also be met by issuing or delivering a direct registration system advice or statement, or by delivering shares in “book entry”, or by any other lawful means of evidencing, issuing and delivering Shares prevailing at the relevant time.

## **PART 2 UNIT AWARD GRANTS**

### **2.1 Participation**

Unit Awards may only be granted to Participants provided that the participation is voluntary. A Participant will not be entitled to receive the grant of a Unit Award after the date that the Participant ceases to be an Eligible Director, or in the case of Eligible Employees, ceases to be actually and actively employed by the Company, or in case of an Eligible Employee that is a Service Provider, ceases to be a Service Provider for any reason.

### **2.2 Grant of Unit Awards**

Either (i) the Board, on the recommendation of the Committee, or (ii) the Committee if such authority is delegated by the Board, may at any time authorize the granting of Unit Awards to such Participants as it may select for the number of Unit Awards that it shall designate, subject to the provisions of this Plan. Each grant of a Unit Award shall specify the Performance Period (if a PSU) and, the Performance Conditions (if any) attached to it, and the Vesting Period applicable to the Unit Award (if different than as provided pursuant to Section 3.1). Each grant of a Unit Award shall also specify if it is an RSU or a PSU.

The date that a Unit Award is granted shall be (i) the date such grant was approved by the Board, on the recommendation of the Committee; or (ii) for a grant of a Unit Award not approved by the Committee for recommendation to the Board, the date such grant was approved by the Board, or (iii) if authority is delegated to the Committee, the date the grant was approved by the Committee.

Each Unit Award granted shall entitle the Participant to receive one (1) Share Unit.

### **2.3 Considerations in Granting Unit Awards**

In determining the Participants to whom Unit Awards may be granted and the number of Unit Awards, the Board or Committee may take into account the following factors:

- (a) compensation data for comparable benchmark positions among the Company's competitors;
- (b) the duties and seniority of the Participant;
- (c) the performance of the Participant in the current or prior year;
- (d) individual and/or departmental contributions and potential contributions to the success of the Company; and
- (e) such other factors as the Committee shall deem relevant in connection with accomplishing the purposes of this Plan.

## **2.4 Performance Period and Performance Conditions**

A grant of a Unit Award may, but is not required to, have Performance Conditions attached to it, which conditions may be attached to the Unit Award by the Board or the Committee, and in each case, such conditions may be based on conditions recommended to the Board or the Committee by senior management. A Unit Award which attaches Performance Conditions to its vesting shall be a PSU.

## **2.5 Settlement Elections**

Provided a Blackout Period is not then in effect, and that the Participant does not otherwise have knowledge of a material fact or material change (as those terms are defined in the *Securities Act* (Ontario) at the time of the following election (and which the Company may request be certified in writing by the Participant), the Participant shall, within five (5) Business Days of the grant of the Unit Award send written notice to the Company choosing whether it wishes the Unit Awards to be subject to Cash Settlement Procedures or Share Settlement Procedures (the “**Settlement Election**”).

If a Blackout Period is in effect at the time the Participant would otherwise make the Settlement Election, or the Participant has knowledge of a material fact or material change that has not been generally disclosed, such election shall be made within five (5) Business Days after the date that the Blackout Period is lifted or the material fact or material change is generally disclosed.

A Participant may elect to settle part or all of their Restricted Stock Units by use of the Share Settlement Procedure, and if so, must specify which Unit Awards are to be subject to the Share Settlement Procedure. If such Participant fails to elect the Share Settlement Procedure, the Unit Awards will be deemed to be subject to the Cash Settlement Procedures.

All Settlement Elections, once made, are irrevocable and may not be changed, modified, amended or varied by the Participant or the Company unless the election chosen shall have subsequently become unlawful.

Where a Participant in the United Kingdom elects Cash Settlement Procedures, such Participant shall remain entitled to acquire those Shares as beneficial owner on the vesting of the Unit Award, but such Shares shall be sold automatically on behalf of the Participant in accordance with Section 3.3.

## **2.6 Grant Agreements**

Each Unit Award grant to a Participant shall be evidenced by an Award Grant Agreement with terms and conditions consistent with this Plan and as approved by the Board or the Committee, as applicable (which terms and conditions need not be the same in each case and may be changed from time to time, subject to this Plan, and the approval of any material changes by the Toronto Stock Exchange or such other exchange or exchanges on which the Shares are then traded).

## **2.7 No Assurance of Future Unit Awards**

For greater certainty and without limiting the discretion conferred on the Board and the Committee, the Committee or the Board's decision to approve the grant of a Unit Award in any year shall not require the Committee or the Board to approve the grant of a Unit Award to any Participant in any other year; nor shall the Committee or the Board's decision with respect to the size or terms and conditions of a Unit Award in any year require it to approve the grant of a Unit Award of the same size or with the same Performance Period, Performance Conditions or other terms and conditions to any Participant in any other year. No Participant has any claim or right, legal or equitable, to be receive a Unit Award grant from the Company.

## **PART 3 VESTING AND SETTLEMENT OF UNIT AWARDS**

### **3.1 Vesting**

Except as otherwise provided in this Plan or as otherwise determined by the Board or the Committee at the time of the grant of a Unit Award, and subject to satisfaction of any associated Performance Conditions set out in a Participant's Award Grant Agreement during the relevant Performance Period (if a PSU), a Unit Award granted pursuant to Part 2 shall vest as follows:

- (a) as to 1/3<sup>rd</sup> of the Unit Award of Share Units, on the day which is the first anniversary of the grant date of the Award;
- (b) as to the next 1/3<sup>rd</sup> of the Unit Award of the Share Units, on the day which is the second anniversary of the grant date of the Award;
- (c) and as to the final 1/3<sup>rd</sup> of the Unit Award of the Share Units, on the day which is the third anniversary of the grant date of the Award,

but provided the Participant is and has continuously been an Eligible Director or Eligible Employee in service with the Company, or any of its Affiliates, from the grant date until the relevant date of vesting. For greater certainty if a Unit Award that is a PSU shall otherwise vest in accordance with this Section 3.1 at a time when there remains Performance Conditions outstanding that have not been discharged, the PSU shall be deemed to have not vested and shall only vest on the date that the Performance Conditions are satisfied, but provided such date is during the Performance Period.

### **3.2 Payment for Vested Unit Awards**

Once vested and subject to Section 6.10, Unit Awards shall be settled by the Company by a payment to the Participant in cash or in Shares in accordance with the Cash Settlement Procedures or Share Settlement Procedures, as elected by the Participant in accordance with the Settlement Election of the Participant forthwith. Following receipt of payment, the Share Units so settled shall be of no value whatsoever and shall be struck from the Participant's notional account.

### **3.3 Cash Settlement Procedures**

If a Participant has chosen Cash Settlement Procedures in accordance with Section 2.5, then:

- (a) the Company will instruct a licensed securities broker or dealer ("**Broker**") to sell the number of vested Shares to which the Participant is entitled, except that the Broker shall not sell any vested Shares from the date of declaration of a record date for the payment

of a Dividend until the Business Day following the ex-dividend date;

- (b) the Company will issue the vested Shares in such name or names as is notified by the Broker such that the Broker is able to settle the sale of the vested Shares;
- (c) the Broker will sell the vested Shares as promptly as reasonably possible after the Shares are issued by the Company and in doing so, shall act in reasonable manner so as not to unduly affect the public trading market for such Shares and in order to achieve the best price reasonably possible under then prevailing market conditions;
- (d) upon completion of the sale of the vested Shares, the Broker will deliver the net proceeds achieved from the sale or sales (net of agreed brokerage costs and fees) to the Participant or the Company (as directed together with a statement of reasonable detail setting forth the sale prices achieved, costs and fees);
- (e) the Company or the Broker (as applicable) shall be entitled to, and shall, withhold any transfer fees, taxes or other withholdings required by law to be withheld from the net proceeds in accordance with Section 6.11; and
- (f) if only a portion of the vested Shares are instructed to be sold, then the Company will deliver a Share certificate to the Participant as soon as reasonably practical following the delivery of the net proceeds, such share certificate to be issued in accordance with the Share Settlement Procedures of Section 3.4.

A Participant that chooses the Cash Settlement Procedures shall only be entitled to the amount of net cash received through the sale of vested Shares in the market, which may be more or less than the value of the Shares as at the date of vesting, the date that cash settlement is chosen, or the date the net proceeds from the sale are received by the Participant. Neither the Company nor the Broker guarantees any sale price for the vested Shares sold for the benefit of a Participant.

A Broker may request that the Participant confirm that such person does not have knowledge of a material fact or material change concerning the Company that has not been generally disclosed. Other than in respect of the foregoing communication, an Awardee or Participant may not contact or otherwise communicate with the Broker.

If Shares held by the Broker under this Section 3.3 receive a Dividend while held by the Broker, the Broker shall pay the full amount of such Dividend to the Participant who is otherwise entitled to the proceeds from the sale of the vested Shares under this Section.

### **3.4 Share Settlement Procedures**

If a Participant has chosen Share Settlement Procedures in accordance with Section 2.5, then the Company will cause the vested Shares to be issued in certificated form to the Participant within five (5) Business Days of vesting.

As soon as reasonably practicable following each issuance of Shares to a Participant pursuant to this Section (or 3.3(f) if applicable), the Company will cause to be delivered to the Participant a certificate in respect of such Shares provided that, if required by applicable law or the rules and policies of the Toronto Stock Exchange or such other exchange or exchanges on which the Shares are traded, a restrictive legend shall be inscribed on the certificate, which legend shall state that the Shares shall not be transferable for such period as may be prescribed by law or by any regulatory authority or stock exchange on which the Shares are listed.



Any Shares issued under this Plan shall be considered as fully paid in consideration of past services rendered that are not less in value than the fair equivalent of money that the Company would have received if the Shares were issued for money.

## **PART 4 EFFECT OF TERMINATION**

### **4.1 Effect of Termination on RSUs**

If a Participant or Awardee ceases to be an Eligible Employee or an Eligible Director by reason of, or as a result of:

- (a) death, then (i) with respect to unvested Unit Awards that are RSUs held by the Participant or Awardee at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director by reason of death, such unvested Unit Awards shall vest on such date and shall be settled within one-hundred (180) days of the date of death; and (ii) any vested Unit Awards that are RSUs held by the Participant or Awardee at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director by reason of death and which has not yet been settled at such date, shall be settled within one-hundred (180) days of the date of death;
- (b) termination without cause, then (i) with respect to unvested Unit Awards that are RSUs held by the Participant or Awardee at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director by reason of termination without cause, a *pro-rated* amount of such unvested Unit Awards that are RSUs shall vest on such date with such *pro-rated* amount being determined by dividing the number of days that have passed since the grant date of such Unit Awards that are RSUs into the total amount of days otherwise required for such Unit Awards that are RSUs to have otherwise vested and multiplying the resulting fraction by the amount of unvested Unit Awards (and rounding to the nearest whole number); and (ii) any vested Unit Award that is an RSU held by the Participant or Awardee at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director by reason of termination without cause and which has not yet been settled at such date (including those in (b)(i) immediately above), shall be settled within thirty (30) days of the date or death or termination without cause; or
- (c) termination for cause or resignation then (i) any unvested Unit Awards that are RSUs held by the Participant or Awardee at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director by reason of termination for cause or resignation shall be terminated as of such date, and shall not thereafter entitle the Participant or Awardee or its estate or legal representative to any Unit Award or Share Units or cash payment; and (ii) any vested Unit Awards that are RSUs held by the Participant or Awardee at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director and which has not yet been settled, shall be settled within thirty (30) days of such date; or
- (d) Retirement or a disability (which is not a termination without cause), then (i) any unvested Unit Awards that are RSUs held by the Participant or Awardee at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director by reason of Retirement shall continue to vest and settle in accordance with their terms and this Plan (including for certainty, after Retirement or termination as a result of disability), and (ii) any vested Unit Award held by the Participant or Awardee at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director by reason of Retirement or termination as a result of disability and which has not yet been settled,

shall be settled within thirty (30) days of such date.

The foregoing is subject to the Board or the Committee determining otherwise in accordance with Section 6.12, including a decision to accelerate the vesting of or some or all of the Unit Awards that are RSUs or Share Units otherwise than as provided for in this section but provided that a decision of the Board or the Committee to make a determination otherwise than as set forth in this section shall not be more adverse to the Eligible Employee or Eligible Director than the treatment afforded a Unit Award that is an RSU otherwise provided for in this section.

#### **4.2 Effect of Termination on PSUs**

If a Participant or Awardee ceases to be an Eligible Employee or an Eligible Director by reason of, or as a result of:

- (a) death, then (i) with respect to unvested Unit Awards that are PSUs held by the Participant or Awardee at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director by reason of death, such unvested Unit Awards shall vest on such date but only to the extent the Board or the Committee has determined that outstanding Performance Conditions have been satisfied, and shall then be settled within one-hundred (180) days of the date of death; and (ii) any vested Unit Awards that are PSUs held by the Participant or Awardee at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director by reason of death and which has not yet been settled at such date, shall be settled within one-hundred (180) days of the date of death;
- (b) termination without cause, then (i) with respect to unvested Unit Awards that are PSUs held by the Participant or Awardee at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director by reason of termination without cause, but only to the extent the Board or the Committee has determined that outstanding Performance Conditions have been satisfied, a *pro-rated* amount of such unvested Unit Awards that are PSUs shall vest on such date, with such *pro-rated* amount being determined by dividing the number of days that have passed since the grant date of such Unit Awards that are PSUs into the total amount of days otherwise required for such Unit Awards that are PSUs to have otherwise vested and multiplying the resulting fraction by the amount of unvested Unit Awards (and rounding to the nearest whole number); and (ii) any vested Unit Award that is a PSU held by the Participant or Awardee at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director by reason of termination without cause and which has not yet been settled at such date (including those in (b)(i) immediately above), shall be settled within thirty (30) days of the date of death or termination without cause; or
- (c) termination for cause or resignation then (i) any unvested Unit Awards that are PSUs held by the Participant or Awardee at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director by reason of termination for cause or resignation shall be terminated as of such date, and shall not thereafter entitle the Participant or Awardee or its estate or legal representative to any Unit Award or Share Units or cash payment; and (ii) any vested Unit Awards that are PSUs held by the Participant or Awardee at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director and which has not yet been settled, shall be settled within thirty (30) days of such date; or
- (d) Retirement or a disability (which is not a termination without cause), then (i) any unvested Unit Awards that are PSUs held by the Participant or Awardee at the date the

Participant or Awardee ceased to be an Eligible Employee or Eligible Director by reason of Retirement shall continue to vest and settle in accordance with their terms (including Performance Conditions) and this Plan (including for certainty, after Retirement or termination as a result of disability), and (ii) any vested Unit Award held by the Participant or Awardee at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director by reason of Retirement or termination as a result of disability and which has not yet been settled, shall be settled within thirty (30) days of such date.

With respect to this Section 4.2(a) or (b) unless the Board or Committee determines otherwise, if a Unit Award has Performance Conditions attached to it which remain unsatisfied at the date the Participant or Awardee ceased to be an Eligible Employee or Eligible Director, the Unit Award shall be deemed to not have vested.

The foregoing is subject to the Board or the Committee determining otherwise in accordance with Section 6.12, including a decision to accelerate the vesting of or some or all of the Unit Awards that are PSUs or Share Units otherwise than as provided for in this section but provided that a decision of the Board or the Committee to make a determination otherwise than as set forth in this section shall not be more adverse than the treatment afforded a Unit Award that is a PSU otherwise provided for in this section.

## **PART 5 PARTICIPATION IN TAKE-OVER BIDS FOR COMMON SHARES; EFFECT OF ARRANGEMENTS; DIVIDENDS ETC.**

### **5.1 Conditional Participation in Takeover Bid**

If a bona fide offer (the “**Offer**”) for Shares is made to an Awardee or to Shareholders generally and which meets the following conditions:

- (a) the Offer is not made for Unit Awards or Share Units;
- (b) the Offer is made to a class of Shareholders which includes the Awardee;
- (c) the Offer is made to acquire at least fifty percent (50%) plus one Share (1) of the outstanding Shares;
- (d) the Offer is a take-over bid under applicable Canadian securities laws; and
- (e) the Offer is not a take-over bid which is exempt from the formal take-over bid requirements under applicable Canadian securities laws by application of Part 4 of National Instrument 62-104 *Take-Over Bids and Issuer Bids*;

then the following shall apply:

- (f) the Company shall, promptly following receipt of notice of the Offer, notify each Awardee currently holding a Unit Award of the Offer, with full particulars thereof;
- (g) the Board or the Committee shall determine, notwithstanding any vesting terms or Performance Conditions, the *pro rata* number of Unit Awards shall be considered to have conditionally vested and Performance Conditions shall have been conditionally waived, based on its assessment of the satisfaction of those Performance Conditions to the date of the Offer;

- (h) the Company shall permit the Awardee to conditionally tender the Shares (if any) determined in (g) above to be received on vesting (the “**Conditional Shares**”) pursuant to the Offer on the basis that:
  - a. if the conditions of the Offer are not satisfied and the Offeror does not take-up the Conditional Shares, the conditional vesting and conditional waiver of Performance Conditions shall terminate and the Unit Award shall be reinstated on the same terms and conditions (including vesting and Performance Conditions) that prevailed immediately prior to the Offer; or
  - b. if the Offer is completed, the conditions to the Offer satisfied or waived and the Conditional Shares acquired in the Offer, then all remaining Unit Awards that were not conditionally vested shall remain outstanding in accordance with their terms, and the terms of this Plan; and
- (i) the Company shall administer the conditional tendering of the Conditional Shares on behalf of the Awardee.

## **5.2 Effect of Amalgamation or Arrangement**

If the Company amalgamates with or into another corporation, or effects an arrangement of its Shares, any Shares receivable on the vesting of a Unit Award after the effective date of such amalgamation or arrangement shall instead become the right to receive, instead of Shares, the securities, property or cash which the Participant would have received upon such amalgamation or arrangement if the Unit Award had vested immediately prior to the record date applicable to such amalgamation or arrangement, and shall be adjusted equitably and appropriately by the Board. Unit Awards which are elected to be settled in cash, shall be settled in cash on their subsequent vesting date following the effectiveness of such amalgamation or arrangement, by the succeeding corporation issuing and selling such replacement securities or property under Cash Settlement Procedures or, where the consideration in the amalgamation or arrangement is solely cash consideration, paying such equivalent cash consideration to the Awardee on the date that Cash Settlement Procedures would be applicable.

Prior to agreeing to give effect to any such amalgamation or arrangement, the Board shall take all such steps as are necessary to ensure that such other corporation honours this Section 5.2 and the requirement that vested Awards be subsequently settled as aforementioned

## **5.3 Adjustment in Shares Subject to this Plan**

If there is any change in the Shares through consolidations, subdivisions or reclassification of Shares, or otherwise, the number of Shares available under this Plan, and the Shares subject to any Unit Award, be adjusted equitably and appropriately by the Board and such adjustment shall be effective and binding for all purposes of this Plan.

## **5.4 Adjustment for Cash Dividends on Shares**

If the Board declares a dividend payable in cash on the Shares (a “**Dividend**”), then a Participant that holds Unit Awards (vested or unvested) on the record date for determining holders of Shares entitled to the Dividend shall be entitled to be granted additional Unit Awards (“**Dividend Adjustment Unit Awards**”) equivalent in value to the amount of the Dividend, and in each case, determined on a per Participant basis, and notwithstanding that subsequent to such record date, the Participant ceases to be a Participant or ceases to be a holder of Unit Awards.

Participants entitled to Dividend Adjustment Unit Awards shall receive a number of Dividend Adjustment Unit Awards equal to the following formula:

$$DAUA = (A / B) \times C$$

where:

*DAUA = number of Dividend Adjustment Unit Awards*

*A = cash value of the Dividend per Share*

*B = five (5) day VWAP of the Shares on the TSX commencing on the ex-dividend date*

*C = aggregate number of vested and unvested Unit Awards held by the Participant on the record date*

The aggregate number of Dividend Adjustment Unit Awards to be issued to Participants shall be determined within three (3) Business Days following the last of the five (5) trading days for the Shares on the TSX commencing on the ex-dividend date. Dividend Adjustment Unit Awards shall have the same Performance Period (if a PSU), Performance Conditions (if a PSU) and other terms and conditions as the initial Unit Awards and be evidenced by a further Award Grant Agreement contemplated by Section 2.6.

If a record date for a Dividend is declared, but the Dividend is not paid, then there shall be no entitlement to Dividend Adjustment Unit Awards hereunder, and no Dividend Adjustment Unit Awards shall be issued or granted to any Participant.

If the vesting date of Unit Awards is the same date as the record date for a Dividend, then the Participant shall be deemed to continue to hold the Unit Awards on such date and shall therefore be entitled to be granted additional Unit Awards pursuant to this Section 5.4.

## **PART 6 GENERAL, INTERPRETATION and ADMINISTRATION**

### **6.1 Administration by the Committee**

Unless otherwise determined by the Board, this Plan shall be administered by the Compensation and Human Resources Committee (the “**Committee**”) appointed by the Board (or any successor to such committee) and constituted in accordance with such Committee’s charter.

The Committee shall have the power, where consistent with the general purpose and intent of this Plan and subject to the specific provisions of this Plan, to:

- (a) adopt and amend rules and regulations relating to the administration of this Plan and make all other determinations necessary or desirable for the efficient administration of this Plan. The interpretation and construction of the provisions of this Plan and related agreements by the Committee shall be final and conclusive. The Committee may correct any defect or supply any omission or reconcile any inconsistency in this Plan or in any related agreement in the manner and to the extent it shall deem expedient to carry this Plan into effect and it shall be the sole and final judge of such expediency; and
- (b) otherwise exercise the powers delegated to the Committee by the Board in administering this Plan as set forth herein, and without limitation the Board has the authority and may delegate the power: (i) to grant Unit Award to Participants; (ii) to determine the terms, including the Performance

Conditions and Performance Period, and vesting period, if any, upon such grants; (iii) to interpret this Plan and all agreements entered into hereunder; (iv) to adopt, amend and rescind such administrative guidelines and other rules relating to this Plan as it may from time to time deem advisable; and (v) to make all other determinations and to take all other actions in connection with the implementation and administration of this Plan as it may deem necessary or advisable.

For greater certainty, any such delegation by the Board may be revoked at any time at the Board's sole discretion.

No member of the Board or any person acting pursuant to authority delegated by it hereunder, nor any member of the Committee, shall be liable for any action or determination in connection with this Plan made or taken in good faith, and each member of the Board and each such person shall be entitled to indemnification by the Company with respect to any such action or determination.

## **6.2 Number of Shares**

The aggregate maximum number of Shares that may be issued pursuant to this Plan will be limited to 40,000,000 Shares.

## **6.3 Limitations**

### *Maximum Shares Under Security Based Compensation Arrangements*

The aggregate number of Shares that may be reserved for issuance under this Plan on the grant of Unit Awards (together with any other security based compensation arrangements of the Company in effect from time to time but excluding the Shares issuable pursuant to the Share Bonus Plan and Share Purchase Plan) shall not exceed 10% of the issued and outstanding Shares from time to time. This prescribed maximum may be subsequently increased to any other specified amount, provided the increase is authorized by a vote of the shareholders of the Company.

### *Insider Participation Limit*

The aggregate number of Shares (together with any other securities-based compensation arrangements of the Company in effect from time to time):

- (a) that may be reserved for issuance to Insiders under this Plan (or when combined with all of the Company's other security based compensation arrangements) shall not exceed 10% of the Company's outstanding Shares from time to time;
- (b) that may be issued to Insiders under this Plan (or when combined with all of the Company's other security based compensation arrangements) within any one-year period shall not exceed 10% of the Company's outstanding Shares from time to time; and
- (c) that may be issued to any one Insider and his or her Associates under this Plan within any one-year period shall not exceed 5% of the Company's outstanding Shares from time to time.

In no event will the number of Shares at any time reserved for issuance to any Participant under all securities based compensation arrangements exceed 5% of the Company's outstanding

Shares from time to time.

For the purposes of this Section 6.3, “outstanding issue” means the total number of Shares, on a non-diluted basis, that are issued and outstanding immediately prior to the date that any Shares are issued or reserved for issuance pursuant to a Unit Award under this Plan.

#### **6.4 Effective Date**

This Plan is established effective on the date that this Plan has been adopted by the Board (the “**Effective Date**”) provided, however, that no cash and/or Shares underlying a vested Unit Award shall be issued by the Company or paid to a Participant in accordance with this Plan prior to it having received the necessary regulatory, stock exchange and shareholder approvals.

#### **6.5 Non-Transferability**

Any Unit Awards or Share Units accruing to any Participant in accordance with the terms and conditions of this Plan shall not be transferable except by will or by the laws of descent and distribution. During the lifetime of a Participant all benefits and rights granted under this Plan may only be exercised by the Participant.

#### **6.6 Employment**

Nothing contained in this Plan shall confer upon any Participant any right with respect to employment or continuance of employment or service of any nature with the Company or any Affiliate, or interfere in any way with the right of the Company or any Affiliate to terminate the Participant's employment at any time. Participation in this Plan by a Participant is entirely voluntary and Participant may decline a Unit Award at any time and/or voluntarily agree to the termination of a Unit Award previously granted at any time.

#### **6.7 Not a Shareholder**

Nothing contained in this Plan nor in any Unit Award granted hereunder shall be deemed to give any Participant any interest or title in or to any Shares or any rights as a Shareholder or any other legal or equitable right against the Company, or any of its Affiliates whatsoever, including without limitation, the right to vote as a Shareholder or the right to participate in any new issue of Shares to existing holders of Shares, other than those rights relating to Shares that have been issued by the Company upon the settlement of a Share Unit in accordance with the Share Settlement Procedures.

#### **6.8 Unfunded Plan**

This Plan shall be unfunded.

#### **6.9 Record Keeping**

The Company shall maintain a register in which shall be recorded:

- (a) the name and address of each Awardee;
- (b) the number of vested and unvested Unit Awards held by each Awardee;
- (c) the relevant Performance Period and Performance Conditions (if any) attached to each Unit Award that is a PSU; and

- (d) such other information as the Board or the Committee may determine.

### **6.10 Necessary Approvals**

The obligation of the Company to issue Shares in accordance with this Plan is subject to the approval of any governmental authority having jurisdiction in respect of the Shares or any exchanges on which the Shares are then listed which may be required in connection with the authorization, or issuance of such Shares by the Company. If any Shares cannot be issued to any Participant for any reason including, without limitation, the failure to obtain such approval, the obligation of the Company to issue such Shares shall terminate and if the Company can lawfully provide cash using the Cash Settlement Procedures, it shall do so, failing which the obligation and liability of the Company with respect to the Unit Award and Share Unit shall terminate, and be null and void.

### **6.11 Taxes**

The Company (or the Broker if applicable) may withhold from any remuneration or consideration whatsoever payable to such Participant hereunder, any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of such participation in this Plan (the “**Applicable Withholding Taxes**”), which includes, with respect to Participants in the United Kingdom, primary class 1 (employee’s) national insurance contributions and, where so agreed with the Participant and incorporated as a term of each Unit Award, secondary class 1 (employer’s) national insurance contributions). For greater certainty, unless not required under the Tax Act, no cash payment will be made nor will Shares be issued until:

- (a) An amount sufficient to cover the Applicable Withholding Taxes payable on the settlement of such Share Units has been received by the Company (or withheld by the Company pursuant to Section 3.3(e));
- (b) The Participant agrees that the proceeds it is entitled to from the sale of such number of Shares as is necessary to raise an amount equal to the Applicable Withholding Taxes, shall be delivered to the Company;
- (c) The Participant elects in the Settlement Election to settle for cash such number of Share Units as is necessary to raise funds sufficient to cover the Applicable Withholding Taxes with such amount being withheld by the Company; or
- (d) In the case that Share Settlement Procedures apply, the Company may sell, or cause to be sold, such number of Shares as is necessary to satisfy any Applicable Withholding Taxes.

Notwithstanding the foregoing, the Company makes no representation or warranty as to the future market value of the Shares or with respect to any tax matters affecting the Participant resulting from the grant of a Unit Award or settlement of a Share Unit or transactions in the Shares. With respect to any fluctuations in the market price of Shares, neither the Company, nor any of its directors, officers, employees, shareholders or agents (including the

Broker) shall be liable for anything done or omitted to be done by such person or any other person with respect to the price, time, quantity or other conditions and circumstances of the issuance of Shares hereunder or their sale (as applicable) or in any other manner related to this Plan. For greater certainty, no amount will be paid to, or in respect of, an Awardee under this Plan or pursuant to any other arrangement, and no additional cash or Shares will be granted to such Participant to compensate for a downward fluctuation in the price of the Shares, nor will



any other form of benefit be conferred upon, or in respect of, an Awardee for such purpose.

## **6.12 Amendments to Plan**

The Board (but not the Committee whose amending powers are established further below) shall have the power to, at any time and from time to time, either prospectively or retrospectively, amend, suspend or terminate this Plan or any Unit Award or other award granted under this Plan without shareholder approval, including, without limiting the generality of the foregoing: changes of a clerical or grammatical nature; changes regarding the persons eligible to participate in this Plan; changes to the vesting provisions of Unit Awards, changes to the time of settlement of vested Unit Awards, changes to the Performance Conditions or Performance Period of a PSU; changes to the authority and role of the Committee; changes to the acceleration and vesting of Unit Awards in the event of a takeover bid or change of control, and any other matter relating to this Plan and the Unit Awards and awards granted thereunder.

The Committee shall also have the power to, at any time and from time to time, either prospectively or retrospectively: make changes of a clerical or grammatical nature; changes regarding the persons eligible to participate in this Plan; changes to the vesting provisions of Unit Awards, changes to the time of settlement of vested Unit Awards, and changes to the Performance Conditions or Performance Period of a PSU, in each case without shareholder approval.

The powers of the Board or the Committee, as the case may be, in this Section 6.12 shall be limited as follows:

- (a) any amendment, suspension or termination is in accordance with applicable laws and the rules of any stock exchange on which the Shares are listed;
- (b) no amendment to this Plan or to a Unit Award granted hereunder will have the effect of impairing, derogating from or otherwise adversely affecting the terms of a Unit Award which is outstanding at the time of such amendment without the written consent of the holder of such Unit Award;
- (c) the expiry date of a Unit Award shall not be more than 3 years from the date of grant of a Unit Award;
- (d) no amendment may change, vary or modify a previously made Settlement Election;
- (e) the Directors shall obtain shareholder approval of:
  - (i) any amendment to the aggregate maximum number of Shares specified in Section 6.2;
  - (ii) any amendment to the aggregate percentage of Shares specified in Section 6.3;
  - (iii) any amendment which would accelerate the vesting of any Unit Award held by an Insider, except as set forth in this Plan; and
  - (iv) any amendment to the amending provision set out in Section 6.12.

If this Plan is terminated, the provisions of this Plan and any administrative guidelines

and other rules and regulations adopted by the Board or the Committee and in force on the date of termination will continue in effect as long as any Unit Award or any rights pursuant thereto. Any Unit Awards outstanding at such time shall remain outstanding and, notwithstanding the termination of this Plan, the Board shall remain able to make such amendments to this Plan or the Unit Awards as they would have been entitled to make if this Plan were still in effect.

No such amendment to this Plan shall cause the this to cease to be a plan described in section 7 of the Tax Act of any successor to such provision.

### **6.13 Compliance with Applicable Law, etc**

If any provision of this Plan or any agreement entered into pursuant to this Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body or stock exchange having authority over the Company or this Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

### **6.14 Notice**

Any notice required to be given by this Plan shall be in writing and shall be given by registered mail, postage prepaid, or delivered by courier or by electronic transmission (email or facsimile) addressed, if to the Company, to the office of the Company in Vancouver, British Columbia, Attention: Corporate Secretary; or if to a Participant or Awardee, to such Participant or Awardee at his or her address as it appears on the books of the Company or in the event of the address of any such Participant not so appearing, then to the last known address of such Participant or Awardee; or if to any other person, to the last known address of such person.

### **6.15 Fractional Shares**

No fractional Shares shall be delivered upon the settlement of any Share Unit under this Plan and, accordingly, if a Participant would become entitled to a fractional Share upon the settlement of a Share Unit, or from an adjustment permitted by the terms of this Plan, such Participant shall only have the right to receive the next lowest whole number of Shares, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

### **6.16 Record of Approvals**

- (a) This Plan was unanimously approved by the Board on March 25, 2015.
- (b) This Plan was approved by the shareholders on May 21, 2015.
- (c) This Plan was unanimously amended and approved by the Board on March 23, 2016.
- (d) This Plan was unanimously amended and approved by the Board on December 2, 2016.
- (e) This Plan was unanimously amended and approved by the Board on May 2, 2017.
- (f) This Plan was unanimously amended and approved by the Board on May 7, 2018.
- (g) This Plan was unanimously amended and approved by the Board on September 16, 2019.
- (h) This Plan was unanimously amended and approved by the Board on April 24, 2022.
- (i) This Plan was last approved by the shareholders on June 29, 2022.

**SCHEDULE "A"**  
**SHARE UNIT – AWARD GRANT AGREEMENT**

**Name of Participant:** [name of Participant]

**Date of Grant:** [insert date]

Ivanhoe Mines Ltd. (the "Company" or "Ivanhoe") has adopted the Share Unit Award Plan (the "Plan") as a part of its compensation program. This Unit Award grant entitling the holder to Share Units ("RSUs") or Performance Share Units ("PSUs") is governed in all respects by the terms of the Plan, and the provisions of the Plan are hereby incorporated by reference. Capitalized terms used and not otherwise defined in this Award Grant Agreement shall have the meanings set forth in the Plan. In the event of any discrepancy or conflict between this Grant Agreement and the Plan, the Plan shall govern.

**Your Grant:** The Company hereby grants to you [ ] Unit Awards entitling you to [ ] Share Units, subject to the following conditions.

**Type of Award (RSU or PSU):** [to be inserted]

**Performance Conditions:** [to be inserted]  
(only if a PSU)

**Vesting:** [to be inserted]

By acceptance of this Unit Award and the underlying unvested Share Units, the undersigned acknowledges receipt of the Plan and agrees hereby to (i) become a party to and to be subject to the terms of the Plan; and (ii) that his or her participation is voluntary. The Participant further acknowledges and agrees that he or she is responsible for all applicable personal income tax withholding due and payable to the Company immediately upon vesting of the RSUs or PSUs. The Company will remit such taxes to the relevant tax authority on behalf of the Participant.

**IVANHOE MINES LTD.**

By: \_\_\_\_\_  
Name:  
Title:

**Accepted and agreed to this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.**

\_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Name of Participant (Please Print)

The Participant hereby agrees to make an irrevocable Settlement Election in accordance with Section 2.5 of the Plan within **five (5) Business Days** of the grant of this Unit Award, or as otherwise provided in the Plan.

**Please select one of the following, or include % if choosing both:**

- Share Settlement* \_\_\_\_\_%
- Cash Settlement* \_\_\_\_\_%

**SCHEDULE “B”  
SHARE UNIT – AWARD GRANT AGREEMENT  
(UK PARTICIPANT)**

**Name of Participant:** [name of Participant]

**Date of Grant:** [insert date]

Ivanhoe Mines Ltd. (the “Company” or “Ivanhoe”) has adopted the Share Unit Award Plan (the “Plan”) as a part of its compensation program. This Unit Award grant entitling the holder to Restricted Share Units (“RSUs”) or Performance Share Units (“PSUs”) is governed in all respects by the terms of the Plan, and the provisions of the Plan are hereby incorporated by reference. Capitalized terms used and not otherwise defined in this Award Grant Agreement shall have the meanings set forth in the Plan. In the event of any discrepancy or conflict between this Grant Agreement and the Plan, the Plan shall govern.

**Your Grant:** The Company hereby grants to you [ ] Unit Awards entitling you to [ ] Share Units, subject to the following conditions.

**Type of Award (RSU or PSU):** [to be inserted]

**Performance Conditions:** [to be inserted]  
(only if a PSU)

**Vesting:** [to be inserted]

By acceptance of this Unit Award and the underlying unvested Share Units, the undersigned acknowledges receipt of the Plan and agrees hereby to (i) become a party to and to be subject to the terms of the Plan; and (ii) that his or her participation is voluntary.

**Withholding Taxes (including employer’s national insurance contributions)**

By acceptance of this Unit Award and the underlying unvested RSUs and/or PSUs, the Participant acknowledges and irrevocably agrees that, pursuant to Section 6.11 of the Plan, he or she is responsible for the payment of all applicable personal income tax and for any primary (employee’s) or secondary (employer’s) class 1 national insurance contributions liabilities (“NIC”) due upon vesting of the RSUs or PSUs (or otherwise in connection with the RSUs and PSUs) and in any event:

- (i) the Company may withhold an amount equal to all such applicable personal income tax and for any NIC liability, including employer’s NIC, due upon vesting of the RSUs or PSUs (or otherwise in connection with the RSUs and PSUs) and the Company will remit such taxes and NICs to the relevant tax authority on behalf of the Participant;
- (ii) the Participant will reimburse the Company, his employer or former employer (as appropriate) for all personal income tax liabilities and any employer’s and employee’s NICs (or any similar liability for social security contribution in any jurisdiction) which the Company or any employer (or former employer) of the Participant is liable to pay in connection with this Unit Award (including, without limitation, as a result of the grant, vesting, release, or lapse of the underlying RSUs and PSUs) and which may be lawfully recovered by the Company or any employer (or former employer) from the Participant; and
- (iii) at the request of the Company, his employer or former employer, the Participant shall join that person in making a valid election to transfer to the Participant the whole or any part of the liability for employer’s NICs (or any similar liability for social security contributions in any jurisdiction) described in sub-clause (ii) immediately above.

**IVANHOE MINES LTD.**

By: \_\_\_\_\_  
Name:  
Title:

**Accepted and agreed to this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.**

\_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Name of Participant (Please Print)

The Participant hereby agrees to make an irrevocable Settlement Election in accordance with Section 2.5 of the Plan within **five (5) Business Days** of the grant of this Unit Award, or as otherwise provided in the Plan.

**Please select one of the following, or include % if choosing both:**

- Share Settlement* \_\_\_\_%
- Cash Settlement* \_\_\_\_%