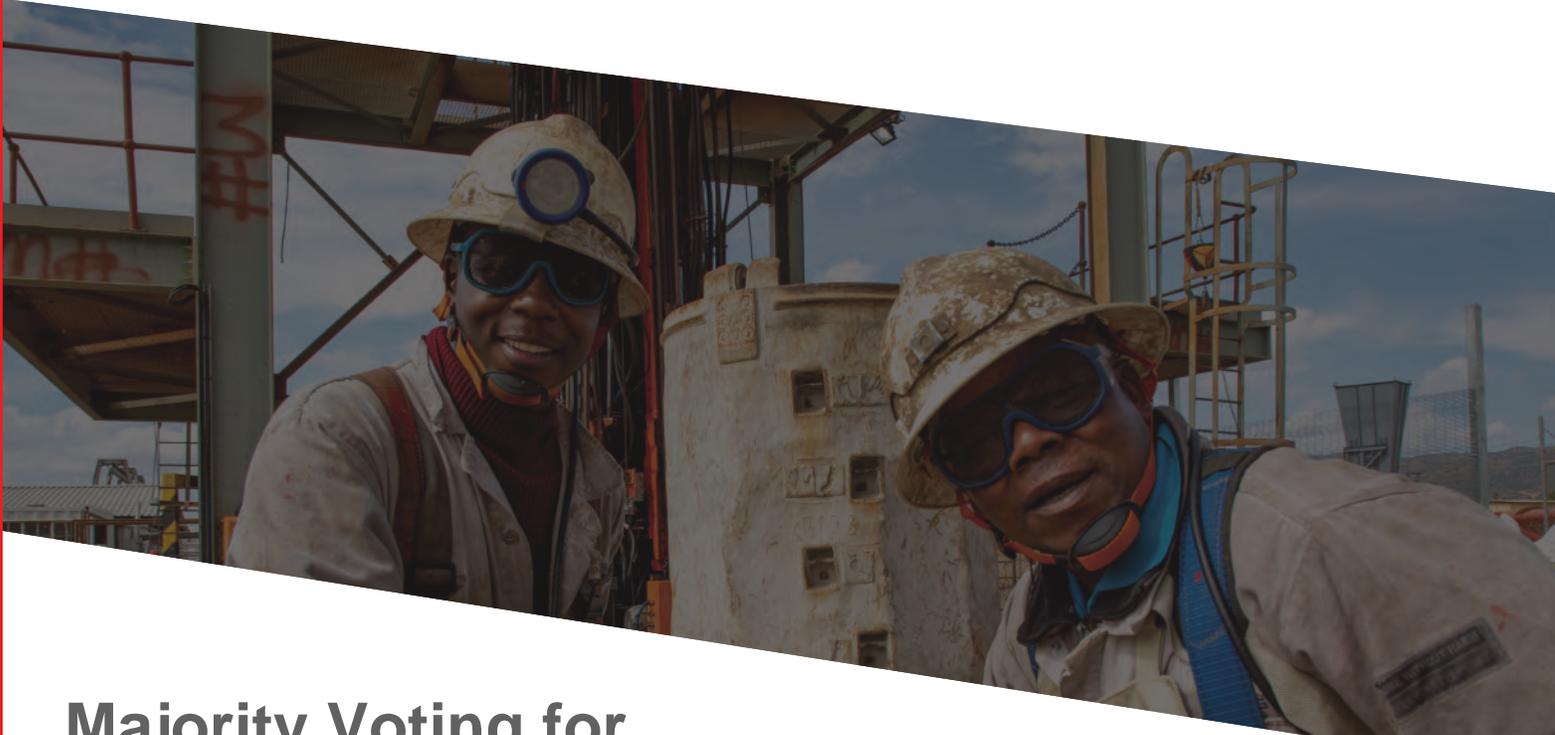
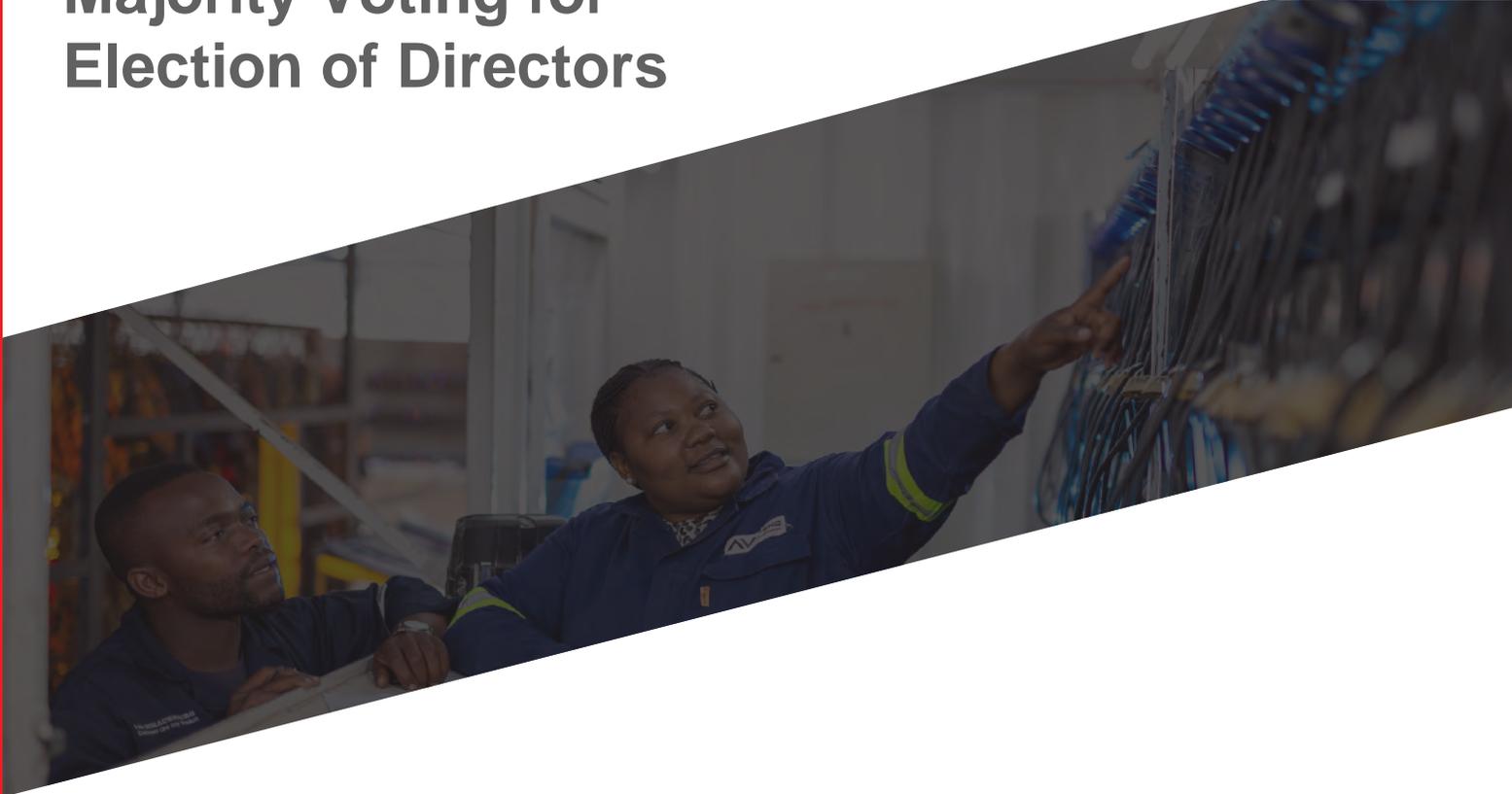


# IVANHOE MINES

NEW HORIZONS



## Majority Voting for Election of Directors



Approved by Board: February 6, 2013  
First Amendment: March 24, 2017  
Page: 1 of 3

## PURPOSE

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The board of directors (the "Board") believes that each director should have the confidence and support of the Company's shareholders. The purpose of this policy is to implement the requirements of Section 461.3 of the Toronto Stock Exchange ("TSX") Company Manual and to provide that any nominee for election as a director, at any meeting of the shareholders at which directors are to be elected, for whom the number of votes withheld exceeds the number of votes cast in favour of his or her election (a "Non-Supported Director"), will be considered not to have received the support of shareholders even though duly elected as a matter of law and will be required to resign.

## SCOPE

This policy only applies to uncontested elections, meaning elections where the number of nominees for election is equal to the number of directors to be elected as set out in the management information circular for the particular meeting. In an uncontested election, a "withhold" vote in respect of a particular nominee for election as a director will, for the purposes of this policy, be treated as effectively the same as a vote against the director nominee.

## INDIVIDUAL ADHERANCE TO POLICY

Each individual who is nominated for election to the Board after the date that this policy is adopted will be required to accept that they will be bound by this policy, and to act in accordance with it, including to submit to the Board a letter of resignation should a majority of votes cast be withheld for their candidacy.

## ELECTION PROCEDURE

The form of proxy for any meeting of the Company's shareholders at which directors are to be elected will permit a shareholder to vote in favour of, or to withhold from voting, his or her shares separately for each director nominee. The Corporate Secretary will ensure that the number of shares voted in favour or withheld from voting for each director nominee is recorded and promptly made public after the meeting. If the vote was by a show of hands, the Company will disclose the number of shares voted by proxy in favour or withheld for each director.

## CONSEQUENCE OF MAJORITY OF VOTES WITHHELD

If, upon the tabulation of the voting results, it is determined that a director nominee is a Non-Supported Director, he or she will be considered not to have received the support of the shareholders, even though duly elected as a matter of corporate law and such Non-Supported Director will submit his or her resignation to the board immediately, failing which he or she will be deemed to have submitted his or her resignation to the Board.

The Board will meet to consider the resignation and absent exceptional circumstances, the Board will accept the resignation of the Non-Supported Director. In determining whether exceptional circumstances exist the Board may consider:

- a. whether the Company would cease to be in compliance with corporate or securities law requirements if the Board accepts the resignation of the Non-Supported Director;
- b. whether the Company would be breaching the terms of any commercial agreement if the Board accepts the resignation of the Non-Supported Director;
- c. whether the Non-Supported Director is a key member of an established and active special committee and whether accepting the resignation of the Non-Supported Director would jeopardize the achievement of the special committee's mandate; and
- d. whether majority voting was used for a purpose inconsistent with the policy objectives set forth by the TSX.

Information which is generally available to shareholders at the time of their vote does not constitute exceptional circumstances, including:

- a. the Non-Supported Director's length of service;
- b. the Non-Supported Director's qualifications and experience;
- c. the Non-Supported Director's attendance at meetings; and
- d. the Non-Supported Director's contributions to the Company.

An exceptional circumstance can also not be a recurring event.

Within ninety (90) days of the date of the meeting of shareholders at which the election of directors took place:

- a. the Board will meet to consider if there are exceptional circumstances, failing which the Board will accept the Non-Supported Director's resignation not later than such 90th day, and
- b. the Company will issue a press release announcing the accepted resignation of the Non-Supported Director or explaining the reasons justifying the Board's decision not to accept the resignation, a copy of which will be delivered to TSX.

If the Board determines that exceptional circumstances do exist, and the Board does not accept the resignation of the Non-Supported Director, the Company will take the necessary steps to resolve the exceptional circumstance prior to the next shareholder meeting at which directors are elected. In addition, TSX will contact the Company to discuss the Board's determination.

Subject to applicable law, the Board may (1) leave a vacancy in the Board unfilled until the next annual meeting of shareholders, (2) fill the vacancy by appointing a new director whom the Board considers to merit the confidence of the shareholders, or (3) call a special meeting of shareholders to consider new board nominee(s) to fill the vacant position(s).

## **RECUSAL OF NON-SUPPORTED DIRECTOR**

No Non-Supported Director may attend (unless attendance is strictly required for quorum purposes) or participate in any deliberations of the Board respecting whether or not to accept his or her resignation pursuant to the operation of this policy.

**IVANHOE** MINES