

July 19, 2021

Kamoa-Kakula begins exporting copper concentrate internationally as production ramps up



Kamoa Copper draws down US\$300 million advance payment facility available under the offtake agreements; all future Phase 1 operating costs and majority of Phase 2 capital expenditures expected to be funded from copper sales and facilities in place



Daily shipments of copper concentrate to local smelter to produce 99%-pure blister copper also continuing

KOLWEZI, DEMOCRATIC REPUBLIC OF CONGO – Ivanhoe Mines (TSX: IVN; OTCQX: IVPAF) Co-Chairs Robert Friedland and Yufeng “Miles” Sun are pleased to announce that Kamoa Copper SA – the operating company of the joint venture between Ivanhoe Mines, Zijin Mining Group, Crystal River and the Government of the Democratic Republic of Congo (DRC) – has begun exporting its copper concentrate internationally. The first truckloads of copper concentrate destined for smelters outside of the DRC departed from the mine site on Saturday, July 17th, marking a significant milestone in the ongoing ramp-up of Kamoa-Kakula’s Phase 1, 3.8 million-tonne-per-annum (Mtpa) concentrator plant.

Kamoa-Kakula’s copper concentrate for export is being transported in bags, with each bag containing approximately two tonnes of concentrate. The bags are independently weighed, sampled and sealed in the presence of representatives from the DRC’s Directorate General of Customs and Excise (DGDA), then loaded onto transport trucks. Once loaded, the trucks are weighed, sealed and parked in a dedicated holding area at Kamoa-Kakula awaiting inspection and export clearance from the DGDA. The customs approval process typically takes approximately five days. Once export clearance is received, the trucks may exit the DRC and proceed on their journey to the port of Durban, South Africa.

Kamoa Copper began producing copper concentrate on May 25, 2021, and made its first delivery of bulk concentrates to the nearby Lualaba Copper Smelter, outside of Kolwezi, on June 1, 2021. Since then, deliveries of bulk concentrate from Kamoa-Kakula to the Lualaba Copper Smelter have been occurring on a daily basis. The first truckloads of Kamoa-Kakula’s blister copper ingots, containing approximately 99% copper, are

scheduled to be exported from the Lualaba Copper Smelter to international markets this week.

Kamoa Copper received all necessary authorizations from the DRC government to export copper concentrate and blister copper on June 8, 2021. The mine is on track to produce between 80,000 and 95,000 tonnes of contained copper in concentrate in 2021.

In June 2021, Kamoa Copper elected to draw the US\$300 million advance payment facility available under the offtake agreements. The Kamoa Holding joint venture had cash and cash equivalents on hand of approximately US\$288 million as at June 30, 2021. Going forward, all Phase 1 operating costs and the majority of Phase 2 capital expenditures are expected to be funded from copper sales and facilities in place at Kamoa. Ivanhoe's proportionate funding of Kamoa-Kakula's Phase 2 construction capital costs for the remainder of 2021 is expected to be only US\$85 million.

Marna Cloete, Ivanhoe Mines' President and CFO, commented: "As Kamoa-Kakula's Phase 1 concentrator plant ramps up toward steady-state production, the mine now is producing more concentrate than the nearby Lualaba Copper Smelter can process. As such, Kamoa-Kakula has begun exporting its ultra-high-grade copper concentrates to international smelters, converting the rich copper resources hidden beneath the Kalahari sands into long-lasting and meaningful benefits for all Congolese people."

Kakula is projected to be the world's highest-grade major copper mine, with an initial mining rate of 3.8 Mtpa, ramping up to 7.6 Mtpa in Q3 2022. Phase 1 is expected to produce approximately 200,000 tonnes of copper per year, and phases 1 and 2 combined are forecast to produce approximately 400,000 tonnes of copper per year. Based on independent benchmarking, the project's phased expansion scenario to 19 Mtpa would position Kamoa-Kakula as the world's second-largest copper mining complex, with peak annual copper production of more than 800,000 tonnes. A 2020 independent audit of Kamoa-Kakula's greenhouse gas intensity metrics performed by Hatch Ltd. of Mississauga, Canada, confirmed that the project will be among the world's lowest greenhouse gas emitters per unit of copper produced.

The Kamoa-Kakula Copper Project is a joint venture between Ivanhoe Mines (39.6%), Zijin Mining Group (39.6%), Crystal River Global Limited (0.8%) and the Government of the Democratic Republic of Congo (20%).

Members of Kamoia Copper's operations team celebrate the loading of the first transport truck with bags of ultra-high-grade copper concentrates.



Trucks loaded with bags of copper concentrate at the Kamoia-Kakula mine site awaiting customs clearance.



Leonine Kashala Tshikuta (left) and Jean Nkulu Madua at Kamo-Kakula's concentrate bagging plant.



The first bags of Kamo-Kakula copper concentrate being loaded for export. Each bag contains approximately two tonnes of concentrate.



Dean-Bernard Shilunda, Concentrator Logistics Manager, at the concentrate bagging plant.



Bags of concentrate for export being loaded with the spreader-beam and crane.



Loading bulk copper concentrate for delivery to the nearby Lualaba Copper Smelter to produce blister copper ingots, containing approximately 99% copper.



Qualified Persons

Disclosures of a scientific or technical nature regarding development scenarios at the Kamo-Kakula Project in this news release have been reviewed and approved by Steve Amos, who is considered, by virtue of his education, experience and professional association, a Qualified Person under the terms of NI 43-101. Mr. Amos is not considered independent under NI 43-101 as he is the Head of the Kamo Project. Mr. Amos has verified the technical data disclosed in this news release.

Ivanhoe has prepared an independent, NI 43-101-compliant technical report for the Kamo-Kakula Project, which is available on the company's website and under the company's SEDAR profile at www.sedar.com:

- Kamo-Kakula Integrated Development Plan 2020 dated October 13, 2020, prepared by OreWin Pty Ltd., China Nerin Engineering Co., Ltd., DRA Global, Epoch Resources, Golder Associates Africa, KGHM Cuprum R&D Centre Ltd., Outotec Oyj, Paterson and Cooke, Stantec Consulting International LLC, SRK Consulting Inc., and Wood plc.

The technical report includes relevant information regarding the assumptions, parameters and methods of the mineral resource estimates on the Kamo-Kakula Project cited in this news release, as well as information regarding data verification,

exploration procedures and other matters relevant to the scientific and technical disclosure contained in this news release.

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 copper discoveries in the DRC and at the Platreef palladium-rhodium-platinum-nickel-copper-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 began producing copper in May 2021 and, through phased expansions, is positioned to become one of the world's largest copper producers. Kamoa-Kakula and Kipushi will be powered by clean, renewable hydro-generated electricity and will be among the world's lowest greenhouse gas emitters per unit of metal produced. Ivanhoe Mines has pledged to achieve net-zero operational greenhouse gas emissions (Scope 1 and 2) at the Kamoa-Kakula Copper Mine when large-scale electric, hydrogen and hybrid underground mining equipment become commercially available. Ivanhoe also is exploring for new copper discoveries on its Western Foreland exploration licences in the DRC, near the Kamoa-Kakula Project.

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Forward-looking statements to be updated

Certain statements in this 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. These statements reflect the company's current expectations regarding future events, performance and results and speak only as of the date of this release.

Such statements include without limitation, the timing and results of: (i) statements regarding the ultra-high-grade, clean concentrate produced by Kamoa-Kakula is expected to contain approximately 57% copper and very low levels of impurities; (ii) statements regarding Ivanhoe's guidance for contained copper in concentrate expected to be produced by the Kamoa-Kakula Project for the balance of 2021 of 80,000 to 95,000 tonnes; (iii) statements regarding Kakula is projected to be the world's highest-grade

major copper mine, with an initial mining rate of 3.8 Mtpa, ramping up to 7.6 Mtpa in Q3 2022; (iv) statements regarding Kamoakakula's Phase 1 is expected to produce approximately 200,000 tonnes of copper per year, and phases 1 and 2 combined are forecast to produce approximately 400,000 tonnes of copper per year; (v) statements regarding that, based on independent benchmarking, the project's phased expansion scenario to 19 Mtpa would position Kamoakakula as the world's second-largest copper mining complex, with peak annual copper production of more than 800,000 tonnes; (vi) statements regarding that based on a 2020 independent audit of Kamoakakula's greenhouse gas intensity metrics performed by Hatch Ltd., the Kamoakakula Project will be among the world's lowest greenhouse gas emitters per unit of copper produced; (vii) statements regarding Kamoakakula and Kipushi will be powered by clean, renewable hydro-generated electricity and will be among the world's lowest greenhouse gas emitters per unit of metal produced; (viii) statements regarding the first truckloads of Kamoakakula's blister copper ingots are expected to be exported from the Lualaba Copper Smelter this week; and (ix) statements regarding going forward, all Phase 1 operating costs and the majority of Phase 2 capital expenditures are expected to be funded from copper sales and facilities in place at Kamoakakula. Ivanhoe's proportionate funding of Kamoakakula's Phase 2 construction capital costs for the remainder of 2021 is expected to be only US\$85 million.

As well, all of the results of the Kakula definitive feasibility study, the Kakula-Kansoko pre-feasibility study and the Kamoakakula preliminary economic assessment, constitute forward-looking statements or information, and include future estimates of internal rates of return, net present value, future production, estimates of cash cost, proposed mining plans and methods, mine life estimates, cash flow forecasts, metal recoveries, estimates of capital and operating costs and the size and timing of phased development of the projects. Furthermore, with respect to this specific forward-looking information concerning the development of the Kamoakakula Project, the company has based its assumptions and analysis on certain factors that are inherently uncertain. Uncertainties include: (i) the adequacy of infrastructure; (ii) geological characteristics; (iii) metallurgical characteristics of the mineralization; (iv) the ability to develop adequate processing capacity; (v) the price of copper; (vi) the availability of equipment and facilities necessary to complete development; (vii) the cost of consumables and mining and processing equipment; (viii) unforeseen technological and engineering problems; (ix) accidents or acts of sabotage or terrorism; (x) currency fluctuations; (xi) changes in regulations; (xii) the compliance by joint venture partners with terms of agreements; (xiii) the availability and productivity of skilled labour; (xiv) the regulation of the mining industry by various governmental agencies; (xv) the ability to raise sufficient capital to develop such projects; (xvi) changes in project scope or design; and (xvii) political factors.

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 below and under "Risk Factors", and elsewhere in this release, as well as unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts with the company to perform as agreed; social or labour unrest; changes in commodity prices; and the failure of exploration programs or studies to deliver anticipated results or results that would justify and support continued exploration, studies, development or operations.

Although the forward-looking statements contained in this 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 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 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 below in the "Risk Factors" section in the company's 2021 Q1 MD&A and its current annual information form.