

August 16, 2023

Ivanhoe Mines announces MOU to commence exports of concentrate from Kamoia-Kakula Copper Complex via Lobito Atlantic Rail Corridor

Up to 10,000 tonnes of copper concentrate to be exported via Angolan Lobito Ocean Port in Q4 2023

MOU is first commercial agreement under new concession for exporting metals from the DRC using the Lobito Atlantic Rail Corridor

Distance from Kamoia-Kakula to Lobito Port is just over half that compared with Durban, South Africa

Rail corridor passes through Ivanhoe's Western Foreland licences and within five kilometres of Kamoia-Kakula

Rail corridor set to transform economic and social development of the DRC, as well as its neighbouring countries, accelerating regional industrialization

The ceremony celebrating the award of the 30-year concession to new rail operator was attended by the Presidents of DRC, Angola and Zambia

KOLWEZI, DEMOCRATIC REPUBLIC OF CONGO – Ivanhoe Mines (TSX: IVN; OTCQX: IVPAF) Executive Co-Chair Robert Friedland and President Marna Cloete announce today that Kamoia Copper S.A. (Kamoia Copper) has signed a memorandum of understanding (MOU) with Lobito Atlantic International SARL ("LAI", or the "Consortium"), for the transportation of Kamoia-Kakula's copper concentrate by rail to the Atlantic Ocean port of Lobito in Angola.

The rail line linking the DRC Copperbelt to the port of Lobito, Angola is known as the "Lobito Atlantic Railway Corridor" or "Lobito Corridor". The rail line extends for 1,739 kilometres from Lobito to Kolwezi in the DRC, passing within five kilometres of the Kamoia-Kakula licence boundary and through the Western Foreland exploration licences (shown in Figure 2).

In July 2022, the Consortium was formally awarded a 30-year concession for railway services and support logistics in Angola. LAI is a consortium comprised of leading global commodities trading group Trafigura Pte Ltd; Mota-Engil Engenharia e Construcao Africa SA (“Mota-Engil”), an international construction and infrastructure management company that first started operating in Angola in 1946; and Vecturis SA, an independent rail operator.

The Consortium has committed to invest \$455 million in Angola and up to a further \$100 million in the DRC on the improvement of the Lobito Corridor’s rail infrastructure, capacity and safety, including rolling stock consisting of over 1,500 wagons and 35 locomotives. There is also potential for additional investment in the future as the opportunity is explored to further extend the Lobito Corridor into Zambia.

The Lobito Corridor will reduce pressure on the country’s other logistics corridors. This is expected to not only reduce the cost of exporting from, but also reduce the cost of importing into the DRC Copperbelt. Thereby, accelerating DRC’s, social and economic development, as well as the industrialization of the wider region.

The President of the Democratic Republic of Congo, His Excellency Mr Felix Tshisekedi, made the following comments in a recent television interview with La Radio-Télévision Nationale Congolaise (RTNC):

“I am very committed to cooperation with our neighbours. We gain two partners in the [Lobito Corridor] project, Angola and Zambia. This will benefit our populations nearby and further away... Indeed that is the goal, to create national integration, resulting in ease of movement for goods and people inside our country... So that the various regions can engage in trade among themselves.”

“We have no time to stop and enjoy our small victories. We need to work hard...The interest of the people must be taken into account and we are focused on that... The priority for me is to protect our population and ensure they are healthy... I want this country to be stable so that we can focus on our development over the long term.”

Link to full interview: <https://www.youtube.com/watch?v=u3llKuoPqIk>

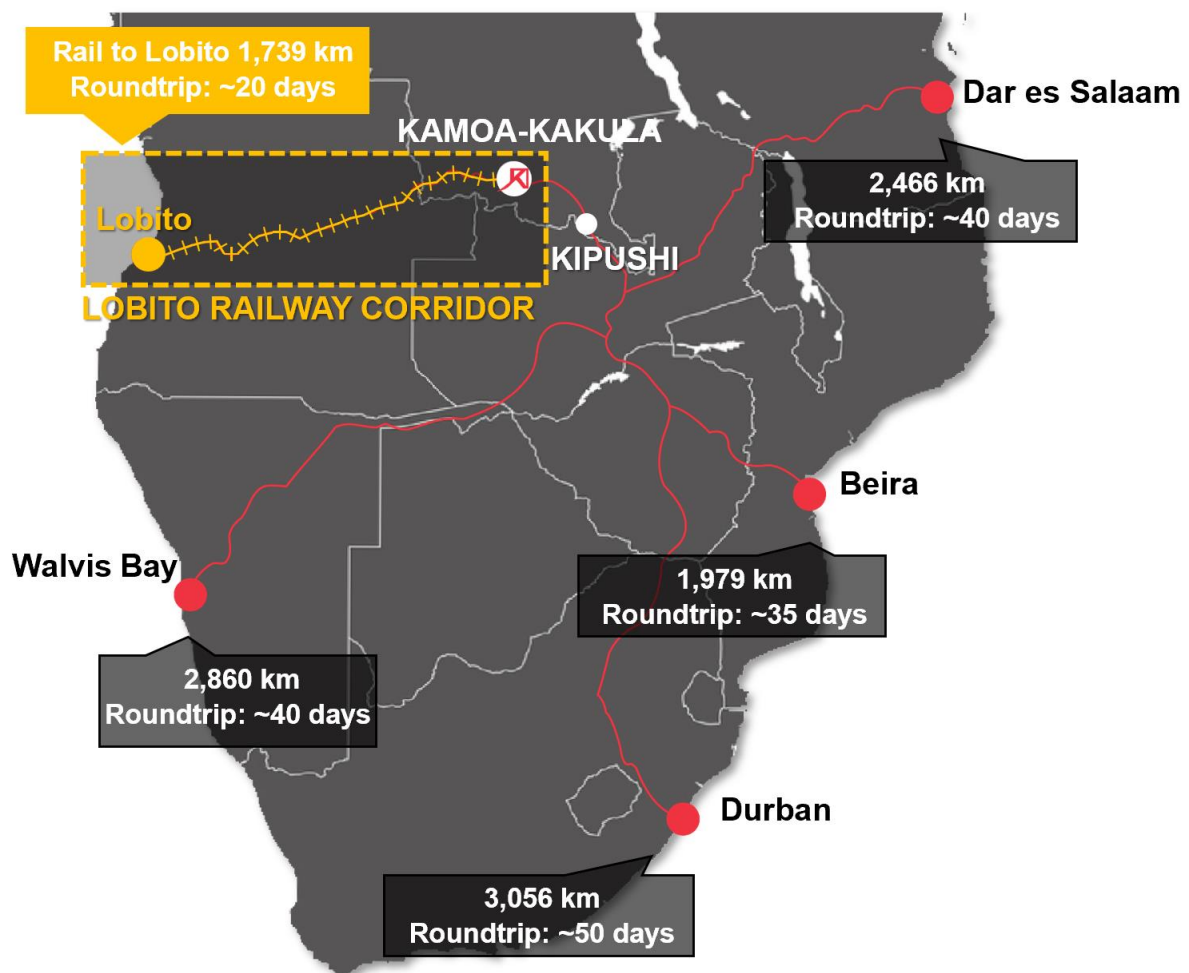
Ivanhoe Mines’ Founder and Executive Co-Chairman, Robert Friedland commented:

"The Lobito Corridor is set to become a crucial trade route for copper and other critical minerals from a uniquely strategic region of Africa... metals that are so desperately needed for our planet's energy transition. Thanks to the forward-thinking investments by our shareholders CITIC, who originally upgraded the port and rail line, there is now the possibility of open access rail from the Copperbelt to the deep-water, Atlantic Ocean port of Lobito. This type of modern infrastructure will be critical as mines like Kamoakakula continue to expand, and as more tier-one copper discoveries are made in the Western Foreland... the best copper hunting ground on the planet.

“The Lobito Corridor is the shortest and most direct export and import route from the Copperbelt to the seaborne international market, which should provide for quicker turnaround times and lower costs. Most importantly, logistics on the rail corridor will incur significantly lower carbon emissions than the alternative by truck – further enhancing Kamo-Kakula’s commitment to produce ultra-green copper.

"The U.S. Government's support for the Lobito Corridor and proposed financing highlights the need for a coordinated global effort to upgrade infrastructure in sub-Saharan Africa. To tackle the challenges of climate change, international cooperation is essential in developing responsible supply chains. This collaboration must involve local communities, ensuring a sustainable and ethical approach to extracting minerals in the areas where they are found."

Figure 1. Map of export routes currently used by Kamo-Kakula in red, as well as the Lobito Railway Corridor route in orange. Logistics costs account for over 30% of Kamo-Kakula’s total cash costs (C1), due to the long in-land distances travelled by road for exports to reach port.



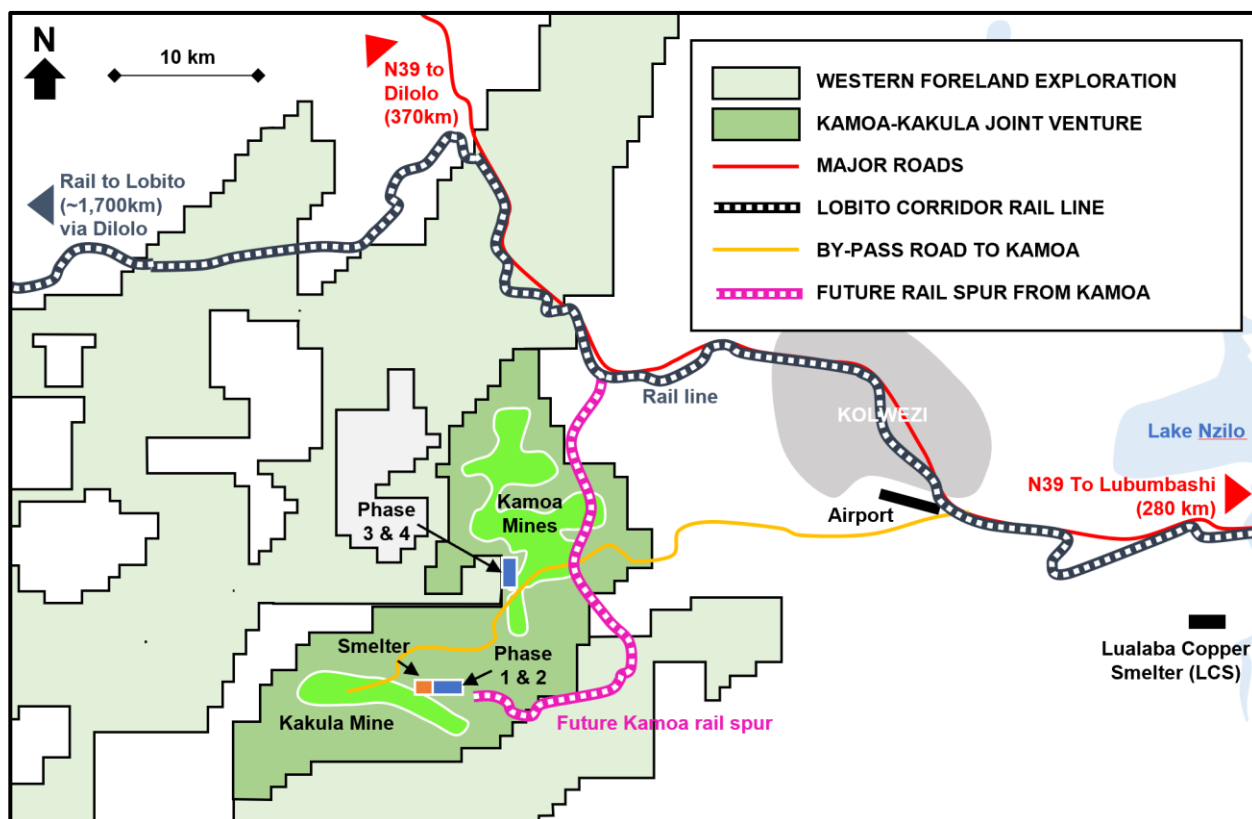
An initial trial shipment of up to 10,000 tonnes of copper concentrate from Kamo-Kakula’s Phase 1 and 2 concentrators will be transported along the Lobito Rail Corridor in Q4 2023. Once at the port of Lobito, the concentrate will be sold

to international markets. Information will be gathered from the trial shipment on greenhouse gas (GHG) savings, transit times, operating costs and other operational factors.

Currently, Kamo-a-Kakula trucks its copper concentrates by road across sub-Saharan Africa to the ports of Durban in South Africa, Dar es Saleem in Tanzania, Beira in Mozambique, and Walvis Bay in Namibia, from where they are shipped onto international markets. Approximately 90% of the concentrates are shipped from Durban and Dar es Saleem. Not only is the distance to the port of Lobito from Kamo-a-Kakula greatly reduced (see Figure 1), but also transportation by rail is both quicker and significantly less energy intensive.

Once fully operational, the Lobito Atlantic Railway Corridor could significantly improve the logistics costs and carbon footprint of exporting metals from the Kamo-a-Kakula Copper Complex, the Kipushi zinc-copper-germanium-silver mine, as well as the future development of any copper discoveries within the Western Foreland Exploration Project.

Figure 2. Map of Kamo-a-Kakula and Western Foreland licences with local road and rail infrastructure.



On July 4, 2023, a ceremony took place in Lobito, hosted by the Municipal Administration of Lobito, marking the transfer of railway services and support logistics of the Lobito Atlantic Railway Corridor to the Consortium. The event was attended by Hakainde Hichilema, President of the Republic of Zambia; João Manuel Gonçalves Lourenço, President of the Republic of Angola; Felix Tshisekedi, President of the Democratic Republic of the Congo; and Jeremy Weir,

Executive Chairman and Chief Executive Officer of Trafigura.

Link to the Trafigura press release made on July 4, 2023:

<https://www.trafigura.com/press-releases/transfer-commences-of-the-concession-of-railway-services-and-support-logistics-of-the-lobito-corridor-in-angola-to-the-lobito-atlantic-railway/>

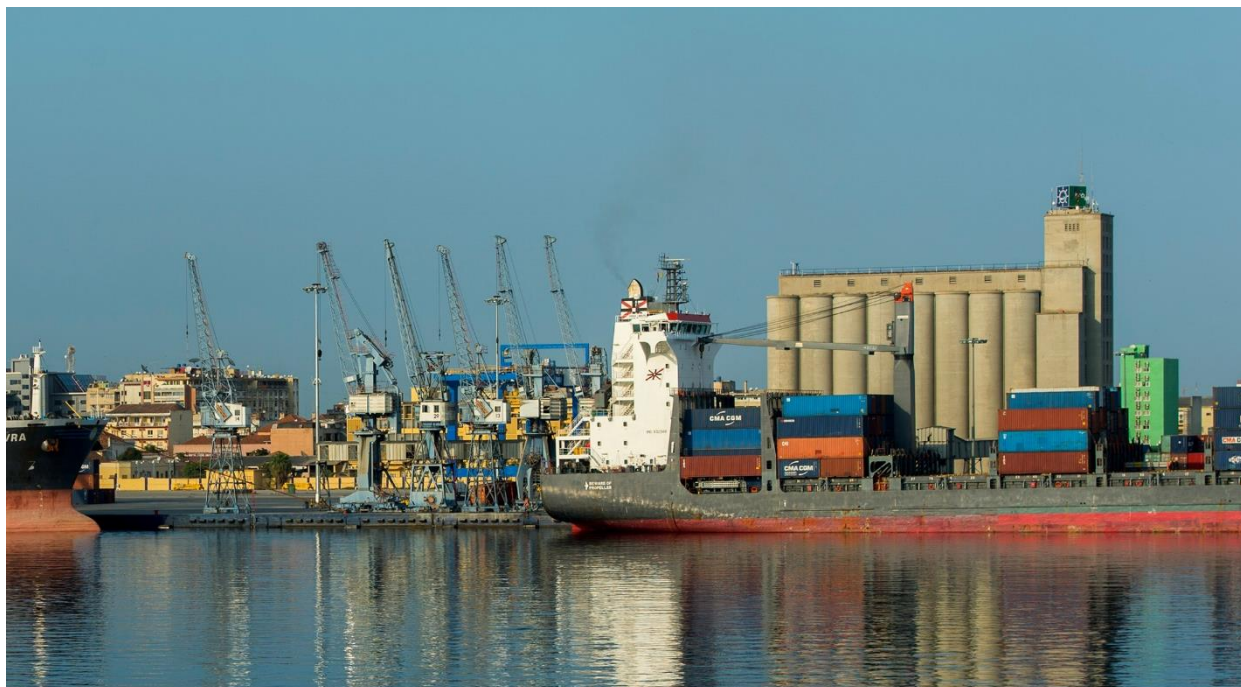
The MOU follows the recent announcement by the United States International Development Finance Corporation (DFC), which is currently conducting due diligence for a potential \$250-million investment to finance the commercialization of the Lobito Atlantic Railway Corridor.

Link to the full U.S. Government press statement made on May 20, 2023:

<https://www.whitehouse.gov/briefing-room/statements-releases/2023/05/20/fact-sheet-partnership-for-global-infrastructure-and-investment-at-the-g7-summit/>

Further, on January 27, 2023, the governments of Angola, DRC and Zambia signed the Lobito Corridor Transit Transport Facilitation Agency Agreement (LCTTFA). The tripartite LCTTFA aims to coordinate the joint development activities of the Lobito Atlantic Railway Corridor as an alternative, strategic route to export markets for both Zambia and the DRC.

The Atlantic Ocean port of Lobito, Angola. Up to 10,000 tonnes of copper concentrate from Kamoakakula to be exported from the port in Q4 2023. The MOU is the first commercial agreement under the new concession for exporting metals from the DRC using the Lobito Atlantic Rail Corridor. Photo source: Bloomberg.



All figures are in U.S. dollars unless otherwise stated.

About Ivanhoe Mines

Ivanhoe Mines is a Canadian mining company focused on advancing its three principal projects in Southern Africa; the expansion of the Kamoakakula Copper Complex in the DRC, the construction of the tier-one Platreef palladium-rhodium-platinum-nickel-copper-gold project in South Africa; and the restart of the historic ultra-high-grade Kipushi zinc-copper-germanium-silver mine, also in the DRC.

Ivanhoe Mines also is exploring for new copper discoveries across its circa 2,400km² of 90-100% owned exploration licences in the Western Foreland, located adjacent to, or in close proximity to, the Kamoakakula Copper Complex in the DRC.

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Forward-looking statements

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 using 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 news release.

Such statements include without limitation, the timing and results of: (i) statements regarding the MOU with Trafigura, and specifically that commencing in Q4 2023, the trial will consist of up to 10,000 tonnes of copper concentrate from Kamoakakula's Phase 1 and 2 concentrators and that once at the port of the Lobito, the concentrate will be sold to international markets; (ii) statements that the Lobito Corridor is set to become a crucial trade route from a uniquely strategic region in Africa for copper and other critical minerals; (iii) statements that the Lobito Atlantic Rail Corridor is set to transform regional logistics in the DRC and neighbouring countries; (iv) statements that the Western Foreland remains the best copper hunting ground on the plant; (v) statements regarding a potential \$250-million investment by DFC to finance the commercialization

of the Lobito Atlantic Railway Corridor; and (vi) statements regarding the Lobito Corridor significantly improving logistics costs and carbon footprint of exporting metals from the Kamo-a-Kakula Copper Complex, the Kipushi zinc-copper-germanium-silver mine, and any future copper discoveries in the Western Foreland Exploration Project.

Furthermore, 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, nickel, zinc, platinum, palladium, rhodium and gold; (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; (xvii) recoveries, mining rates and grade; (xviii) political factors; (xviii) water inflow into the mine and its potential effect on mining operations; and (xix) the consistency and availability of electric power.

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 such results will be achieved. Many 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 above and under the "Risk Factors" section in the company's MD&A for the three and six months ended June 30, 2023, and its Annual Information Form, and elsewhere in this news 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 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 outlined in the "Risk Factors" section and elsewhere in the company's MD&A for the three and six months ended June 30, 2023, and its Annual Information Form.