

August 9, 2018

Ivanhoe Mines draws US\$100 million interim loan facility from CITIC Metal Group

C\$723 million strategic investment in Ivanhoe Mines on track for September completion

BEIJING, CHINA – Robert Friedland, Executive Chairman of Ivanhoe Mines (TSX: IVN; OTCQX: IVPAF), and Lars-Eric Johansson, Chief Executive Officer, announced today that CITIC Metal Group Limited (CITIC Metal Group) has provided Ivanhoe Mines with an interim loan of US\$100 million in accordance with a term loan facility that is an integral part of the long-term strategic cooperation and investment agreement between Ivanhoe and CITIC Metal Co., Ltd. (CITIC Metal) announced on June 11, 2018.

The interim funds have an annual interest rate of 6% and will be repaid from the proceeds of the C\$723 million (US\$557 million) strategic investment by CITIC Metal. Mr. Friedland has provided, on behalf of the company, a secured limited-recourse guarantee and share pledge securing Ivanhoe Mines' obligation under the interim loan facility. Having drawn the US\$100 million facility, Ivanhoe Mines has a working capital of approximately US\$165 million.

Mr. Friedland said that the interim loan provides assurance that Ivanhoe will continue to advance its exploration and development activities uninterrupted and on current accelerated timetables.

“Ivanhoe's projects are three of the world's best undeveloped mining assets. CITIC Metal Group committed to this interim funding in order that our projects continue to advance on schedule, and CITIC Metal Group has delivered. While we do not anticipate having to use the funds from the interim loan before the CITIC Metal investment closes, the funds are in our bank account.”

The Ivanhoe-CITIC Metal equity transaction remains subject only to customary closing conditions, and recordals and registration with certain Chinese government regulatory agencies.

Under the terms of the agreement signed in Beijing on June 11, 2018, Ivanhoe Mines will issue 196,602,037 common shares to CITIC Metal (or its designated affiliate) through a private placement at a price of C\$3.68 per share, yielding gross proceeds to Ivanhoe of approximately C\$723 million. Upon completion, CITIC Metal will own approximately 19.5% of Ivanhoe Mines' issued and outstanding common shares.

As announced last month, Ivanhoe's joint-venture partner at the Kamoakakula Project, Zijin Mining Group Co., Ltd., has exercised its existing anti-dilution rights. This will result in additional proceeds of C\$78 million (US\$60 million) that Ivanhoe will receive concurrently with the completion of CITIC Metal's investment.

Ivanhoe Mines intends to use the combined proceeds of more than C\$800 million to be received from CITIC Metal and Zijin to rapidly advance its Kamoakakula, Platreef and Kipushi projects.

The Toronto Stock Exchange has issued its conditional approval to the CITIC Metal private placement and the issuance of the anti-dilution common shares to Zijin.

About CITIC Metal and CITIC Limited

CITIC Metal Co., Ltd. is a wholly-owned subsidiary of CITIC Limited. As CITIC Limited's arm in the business of resources and energy, CITIC Metal specializes in the importation and distribution of copper, zinc, platinum-group metals, niobium products, iron ore, coal, and non-ferrous metals, export of silver, trading of steel products, and investments in metals and mining projects. CITIC Metal's major mining investments include a 15% ownership in the Las Bambas copper project in Peru and leading a Chinese consortium in acquiring a 15% ownership in the Brazil-based niobium producer CBMM.

CITIC Limited (SEHK:267) is China's largest conglomerate, with total assets of more than US\$900 billion. Among its diverse global businesses, CITIC Limited focuses primarily on financial services, resources and energy, manufacturing, engineering contracting and real estate. CITIC Limited enjoys leading market positions in sectors well matched to China's economy. CITIC's rich history, diverse platform and strong corporate culture across all businesses ensure that CITIC Limited is unrivalled in capturing opportunities arising in China.

CITIC Limited is listed on the Stock Exchange of Hong Kong, where it is a constituent of the Hang Seng Index. CITIC Group Corporation, a Chinese state-owned enterprise, owns 58% of CITIC Limited.

About Ivanhoe Mines

Ivanhoe Mines is advancing its three principal projects in Southern Africa: 1) Mine development at the [Platreef](#) platinum-palladium-nickel-copper-gold discovery on the Northern Limb of South Africa's Bushveld Complex; 2) mine development and exploration at the tier-one [Kamoa-Kakula](#) copper discovery on the Central African Copperbelt in the Democratic Republic of Congo; and 3) upgrading at the historic, high-grade [Kipushi](#) zinc-copper-silver-germanium mine, also on the DRC's Copperbelt. For details, visit www.ivanhoemines.com.

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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 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 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.

Such statements include without limitation: (i) all statements regarding the timing and completion of the planned private placement of 196,602,037 common shares to CITIC Metal at a price of C\$3.68 per

share for gross proceeds to Ivanhoe of approximately C\$723 million (US\$557 million); (ii) statements regarding Ivanhoe Mines intention to use the proceeds from the private placement for the advancement of the company's mine development projects in Southern Africa — Kamoakakula, Platreef and Kipushi — and also for working capital and general corporate purposes; and (iii) statements regarding the timing and completion of the issuance of anti-dilution shares to Zijin Mining for proceeds of C\$78 million.

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 or not such results will be achieved. A number of 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 under "Risk Factors" and elsewhere in the company's MD&A, as well as the inability to obtain regulatory approvals in a timely manner; the potential for unknown or unexpected events to cause contractual conditions to not be satisfied; 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 set forth in the "Risk Factors" section and elsewhere in the company's MD&A for the year ended December 31, 2017 and its Annual Information Form.