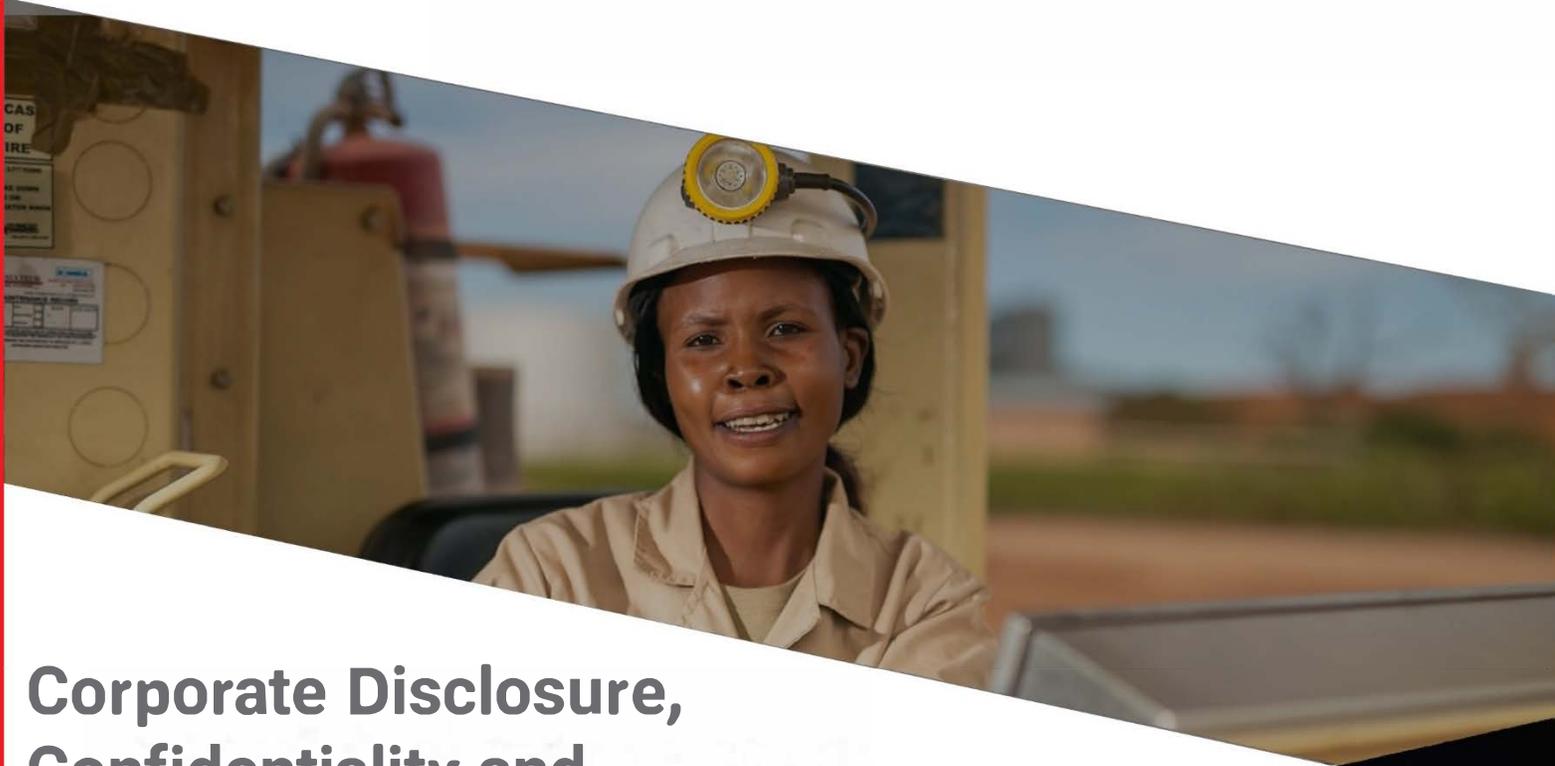


# IVANHOE MINES

NEW HORIZONS



## Corporate Disclosure, Confidentiality and Securities Trading Policy



## OBJECTIVE AND SCOPE

The objective of this Disclosure Policy is to ensure that communications to and with the investing public and other stakeholders about Ivanhoe Mines Ltd. (the Company) are:

- timely, factual and accurate; and
- broadly disseminated in accordance with all applicable legal and regulatory requirements.

This policy formally confirms the Company's existing disclosure policies and practices. Its goal is to raise awareness of the Company's approach to disclosure among its Directors, management and employees.

This policy extends to all directors, officers, employees and authorized spokespersons of the Company and its subsidiaries, and their immediate family members. This policy also applies to all consultants, contractors, advisors and other persons involved in business with the Company and its subsidiaries and any such other individuals who are also associated with the Company's joint ventures (collectively, **Covered Persons**). It covers disclosures in documents filed with the securities regulators, written statements made in the Company's annual and quarterly reports, news releases, letters to shareholders, presentations by senior management and other Company personnel, information contained on the Company's website, other documents publicly made available by the Company, and electronic communications made by or on behalf of the Company. It includes oral statements made in meetings and telephone conversations with analysts, shareholders and other investors, contacts with media representatives, speeches, news conferences and conference calls.

### I. DISCLOSURE REVIEW

Disclosure made by the Company shall be subject to review by the following officers of the Company: the President and/or Chief Executive Officer (CEO); Chief Financial Officer (CFO); Executive Vice Presidents (EVPs); Vice President, Investor Relations (IRO); Corporate Communications Officer (CCO), Corporate Secretary; and such other persons as determined necessary given the nature of the proposed disclosure as determined by the President and/or the CEO. The Co-Chairmen, as determined necessary and/or appropriate, will be entitled, but not obliged, to participate in disclosure review from time to time. To facilitate such participation, information or documents shall be sent to the Co-Chairmen at the same time as it is sent to the forgoing officers.

Any of these officers may seek advice from legal counsel on matters covered by this policy as required from time to time.

The disclosure review officers are responsible for developing and overseeing the Company's corporate disclosure policies, protocols and practices with respect to all electronic, written and oral disclosure made by, or on behalf of, the Company. The disclosure review officers will make judgments on what information is material, determine when developments affecting the Company's business require or justify public disclosure, and review and authorize all disclosures in advance of public release. Any such determination will be made by at least two disclosure review officers in any particular circumstance. The disclosure review officers also will monitor the Company's website and relevant digital and print media concerning the

Company, periodically review the Company's disclosure controls, procedures and policies in order to ensure this policy can be effectively carried out, and be responsible for educating Covered Persons on matters related to corporate disclosure. If it is determined that any information should remain confidential and not be subject to disclosure, the disclosure review officers will determine how that information will be controlled and whether confidential treatment is permissible under applicable legal and regulatory requirements and on what conditions (including the filing of a confidential material change report, if required).

The disclosure review officers will review and, if necessary, update this policy on a regular basis to ensure compliance with changing regulatory requirements and to foster adherence to best practices.

The President and/or CEO will report to the Board of Directors on at least an annual basis and more frequently as may be required on this policy and on behalf of the disclosure review officers.

## II. PRINCIPLES OF DISCLOSURE OF MATERIAL INFORMATION

A **Material Fact** is any fact that would reasonably be expected to have a significant effect on the market price or value of the Company's securities.

A **Material Change** is any change in the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of the Company's securities. A Material Change also includes a decision to implement a change noted above made by the Board of Directors or senior management (who believe confirmation of the decision by the Board of Directors is probable).

In this policy, where reference is to be made to a Material Fact and Material Change collectively, such information is referred to as **Material Information**.

In complying with requirements to forthwith disclose Material Information under applicable securities laws and stock exchange rules, the Company will adhere to the following basic disclosure principles:

1. Material Information will generally be publicly disclosed promptly following established procedures via a news release.
2. In the case of a Material Change, it may be determined that detailed disclosure would be unduly detrimental to the Company; for example, if release of the information would prejudice negotiations in a corporate transaction. In such cases, where permitted by applicable law and regulatory requirements, the information may be kept confidential until the disclosure review officers determine that public disclosure is appropriate or such disclosure is otherwise required by law. In such cases, the disclosure review officers will cause a confidential, material change report to be filed as required with applicable securities regulators.
3. Disclosure must be made in terms that can be clearly understood by reasonable investors and should include a full description of the Material Information, how it positively or negatively impacts the Company, and any information the omission of which

would make the rest of the disclosure misleading.

4. Unfavorable Material Information must be disclosed as promptly and completely as favourable information.
5. Undisclosed Material Information must not be disclosed to selected individuals (for example, in an interview with an analyst or in a telephone conversation with an investor or inadvertently on a conference call) other than in the necessary course of business. If undisclosed Material Information is inadvertently disclosed selectively to any person where such disclosure is not in the necessary course of business, such information must be broadly disclosed as soon as possible through a news release. The Company also may require that a written form of confidentiality agreement be entered into with an individual who will receive undisclosed Material Information in the necessary course of business.
6. Disclosure on the Company's website alone does not constitute adequate public disclosure of undisclosed Material Information. Disclosure on a conference call (even a webcast call) does not constitute adequate public disclosure of undisclosed Material Information.
7. Disclosure must be corrected as soon as practicable through a news release if the Company subsequently learns that earlier disclosure by the Company contained a misrepresentation at the time it was made, unless such misrepresentation has been updated by subsequent disclosure.

### III. SECURITIES TRADING RESTRICTIONS

It is illegal for any person in a "special relationship" with the Company to purchase or sell securities of the Company with knowledge of Material Information that has not been publicly disclosed or for such a person to recommend or encourage another person to purchase or sell securities of the Company at such time. Also, except in the necessary course of business, it also is illegal for any person in a "special relationship" with the Company to inform any other person of undisclosed Material Information.

Persons in a special relationship with the Company generally include all Covered Persons, but specifically includes all directors, officers, and employees of the Company and its subsidiaries. It also includes persons who learn of Material Information from a person that they know, or ought to know, is in a special relationship. Accordingly, disclosure of Material Information by Covered Persons to family members, for example, would put that family member in a special relationship with the Company. Each Covered Person is expected to be responsible for compliance with the trading restrictions described in this section by their spouse, minor children and anyone else living in their household; a corporation controlled by such Covered Person; a partnership in which such Covered Person is a general partner; a trust of which such Covered Person is a trustee; and an estate of which such Covered Person is an executor (collectively, **Related Parties**).

Therefore, Covered Persons with knowledge of undisclosed Material Information (including information about material transactions pending and, in some cases, material potential

transactions, are prohibited from purchasing or selling any securities of the Company or any counter-party until the information has been broadly disclosed by news release and 24 hours has passed for the information to be widely disseminated.

For the purposes of this section, references to "purchases and sales of securities" include purchases or sales of shares, bonds, options, puts and calls, as well as sales of Company shares acquired upon the exercise of stock options or the vesting of other incentive securities (including restricted share units and deferred share units) but excluding cash settlement sales conducted in accordance with the relevant incentive plan. This section also applies to the following elections, as applicable, under retirement savings or similar plans: (i) increasing or decreasing periodic contributions allocated to the purchase of Company shares; (ii) intra-plan transfers of an existing balance in or out of Company shares; (iii) borrowing money against the account if the loan results in the liquidation of any portion of Company shares; and (iv) pre-paying a loan if the pre-payment results in the allocation of the proceeds to Company shares.

The trading restrictions described in this section continue to apply after termination of employment or other relevant relationship with the Company to the extent that a former Covered Person is in possession of undisclosed Material Information at the time of termination. In such cases, no trading may take place until the information is publicly disclosed or ceases to be a Material Fact or Material Change.

Transactions that may be necessary or justifiable for independent reasons, such as the need to raise money for an emergency expenditure, are no exception. Even the appearance of an improper transaction must be avoided.

#### **IV. PRE-CLEARANCE OF TRADES**

To protect the reputation of the Company and to avoid the appearance of impropriety, all directors, officers, employees, consultants of the Company and its subsidiaries, whether or not they are Covered Persons, are required to pre-clear with the Corporate Secretary or such other disclosure review officer as may be designated by the Company from time to time, all proposed purchases or sales of the Company's securities, whether by themselves or by their Related Parties.

If pre-clearance to purchase or sell is not granted, it would be a breach of this policy to proceed with the trade.

Pre-clearance to purchase or sell Company securities under this Disclosure Policy is only pre-clearance and permission for purposes of this policy. Pre-clearance of any purchase or sale is not an endorsement by the Company or any disclosure review officer of any trading activity conducted by a Covered Person, nor is it an assurance that the proposed purchase or sale of Company securities is not a breach of applicable securities laws. Despite any pre-clearance, Covered Persons remain subject to applicable insider trading laws and are not exempted from such laws by a pre-clearance. The Company and its disclosure review officers do not accept any liability to a Covered Person for providing a pre-clearance under this policy. A Covered Person has to assess for themselves whether, despite a pre-clearance under this Disclosure Policy, that it would be appropriate and lawful for them to carry through with any purchase or sale of the Company's securities given all of their individual facts, circumstances and knowledge, not all of which may be known to the disclosure review officers.

## V. ADDITIONAL PROHIBITED TRANSACTIONS

It is improper and inappropriate for any Covered Person to engage in short-term or speculative transactions involving the Company's securities. It is the policy of the Company that Covered Persons and their Related Parties should not engage in any of the following activities with respect to securities of the Company:

1. Purchases of Company shares on margin.
2. Short sales of Company shares (i.e. selling shares such person does not own and borrowing the shares to make delivery), except that the borrowing of shares in connection with the exercise of options is permissible.
3. Buying or selling puts, calls or other derivatives in securities of the Company.

## VI. BLACKOUT PERIODS

Trading blackouts are periods of time during which Covered Persons cannot purchase or sell the Company's securities or other derivative securities whose price may be affected by undisclosed Material Information.

The Company observes a trading blackout that commences 15 calendar days after the end of each of the first, second and third financial reporting periods of the year and 60 calendar days after the end of the fiscal year, and ends 24 hours after the release of the related financial reports. This period applies to all Covered Persons.

*Ad hoc* trading blackout periods may be prescribed for Covered Persons (or only some of them), from time to time, by the disclosure review officer in circumstances in which undisclosed Material Information exists. All persons with knowledge of such information will be covered by the blackout, including external advisors such as legal counsel and investment bankers.

Persons subject to the blackout period restrictions whose employment or other relationship with the Company terminates during a blackout period will remain subject to the restrictions until the end of such period.

The Company will treat the creation, modification or termination of a pre-planned trading program or arrangement as a transaction subject to the blackout rules if created, modified or terminated at a time when the Covered Person beneficiary has knowledge of undisclosed Material Information. Transactions effected pursuant to a properly established, pre-planned trading program in compliance with applicable law and regulatory guidance, such as the ongoing and routine purchases of Company shares under a retirement savings or similar plan, will not be subject to blackout periods.

## VII. MAINTAINING CONFIDENTIALITY

Covered Persons subject to this policy are prohibited from communicating confidential information (whether or not such information constitutes Material Information) to anyone else,

unless authorized by a disclosure review officer or authorized member of management. Efforts will be made to limit access to such confidential information only to those who need to know the information and such persons will be advised that the information is to be kept confidential. Covered Persons should be aware that communication by e-mail creates an electronic record that may be subject to later decryption attempts. Caution should be taken for all confidential information being transmitted over the Internet. All confidential e-mail communication and video-conferencing technologies should be secured by appropriate encryption and validation methods where feasible.

Outside parties privy to undisclosed Material Information concerning the Company will be told that they must not divulge such information to anyone else, other than in the necessary course of business, and that they may not purchase or sell the Company's securities until the information is publicly disclosed. Where appropriate, such outside parties will be requested to confirm their commitment to non-disclosure in the form of a written confidentiality agreement.

To prevent the misuse or inadvertent disclosure of Material Information, the procedures set forth below should be observed at all times:

1. Documents and files containing confidential information or Material Information should be kept in a safe place to which access is restricted to individuals who "need to know" such information in the necessary course of business. Code names should be used as required.
2. Confidential matters should not be discussed in places where it is reasonable to expect that the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis.
3. Confidential documents should not be read or displayed in public places and should not be discarded where others may retrieve them.
4. Covered Persons must ensure they maintain the confidentiality of information in their possession outside of the office as well as inside the office.
5. Transmission of documents by electronic means, such as by fax or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions.
6. Unnecessary copying of confidential documents should be avoided and documents containing confidential information or Material Information should be promptly removed from conference rooms and work areas after meetings have concluded.
7. Extra or unused copies of confidential documents or Material Information should be shredded or otherwise destroyed.
8. Access to confidential electronic data should be restricted through the use of passwords.

## **VIII. DESIGNATED SPOKESPERSONS**

The Company designates a limited number of spokespersons to be responsible for

communication with the investment community, regulators, the media, and the general public. The Co-Chairmen, President and/or CEO, CFO, EVPs, IRO and CCO shall be the official spokespersons for the Company. Individuals holding these offices may, from time to time, designate others within the Company to speak on behalf of the Company as back-ups or to respond, as agreed upon, to specific inquiries. Where practicable, official spokespersons should prepare a script of any required response or communication and refer to it when communicating on behalf of the Company.

Persons who are not official spokespersons must not respond under any circumstances to any inquiries, including from the investment community, media or general public, unless specifically asked to do so by an official spokesperson. If a person who is not designated receives any such inquiry, they should refer the inquiry to a designated spokesperson without further comment.

## **IX. NEWS RELEASES**

Once a determination is made that a development constitutes Material Information, a news release will be drafted, circulated to the disclosure review officers for review and approval, and issued. Should Material Information inadvertently be publicly disclosed on a selective basis, the Company will issue a news release as soon as possible following established procedures to ensure full public dissemination of that information.

Whenever feasible, news releases will be scheduled to be issued before or after the trading hours of the stock exchange(s) on which the Company's securities are listed. Regular practice shall be to notify the market surveillance and/or company announcements departments of the relevant stock exchange(s) of the planned distribution of a news release, to provide an advance copy of the news release and to obtain official acknowledgement that the news release has been received and/or reviewed. Whenever it is necessary to issue a news release during market trading hours, copies of the news release will be provided to the market surveillance or company announcements departments for the relevant exchange(s) and confirmation of receipt obtained before proceeding with public distribution of the news release.

Following approval of the applicable financial statements by the Audit Committee and the Board of Directors, annual and interim financial results will be publicly disclosed by news release and filed in accordance with filing requirements under applicable law.

News releases will be disseminated through an approved service provider to ensure appropriate national and/or international public distribution. News releases also will be transmitted to appropriate regulatory bodies, international, national, regional and local media, but subject to any applicable legal restrictions.

News releases also will be posted on the Company's website as soon as practicable after initial public distribution.

## **X. CONFERENCE CALLS**

Conference calls may be held to discuss financial results, operational developments, and material corporate matters, whereby discussion of key aspects is accessible simultaneously to all interested parties, some as participants by telephone and others in a listen-only mode by

telephone, through an Internet webcast or through a video conference call.

The Company will provide advance notice of the conference call and/or webcast and/or video conference call by issuing a news release announcing the date and time at least 24 hours before the scheduled time and providing information on how interested parties may access the call and webcast. In addition, the Company may send invitations to participate to analysts, institutional investors, media representatives and others.

Relevant Material Information expected to be discussed during the conference call will be disclosed in advance through a news release. Any non-material supplemental information provided to participants also will be posted to the Company's website for public access. A recording of the conference call and/or an archived Internet audio webcast or video conference call will be made available for a reasonable period of time following the conference call.

At the beginning of the call, a Company representative will read, or refer participants to, a statement containing appropriate cautionary language about forward-looking information and direct participants to publicly available documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties or other relevant disclosures.

If it is later determined that comments made during the conference call, webcast or video conference call, included previously undisclosed Material Information, the Company will broadly disclose such information through a public news release as soon as possible.

## **XI. RUMOURS**

The Company, as a general principle, does not comment publicly on rumours or speculation. If asked about a specific rumour or speculation, the Company's spokespersons may reply with a consistent response that the Company does not comment on market rumours or speculation.

However, when deemed appropriate and in the best interests of the Company and its shareholders, the IRO and/or CCO, with the President, CEO, Co-Chairmen, may determine that corrective or clarifying statements should be made by the Company to address incorrect or misleading information or public statements contained within rumours or speculation.

## **XII. CONTACTS WITH ANALYSTS, INVESTORS AND THE MEDIA**

Disclosure in individual or group meetings does not constitute adequate public disclosure of information that is considered undisclosed Material Information. If the Company intends to announce undisclosed Material Information at a meeting attended by one or more analysts or shareholders, or during a conference call or media news conference, such an announcement must be preceded by a news release to ensure full public dissemination of that information. Such a news release should be issued as soon as practicable before the meeting, conference call or media news conference, in order to assist in its wide dissemination and to avoid the appearance of selective disclosure or actual selective disclosure.

The Company recognizes that meetings and discussions with analysts and significant investors are an important element of the Company's investor relations program. The Company will meet with analysts and investors on an individual or small-group basis, as needed, and will initiate contacts or respond to calls in a timely, consistent and accurate fashion

in accordance with this policy.

The Company will provide only non-Material Information through individual and group meetings or Material Information that has been publicly disclosed prior to the meeting, recognizing that audience members may seek points of information that may be used in attempts to learn undisclosed Material Information. The Company cannot alter the materiality of information by breaking down the information into smaller, non-material components.

### **XIII. REVIEWING ANALYSTS' DRAFT REPORTS AND MODELS**

It is the Company's policy to review, upon request, draft research reports or models prepared by analysts for the purpose of identifying for the authors, errors of fact, based on publicly disclosed information. When requested, the Company will question an analyst's factual assumptions if the analyst's draft estimate is significantly different than the range of estimates provided in the Company's published earnings expectations, if any. The Company will limit its comments in responding to such inquiries to non-Material Information or Material Information that has been previously publicly disclosed. The Company will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express any encouragement for, or concurrence with, an analyst's model and earnings estimates.

To avoid appearing to endorse an analyst's report or model, the Company will provide its comments orally or will attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy.

The Company will try to ensure, through its regular public dissemination of quantitative and qualitative information, that analysts' estimates generally are in line with the Company's own expectations. As noted above, however, the Company will not confirm, or attempt to influence, an analyst's opinions, conclusions, analytical models or earnings estimates.

### **XIV. DISTRIBUTING ANALYSTS' REPORTS**

An analyst's report is a proprietary product of the analyst's firm. The inclusion of an analyst's report in the Company's information packages that are distributed to investors may be viewed as an endorsement by the Company of the report, and should be avoided. Certain securities commissions also will consider that the Company is responsible for any breaches of the mining disclosure rules (NI 43-101) if the Company re-distributes an analyst report that is not NI 43-101 compliant.

The Company may post on its website a complete list, regardless of the recommendation, of all of the investment firms and analysts who have provided recent research coverage on the Company. Such list will not include links to the analysts' websites or publications. The Company does not post analyst reports on its website.

### **XV. FORWARD-LOOKING INFORMATION**

Should the Company elect to disclose forward-looking information in continuous disclosure documents, or orally, such as in speeches, or in conference calls, the following guidelines will be observed:

1. The forward-looking information, if deemed material, will be broadly disseminated through news releases in accordance with this Disclosure Policy.
2. The information will be clearly identified as forward-looking.
3. The Company will identify all material assumptions used in the preparation of the forward-looking information.
4. The information will be accompanied by a statement that identifies, in specific terms, the risks and uncertainties that may cause the actual results to differ materially from those projected or forecast in the information.
5. The information will be accompanied by a statement that the information is given as of a current date and may be subject to future change and that the Company disclaims any intention or obligation to update or revise the forward-looking information, whether as a result of new information, future events or otherwise.

## **XVI. GUIDANCE**

The Company may issue guidance regarding expected production and costs from its mining operations. Company guidance that is issued will be for a calendar year or other annual financial period. The Company does not intend to issue guidance for periods of less than one year.

If the Company determines that actual results are likely to materially differ from previously issued guidance, the Company will issue updated guidance reflecting the expected changes, including materially adverse changes.

Guidance will be issued by news release and may be repeated in any other subsequently prepared Company document.

## **XVII. QUIET PERIODS**

To avoid the potential for, or appearance of, selective disclosure, the Company will observe a quiet period commencing 15 days following the end of the relevant quarterly or annual period and ending following the public disclosure of the related quarterly or annual financial reports, or quarterly or annual production results. During this period, the Company will not comment on past quarterly or annual period's production, costs, revenues, earnings or other measures of operating or financial performance that is not already in the public domain, and will not issue any further guidance, in each case until after the financial reports or production results related to the financial reporting period have been filed.

If the Company is invited to participate, during a quiet period, in investment meetings or conferences organized by others, or otherwise wishes to disclose information that would otherwise not be issued during the quiet period, the President and/or CEO in consultation with the Disclosure Committee will determine, on a case-by-case basis, if it is advisable to accept these invitations or make such disclosures, and the conditions surrounding such disclosures during a quiet period.

## **XVIII. DISCLOSURE RECORD**

The disclosure review officers will designate one or more physical or electronic storage locations at which the files containing public information about the Company will be kept, including continuous disclosure documents, news releases, analysts' reports, transcripts or recordings of conference calls as well as news articles.

## **XIX. RESPONSIBILITY FOR INTERNET-BASED COMMUNICATIONS**

This Disclosure Policy also applies to corporate and stakeholder communications that utilize the Internet and electronic mail systems for storage and distribution of public information. Accordingly, those responsible for written and oral public disclosures also shall be responsible for content and procedures involved in Internet-based communications.

The IRO and CCO are responsible for the review and preparation of information to be posted on the Company's website, and for monitoring of the site to ensure that the posted information is, and remains, accurate, complete, up-to-date and in compliance with relevant securities laws. The IRO and CCO shall only post to the Company's website documents that are publicly filed on the Canadian SEDAR information retrieval system, other documents approved by a disclosure review officer, corporate information materials approved by the President and/or CEO (such as presentations), or certain other non-material information such as photographic images of projects and updates to information already posted on the website.

The Company's website shall maintain a disclaimer advising visitors that the website may provide links to other websites maintained by third parties and that the Company is not responsible for the contents that may exist on any linked sites.

Information materials of specific interest to investors, including regulatory filings and quarterly and annual reports, shall be stored and listed within a dedicated section of the Company's website. Such materials shall include a notice that advises readers that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosures. All data posted to the website, including text and images, shall show the date on which such material was originally issued and/or, where applicable, when updated. Any subsequent changes to Material Information posted on the Company's website must be updated as soon as practicable.

The IRO shall be responsible for responses to requests for information received through the Company's website. Only information that has been publicly disclosed shall be utilized in responding to enquiries received through the Company's website or email system.

To ensure that no undisclosed Material Information is inadvertently disclosed, Covered Persons are prohibited from active participation as contributors or interveners in the exchange of information in Internet forums on matters pertaining to the Company's activities or its securities with the exception of the CCO or IRO or their designates or others as authorized by a disclosure review officer. Such forums may include chat rooms, newsgroup discussions, comments on media news reports, electronic bulletin boards and web logs (blogs). Any Covered Person who becomes aware of an active discussion or exchange pertaining to the Company should advise the IRO as promptly as possible so the discussion may be monitored. Any required corporate response to news, information and statements published in any form

on the Internet shall be determined and coordinated directly by the Company's designated investor relations/corporate communications senior staff representative(s) working in conjunction with, and approved by, the Company's President and/or CEO, with the involvement of other disclosure review officers as may be deemed appropriate in each instance.

## **XX. COMMUNICATION AND ENFORCEMENT**

This policy extends to all Covered Persons, as defined under the heading "Objective and Scope". New Covered Persons will be provided with a copy of this policy and will be educated about its importance. This policy will be circulated to all Covered Persons whenever changes are made.

Any Covered Person who violates this policy may face disciplinary action up to and including termination of his or her employment with the Company without notice. The violation of this policy also may violate certain securities laws, which could lead to penalties, fines or imprisonment. Violation of the trading restrictions under "Securities Trading Restrictions" also may constitute an offence under the *Criminal Code* of Canada.