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Ivanhoe Mines and China Nonferrous Metal Mining Group sign strategic partnership agreement to explore cooperation opportunities in Africa

Ivanhoe gains a formidable partner in its push to become a leading supplier of critical materials for the renewable energy revolution

BEIJING, CHINA – Robert Friedland and Yufeng “Miles” Sun, Co-Chairmen of Ivanhoe Mines (TSX: IVN; OTCQX: IVPAF), announced today that the company has entered into a strategic partnership agreement with China Nonferrous Metal Mining (Group) Co., Ltd. (CNMC), one of China’s leading mining companies, to jointly examine exploration, development and acquisition of mineral projects, as well as production, smelting and logistics opportunities, on the African continent.

CNMC, headquartered in Beijing China, is a world leader in the development of nonferrous metal projects; with exploration, construction and engineering, mining, smelting and logistical operations spanning more than 80 countries and covering more than 40 nonferrous metals, including copper, nickel, cobalt, gold, silver, tantalum, niobium, beryllium, zinc and lead.

More than 20 years ago, China Nonferrous Metal Industry’s Foreign Engineering and Construction Corp., the predecessor of CNMC, made the first international acquisition by a Chinese mining company with the purchase of the Chambishi Copper Mine in Zambia; an investment that was facilitated by Mr. Friedland. CNMC’s continued development of the project led to the commencement of operations at the Chambishi Copper Smelter in 2009. Copper production from the Chambishi South East Ore Body began in 2018.

Among CNMC’s diverse portfolio of projects is the Lualaba copper smelter near the city of Kolwezi in the Democratic Republic of Congo (DRC), which began commercial operations earlier this year. Lualaba is the first modern, large, pyro-metallurgical copper smelter built in DRC, and is approximately 45 kilometres from Ivanhoe Mines’ Kamoakakula copper joint venture. A new, dedicated highway directly connects Kamoakakula and Kolwezi.

CNMC also recently began operations at the Deziwa Copper-Cobalt Mine, a joint-venture with Gécamines – the DRC’s state mining company. Deziwa is approximately 35 kilometres east of Kolwezi.

“Our long-standing relationship with CNMC goes back decades to when Wu Jianchang was the general manager of China National Nonferrous Metals Industry Corporation – a pioneer industrial group specializing in the mining and metallurgy sector. Our good friends at CNMC are aware of the enormous challenges of discovering and building a new world-scale copper, nickel, zinc, or platinum-group metals mine. They also appreciate that ‘grade is king’ and that the DRC, and indeed all of Africa, has by far and away this planet’s best potential for major, new, high-grade mineral discoveries,” said Mr. Friedland.

“Our friends at CNMC also share our conviction that an environmentally-responsible and secure supply of critical metals for clean-air and clean-water technologies – such as copper, nickel, platinum-group metals, cobalt and vanadium – is one of the most important hurdles for humanity to overcome as we collectively embrace a sustainable, low-carbon-energy revolution.”

“The time to act to address the looming shortfall in key, ‘green’ metals, is now. The strategic partnership with CNMC will provide significant opportunities for collaboration on mineral exploration, mine planning, development and acquisition of mineral projects, logistics and smelting – beginning with examining the synergies between the operations currently owned by our two companies,” Mr. Friedland added.

Mr. Sun added, “In CNMC, we chose a partner who is not only truly complementary to Ivanhoe’s existing operations, but also shares our long-standing view that Africa hosts the world’s richest, long-life deposits of the critical metals that underpin clean-energy technology.

CNMC’s Chairman Wang Tongzhou said: “CNMC is striving to become a world-class mining company, and Ivanhoe – one of the world’s best and fastest-growing mining companies – is an excellent role model for us to learn from. I strongly believe that cooperation is the best way to achieving the goals of both companies.”

“This year, the COVID-19 pandemic has engulfed the world and greatly impacted mining companies. In these challenging times, the need to work together is more pressing than ever. Building on the opportunities created by this agreement and championing the mutually beneficial alliance, I believe that the core projects of each of our companies will soon be realized. I also believe that this agreement will create new opportunities for cooperation, so that more projects can be successfully implemented in the future,” Mr. Wang added.

Marna Cloete, President of Ivanhoe Mines, commented; “The team at Kamo-a-Kakula has done a stellar job of keeping the development of the Kakula Copper Mine ahead of schedule, and we are confident in the team’s ability to successfully complete the remaining phases of construction and commissioning, and bring Kakula into production less than a year from now. It is a great time to be partnering with CNMC; an internationally-respected miner that has an established track record of notable achievements in Africa and is familiar with our various stakeholders from Africa and

China. We look forward to a long and prosperous relationship with CNMC that allows both companies to create value for all of our respective stakeholders.”



Zhang Jinjun, CNMC’s Vice President (centre left), and Peter Zhou, Executive Vice President and Chief Representative China of Ivanhoe Mines (centre right), exchange a gift after signing the strategic partnership agreement.

Other attendees include (from left to right) Gao Shunqing, Chairman of CNIT (CNMC International Trade Ltd.); Qin Junman, Vice Chairman of NFC (China Nonferrous Metal Industry’s Foreign Engineering and Construction Co., Ltd.); Zhu Jinghe, CNMC’s Deputy Director of Investment and Mineral Exploration; Shawn Wang, Head of Investment & Business Development of Ivanhoe Mines China; Cathy Liu, Head of Operations of Ivanhoe Mines China; and Bruce Li, Project Coordinator of Ivanhoe Mines China.

About CNMC

CNMC is a large, Chinese state-owned enterprise. It was established in 1983 and is headquartered in Beijing. In 2012, its core assets in Africa were listed on the Hong Kong Stock Exchange (HKSE:1258). Currently CNMC owns and operates the following assets:

- Chambishi Copper Mine, Zambia
- Luanshya Copper Mine, Zambia
- Chambishi Copper Smelter, Zambia
- Chambishi Leach Plant, Zambia
- Deziwa Copper & Cobalt Mine, Democratic Republic of Congo
- Lualaba Copper Smelter, Democratic Republic of Congo
- Kambove Copper & Cobalt Mine, Democratic Republic of Congo
- Panda, Huachin & Mabende Leach Plant, Democratic Republic of Congo

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 Kamo-a-Kakula copper discoveries in the Democratic Republic of Congo (DRC) and at the Platreef palladium-platinum-nickel-copper-rhodium-gold discovery in South Africa; and the extensive redevelopment and upgrading of the historic Kipushi zinc-copper-germanium-silver mine, also in the DRC. Kamo-a-Kakula and Kipushi will be powered by clean, renewable hydroelectricity and will be among the world's lowest greenhouse gas emitters per unit of metal produced. Ivanhoe also is exploring for new copper discoveries on its wholly-owned Western Foreland exploration licences in the DRC, near the Kamo-a-Kakula Project.

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