

September 6, 2018

**CITIC Metal's C\$723 million strategic equity investment
in Ivanhoe Mines to close September 19, 2018**

**Additional C\$78 million to be received concurrently
from Zijin Mining**

**CITIC Metal and Zijin Mining will purchase their Ivanhoe Mines
shares at C\$3.68 per share**

**Upon closing, Ivanhoe will have cash of approximately
C\$850 million**

BEIJING, CHINA – Robert Friedland, Executive Chairman of Ivanhoe Mines (TSX: IVN; OTCQX: IVPAF), and Lars-Eric Johansson, Chief Executive Officer, announced today that the private placement transaction with CITIC Metal Co., Ltd. (CITIC Metal) announced on June 11, 2018, now has received all necessary recordals and registration with Chinese government regulatory agencies and the transaction is scheduled to close on September 19, 2018.

Upon closing, Ivanhoe will receive gross proceeds of C\$723 million (approximately US\$549 million) from CITIC Metal and will issue 196,602,037 common shares to CITIC Metal through a private placement at a price of C\$3.68 per share. CITIC Metal will then own approximately 19.5% of Ivanhoe Mines' issued and outstanding common shares. Mr. Friedland will become the second largest Ivanhoe Mines shareholder, with an ownership stake of approximately 17%.

Approximately C\$133 million of the C\$723 million owing from CITIC Metal will be used to repay an interim loan of US\$100 million from CITIC Metal Group Limited that was received on August 9, 2018, but never used, resulting in a net cash payment by CITIC Metal of C\$591 million. With the repayment of the interim loan in full, the limited-recourse guarantee and share pledge by Mr. Friedland securing Ivanhoe Mines' obligation under the loan facility will be eliminated.

Zijin exercises anti-dilution rights at C\$3.68 per share to raise an additional C\$78 million

Ivanhoe's joint-venture partner at the Kamoakakula Project, Zijin Mining Group Co., Ltd., has exercised its existing anti-dilution rights, which will yield additional proceeds to Ivanhoe of C\$78 million (approximately US\$59 million). These funds will be received concurrently with the CITIC Metal private placement. The exercise by Zijin of its anti-dilution rights also was at a price of C\$3.68 per share and will result in Zijin having a 9.7% ownership stake in Ivanhoe Mines, its ownership level prior to the completion of the CITIC Metal strategic investment.

With the receipt of the combined proceeds of more than C\$800 million (approximately US\$608 million) from CITIC Metal and Zijin, and the repayment of the interim loan, Ivanhoe will have cash and cash equivalents of approximately C\$850 million (US\$645 million) and no significant debt.

Ivanhoe intends to use the funds to continue to advance its exploration and development activities at the Kamo-a-Kakula, Platreef and Kipushi projects on current accelerated timetables.

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 a Canadian mining company focused on advancing its three principal projects in Southern Africa: the development of new mines at the Kamo-a-Kakula copper discovery in the Democratic Republic of Congo (DRC) and the Platreef platinum-palladium-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.

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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; (ii) statements regarding the timing and completion of the issuance of anti-dilution shares to Zijin Mining for proceeds of C\$78 million; and (iii) statements regarding Ivanhoe Mines intention to use the proceeds from the private placement to advance the company's projects in Southern Africa — Kamoakakula, Platreef and Kipushi.

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.