



**Notice of Annual and Special Meeting of Shareholders
and
Management Proxy Circular
of
IVANHOE MINES LTD.**

DATED: March 26, 2014

IVANHOE MINES LTD.

654 – 999 Canada Place
Vancouver, BC V6C 3E1
Telephone: 604-688-6630 Fax: 604-682-2060

Notice of Annual and Special Meeting of Shareholders May 5, 2014

NOTICE IS HEREBY GIVEN that the Annual and Special Meeting of Shareholders of **IVANHOE MINES LTD.** (the “**Company**”) will be held in the Princess Louisa Suite at the Fairmont Waterfront Hotel, 900 Canada Place Way, Vancouver, British Columbia on Monday, May 5, 2014, at 1:00 PM (Pacific time) (the “**Meeting**”) for the following purposes:

1. to receive the Company’s audited financial statements for the financial year ended December 31, 2013 and the auditors’ report thereon;
2. to set the number of directors at ten (10) for the ensuing year;
3. to elect directors for the ensuing year;
4. to re-appoint Deloitte LLP, Chartered Accountants, as auditors for the ensuing year and to authorize the directors to fix the auditors’ remuneration;
5. to approve a resolution approving and reconfirming the Company’s Equity Incentive Plan in accordance with the requirements of the Toronto Stock Exchange, as well as a proposed amendment to that plan; and
6. to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

The board of directors has fixed March 17, 2014 as the record date for the determination of shareholders entitled to notice of, and to vote at, this Meeting and at any adjournment(s) or postponement(s) thereof.

A Management Proxy Circular accompanies this Notice. The Management Proxy Circular contains details of the matters to be considered at the Meeting.

Notice-and-Access

The Company is utilizing the notice-and-access mechanism (the “**Notice-and-Access Provisions**”) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations*, for distribution of Meeting materials to registered and beneficial shareholders.

Website Where Meeting Materials are Posted

The Notice-and-Access Provisions are a new set of rules that allow reporting issuers to post electronic versions of proxy-related materials and annual financial statements (including management proxy circulars) on-line, via the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than mailing paper copies of such materials to shareholders. Electronic copies of the Management Proxy Circular, the annual audited consolidated financial statements of the Company for the year ended December 31, 2013 (“**Financial Statements**”) and management’s discussion and analysis of the Company’s results of operations and financial condition for the year ended December 31, 2013 (“**MD&A**”) may be found on the Company’s SEDAR profile at www.sedar.com and the Company’s website at www.ivanhoemines.com. The Company will make limited use of the procedures known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Management Proxy Circular to some shareholders with the notice package. In relation to the Meeting, shareholders with existing instructions on their account to receive printed materials and those shareholders with addresses

outside of Canada and the United States will receive a printed copy of the Meeting Materials. All other shareholders will receive only the required notification documentation under the Notice-and-Access Provisions, which will not include a paper copy of the Management Proxy Circular.

Obtaining Paper Copies of Materials

The Company anticipates that using the Notice-and-Access Provisions for delivery will directly benefit the Company through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials. Shareholders with questions about the Notice-and-Access Provisions can call our transfer agent, CST Trust Company, toll-free at 1-888-433-6443. Shareholders may also obtain paper copies of the Management Proxy Circular, Financial Statements and MD&A free of charge by contacting CST Trust Company at the same toll-free number or upon request to the Company's Corporate Secretary at 604-688-6630 (which is not a toll-free number).

A request for paper copies which are required in advance of the Meeting should be sent so that the request is received by the Company or CST Trust Company, as applicable, by 1:00 PM (Pacific time) on Thursday, April 24, 2014 in order to allow sufficient time for shareholders to receive the paper copies and to return their proxies or voting instruction forms to intermediaries not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Vancouver, British Columbia) prior to the time set for the Meeting or any adjournments or postponements thereof.

Voting

A proxy form is enclosed herewith. Registered shareholders who are unable to attend the Meeting in person are requested to complete, date, sign and return the enclosed proxy form to CST Trust Company in accordance with the instructions set out on the proxy form and in the Management Proxy Circular. If you are voting your shares by proxy, our transfer agent, CST Trust Company, must receive your completed proxy form by 1:00 PM (Pacific time) on Thursday, May 1, 2014, or 48 hours (excluding Saturdays, Sundays and statutory holidays) before any adjournment(s) or postponement(s) of the Meeting.

Non-registered shareholders receiving these materials through their broker or other intermediary should complete and return the voting instruction form provided to them by their broker or other intermediary in accordance with the instructions provided therein.

SHAREHOLDERS ARE REMINDED TO REVIEW THE MANAGEMENT PROXY CIRCULAR BEFORE VOTING.

DATED at Vancouver, British Columbia, this 26th day of March, 2014.

BY ORDER OF THE BOARD OF DIRECTORS

"Mary Vincelli"

Mary Vincelli
Corporate Secretary

IVANHOE MINES LTD.
Suite 654 – 999 Canada Place
Vancouver, British Columbia V6C 3E1
Telephone: 604-688-6630 Fax: 604-682-2060

MANAGEMENT PROXY CIRCULAR

SOLICITATION OF PROXIES

This Management Proxy Circular is furnished in connection with the solicitation of proxies by the management of IVANHOE MINES LTD. (“Ivanhoe” or the “Company”) for use at the Annual and Special Meeting (the “Meeting”) of its shareholders to be held on May 5, 2014, at the time and place and for the purposes set forth in the accompanying Notice of Meeting. Unless otherwise stated, this Management Proxy Circular contains information as at March 24, 2014.

The solicitation of proxies by management will be primarily by mail, but proxies may be solicited by directors, officers and regular employees of the Company personally, by telephone or by other means of electronic communication. All costs of this solicitation will be borne by the Company.

The board of directors of the Company (the “**Board**”) has fixed the close of business on March 17, 2014 as the record date, being the date for the determination of the registered shareholders entitled to receive notice of, and to vote at, the Meeting (the “**Record Date**”). Shareholders who acquire Class A Common shares following the Record Date will not be entitled to notice of, or to vote at, the Meeting, unless the transferee produces a properly endorsed share certificate for, or otherwise establishes ownership of, any of the transferred Class A Common shares and makes a demand to CST Trust Company no later than ten (10) days before the Meeting that the transferee’s name be included in the list of shareholders in respect thereof.

All references to “\$” in this Management Proxy Circular mean U.S. dollars unless otherwise indicated. References to “Cdn\$” mean Canadian dollars.

MEETING MATERIALS

Notice-and-Access

The Company has decided to use the notice and access mechanism (the “**Notice-and-Access Provisions**”) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) for the delivery of this Management Proxy Circular, the annual audited consolidated financial statements of the Company for the year ended December 31, 2013 (“**Financial Statements**”) and management’s discussion and analysis of the Company’s results of operations and financial condition for the year ended December 31, 2013 (“**MD&A**”) (collectively, the “**Meeting Materials**”) to shareholders for the Meeting. Ivanhoe has adopted this alternative means of delivery in order to further its commitment to environmental sustainability and to reduce its printing, materials and mailing costs.

Under the Notice and Access Provisions, instead of receiving printed copies of the Meeting Materials, shareholders will receive a notice (“**Notice**”) with information on the Meeting date, location and purpose, as well as information on how they may access the Meeting Materials electronically and how they may vote.

Shareholders with existing instructions on their account to receive printed materials and those shareholders with addresses outside of Canada and the United States will continue to receive a printed copy of the Meeting Materials with the Notice.

Requesting Printed Meeting Materials

Shareholders can request that printed copies of the Meeting Materials be sent to them by postal delivery at no cost to them up to one year after the date this Management Proxy Circular was filed on SEDAR by

calling our transfer agent, CST Trust Company, toll-free at 1-888-433-6443 or the Company's Corporate Secretary at 604-688-6630 (which is not a toll-free number).

APPOINTMENT OF PROXYHOLDERS

The individuals named in the accompanying proxy form are directors and/or officers of the Company. **A shareholder may appoint, as proxyholder or alternate proxyholder, a person or persons other than any of the persons designated in the accompanying proxy form, and may do so either by inserting the name or names of such persons in the blank space provided in the accompanying proxy form or by completing another suitable proxy form.**

An appointment of a proxyholder or alternate proxyholder will not be valid unless a proxy form making the appointment, signed by the shareholder or by an attorney of the shareholder authorized in writing, is deposited with CST Trust Company:

- (a) by facsimile to 1-866-781-3111 (toll free in Canada and the United States) or 1-416-368-2502 (outside Canada and the United States),
- (b) by mail to P.O. Box 721, Agincourt, Ontario, M1S 0A1,
- (c) by email to proxy@canstockta.com (French language proxies to be sent to procuration@canstockta.com),
- (d) by hand to The Oceanic Plaza, 1600 - 1066 Hastings Street, Vancouver, British Columbia, V6E 3K9 or 320 Bay Street, Banking Hall Level, Toronto, Ontario, M5H 4A6,
- (e) by telephone at 1-888-489-5760 (toll free in Canada and the United States) from a touch tone phone, or
- (f) by Internet voting as described below,

and, in each case, must be received by CST Trust Company not later than 1:00 PM (Pacific time) on Thursday, May 1, 2014, or 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or any adjournment(s) or postponement(s) thereof, at which the proxy form is to be used.

In order to vote by Internet, you must have the proxy form you received available and access the website at <http://www.cstvotemyproxy.com>. You will be prompted to enter the 13-digit Control Number, which is located on the reverse side of the proxy form that you will have received.

If your shares are held in "street name" (meaning through a broker or other nominee name) for your account, your broker or other nominee will advise you whether you may vote through the Internet. A number of banks and brokerage firms participate in programs that permit their clients to vote their shares through the Internet.

REVOCATION OF PROXIES

A shareholder who has given a proxy may revoke it:

- (a) by voting again by telephone, email or on the Internet before 1:00 PM (Pacific time) on Thursday, May 1, 2014;
- (b) by completing a proxy form that is dated later than the proxy form you are changing, and mailing it to CST Trust Company, Proxy Department, P.O. Box 721, Agincourt, Ontario, M1S 0A1, or by facsimile to 1-866-781-3111, so that it is received before 1:00 PM (Pacific time) on Thursday, May 1, 2014;
- (c) by sending a notice in writing from you or your authorized attorney (or, if the shareholder is a corporation, by a duly authorized officer) revoking the proxy, to the Corporate

Secretary of the Company so that it is received before 1:00 PM (Pacific time) on Thursday, May 1, 2014; or

- (d) by giving a notice in writing from you or your authorized attorney (or, if the shareholder is a corporation, by a duly authorized officer) revoking your proxy to the chair of the Meeting, at the Meeting.

The revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

EXERCISE OF DISCRETION

On a poll, the nominees named in the accompanying proxy form will vote, or withhold from voting or vote against (as applicable), the Common Shares (as herein defined) represented thereby in accordance with the instructions of the shareholder that submitted the proxy. The proxy form confers discretionary authority on the nominees named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the proxy form, the nominees named in the accompanying proxy form will vote the Common Shares represented by the proxy form at their own discretion, except where Management recommends that shareholders vote in favour of a matter, in which case the nominees will vote FOR the approval of such matter.

As of the date of this Management Proxy Circular, management of the Company knows of no amendment, variation or other matter that may come before the Meeting, but if any amendment, variation or other matter properly comes before the Meeting, each nominee named in the accompanying proxy form intends to vote thereon in accordance with the nominee's best judgment or as stated above.

VOTING BY NON-REGISTERED SHAREHOLDERS

Only registered shareholders ("**Registered Shareholders**") of the Company or the persons they appoint as their proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders ("**Non-Registered Shareholders**") because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares or through which the Common Shares are held. Common Shares beneficially owned by a Non-Registered Shareholder are registered either:

- (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder deals with in respect of the Common Shares of the Company (Intermediaries include, among others, banks, trust companies, securities dealers, securities brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or
- (b) in the name of a clearing agency (such as CDS Clearing and Depositary Services Inc.) of which the Intermediary is a participant.

Pursuant to NI 54-101, the Company has distributed copies of the Management Proxy Circular and the other proxy-related materials in connection with the Meeting (the "**Meeting Materials**") to Non-Registered Shareholders indirectly through Intermediaries using the Notice and Access Provisions. The Company is not using the Notice and Access Provision to send Meeting Materials directly to Non-Registered Shareholders, nor does the Company intend to pay for the cost of intermediaries to deliver the Meeting Materials to beneficial owners of Common Shares who have objected to an intermediary disclosing their beneficial ownership information ("**OBOs**").

Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. The Company will pay the fees and cost of the Intermediaries for their services in delivering the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either be given:

- (a) a voting instruction form which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Shareholder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “**voting instruction form**”) which the Intermediary must follow. Typically, the voting instruction form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the voting instruction form will consist of a regular proxy form accompanied by a page of instructions, which contains a removable label with a bar code and other information. In order for the proxy form to validly constitute a voting instruction form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the proxy form, properly complete and sign the proxy form and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company; or
- (b) a proxy form which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the proxy form, this proxy form is not required to be signed by the Non-Registered Shareholder when submitting the proxy form. In this case, the Non-Registered Shareholder who wishes to submit a proxy form should properly complete the proxy form and deposit it with the Company, c/o CST Trust Company, Suite 1600, The Oceanic Plaza, 1066 Hastings Street, Vancouver, British Columbia, V6E 3K9 or 320 Bay Street, Banking Hall Level, Toronto, Ontario, M5H 4A6.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the persons named in the proxy form and insert the Non-Registered Shareholder's name or such other person's name in the blank space provided. **Non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or voting instruction form is to be delivered.**

A Non-Registered Shareholder may revoke a proxy or voting instruction form given to an Intermediary by contacting the Intermediary through which the Non-Registered Shareholder's Common Shares are held and following the instructions of the Intermediary respecting the revocation of proxies. In order to ensure that an Intermediary acts upon a revocation of a proxy or voting instruction form, the written notice should be received by the Intermediary well in advance of the Meeting.

VOTES NECESSARY TO PASS RESOLUTIONS

Pursuant to the Articles of Continuation (the “**Articles**”) of the Company, a quorum for the transaction of business at any meeting of shareholders is at least two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued Common Shares entitled to be voted at the Meeting.

Pursuant to the *Business Corporations Act* (British Columbia) (“**BCBCA**”) and the Articles, a simple majority of the votes cast at the Meeting is required to pass an ordinary resolution and a majority two-thirds of the votes cast at the Meeting is required to pass a special resolution.

At the Meeting, shareholders will be asked to consider and, if thought advisable, to: (i) pass an ordinary resolution to set the number of directors of the Board at ten (10); (ii) pass an ordinary resolution to elect directors to the Board; (iii) pass an ordinary resolution to re-appoint auditors for the ensuing year and authorize the directors to set their remuneration; and (iv) pass an ordinary resolution to approve and

reconfirm the Equity Incentive Plan of the Company in accordance with TSX requirements, as well as an amendment to that plan.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

The Company is unaware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Company or is a proposed nominee for election as a director of the Company (or an associate or affiliate of such director, director nominee or executive officer) at any time since the beginning of the Company's last financial year in any matter to be acted upon at the Meeting, other than the election of directors and other than as a participant in the Equity Incentive Plan of the Company.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company has an authorized share capital consisting of an unlimited number of Class A Common shares without par value (the "**Class A Shares**"), an unlimited number of Class B Common shares without par value (the "**Class B Shares**", and together with the Class A Shares, the "**Common Shares**"), and an unlimited number of Preferred shares without par value. The holders of Common Shares are entitled to receive notice of, and to attend all meetings of Ivanhoe shareholders and to have one vote for each Common Share held, except to the extent specifically limited by the BCBCA.

As of March 24, 2014 the Company had outstanding (i) 575,964,092 fully paid and non-assessable Class A Shares without par value, and (ii) 8,493,120 fully paid and non-assessable Class B Shares without par value. As of such date, there were no Preferred shares issued and outstanding.

A holder of record of one or more Class A Shares (as defined herein) on the securities register of the Company on the Record Date who either attends the Meeting personally or deposits a proxy form in the manner and subject to the provisions described above will be entitled to vote or to have such Class A Shares voted at the Meeting, except to the extent that:

- (a) the shareholder has transferred the ownership of any Class A Shares after the Record Date; and
- (b) the transferee produces a properly endorsed share certificate for, or otherwise establishes ownership of, any of the transferred Class A Shares and makes a demand to CST Trust Company no later than ten (10) days before the Meeting that the transferee's name be included in the list of shareholders in respect thereof.

To the knowledge of the Company's directors and executive officers, as at March 24, 2014:

- (a) the only persons who beneficially own, or control or direct, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to all outstanding Common Shares of the Company, and the approximate number of Common Shares so owned, controlled or directed, and the percentage of voting shares of the Company represented by such shares; and
- (b) the aggregate share ownership by the current directors and executive officers of the Company as a group;

are as follows:

Name and Address of Beneficial Owner	Number of Voting Shares Beneficially Owned	Percentage of Voting Shares Outstanding
Robert M. Friedland 150 Beach Road #25-03 The Gateway West Singapore 189720	147,966,755 ⁽¹⁾⁽²⁾	25.32%

Name and Address of Beneficial Owner	Number of Voting Shares Beneficially Owned	Percentage of Voting Shares Outstanding
Ontario Teachers' Pension Plan Board 5650 Yonge Street Toronto, Ontario Canada M2M 4H5	64,123,825 ⁽³⁾	10.97%
Directors and Executive Officers as a group	155,437,767 ⁽¹⁾⁽⁴⁾	26.60%

Notes:

- (1) Beneficial ownership is determined in accordance with applicable securities laws and generally includes voting or investment power with respect to securities.
- (2) Includes 135,335,035 issued Common Shares held indirectly through Newstar Securities SRL, HHC Holdings SRL and Evershine SRL, companies beneficially owned and controlled by Mr. Friedland and 12,631,720 issued Common Shares held directly by Mr. Friedland. Mr. Friedland also has the right to acquire 5,600,000 unissued Common Shares that are exercisable under incentive stock options. Those options are currently exercisable into Common Shares within 60 days and may therefore be deemed outstanding for certain purposes under securities laws, and are in addition to the Common Shares reported in the table above.
- (3) Information is based solely on an alternative monthly report filed on October 10, 2013.
- (4) Directors and executive officers also have the right to acquire the aggregate of 10,187,500 unissued Common Shares that are exercisable under incentive stock options. Those options are currently exercisable into Common Shares within 60 days and may therefore be deemed outstanding for certain purposes under securities laws, and are in addition to the Common Shares reported in the table above.

STATEMENT OF EXECUTIVE COMPENSATION

The executive compensation disclosure is provided in Schedule 2.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity participation is accomplished through the Company's Amended and Restated Employees' and Directors' Equity Incentive Plan dated May 4, 2012 (the "**Equity Incentive Plan**"). The Equity Incentive Plan is the only equity compensation plan the Company has in effect involving the potential issuance of securities from treasury and is intended to further align the interests of the Company's directors and employees with the Company's long term performance and the long term interests of the Company's shareholders. Prior to the adoption of the Equity Incentive Plan, options were granted to certain directors, officers, employees and consultants pursuant to Option Agreements. The following information is as at March 24, 2014:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by the securityholders	n/a	n/a	n/a
Equity compensation plans not approved by the securityholders ⁽¹⁾	31,445,000	\$2.29	26,151,409
Total	31,445,000	\$2.29	26,151,409

Notes:

- (1) Includes 20,075,000 Class A Shares reserved for future issuance pursuant to issued and unexercised options under Option Agreements.

Summary of the Equity Incentive Plan

Purpose

Pursuant to the Equity Incentive Plan, the Board may from time to time, grant to eligible participants: (i) non-transferable options; (ii) Class A Shares by way of a bonus-in-kind; and (iii) the right to participate in a common share purchase plan (the “**Purchase Plan**”). The purpose of the Equity Incentive Plan is to secure for the Company and its shareholders the benefits of incentives inherent in share ownership by the employees and directors of the Company and its affiliates who, in the judgment of the Board, will be largely responsible for the Company's future growth and success. Eligible participants include directors, employees and service providers of the Company and any of its affiliates.

Limits of Issuance

The aggregate number of Class A Shares that may be reserved for issuance as options under the Equity Incentive Plan (excluding those allocated for issuance as bonus shares and under the Purchase Plan, as described below), together with any other security based compensation arrangements of the Company outstanding from time to time, shall not exceed 10% of the issued and outstanding Class A Shares from time to time. The Equity Incentive Plan is a “rolling plan” and, in accordance with the rules of the TSX options that have been cancelled, have expired or have been exercised will be available to be re-granted under the Equity Incentive Plan and, will not reduce the aggregate number of Class A Shares that may be subject to issuance under the Equity Incentive Plan.

Insider Participation Limit

The aggregate number of Class A Shares (together with any other securities-based compensation arrangements of the Company in effect from time to time): (i) that may be reserved for issuance to insiders under the Equity Incentive Plan (or when combined with all of the Company's other security based compensation arrangements) shall not exceed 10% of the outstanding Class A Shares from time to time; (ii) that may be issued to insiders under the Equity Incentive Plan (or when combined with all of the Company's other security based compensation arrangements) within any one-year period shall not exceed 10% of the Company's outstanding Class A Shares from time to time; and (iii) that may be issued to any one insider and his or her associates under the Equity Incentive Plan within any one-year period shall not exceed 5% of the Company's outstanding Class A Shares from time to time.

Options Terms and Exercise Price

The Board may at any time authorize the granting of options to such eligible participants as it may select, for the number of Class A Shares that it shall designate subject to the provisions of the Equity Incentive Plan. The term of any options granted shall be five years from the date such option is granted (or such greater or lesser duration as the Board, on the recommendation of the Compensation and Human Resources Committee of the Board, may determine at the date of grant), provided that if the expiry date should be determined to occur during a “blackout period” or within ten days following the expiry of such a period, the expiry date of such option shall be deemed to be the tenth business day following expiry of the blackout period. Each option shall have an exercise price equal to the weighted average price of the Class A Shares on the TSX for the five days on which the Class A Shares were traded immediately preceding the date of grant and have a term of five years from the date such option is granted or such greater or lesser duration as the Board may determine at the date of grant.

Option Vesting

Unless otherwise determined by the Board, options shall vest (in each case to the nearest full Class A Share) in four equal parts, representing 25% of the options, commencing on the one year anniversary of the date of grant and on each of the three anniversaries thereafter.

Alternative Exercise

Eligible participants may elect to, in lieu of the exercise of an option, receive that number of Class A Shares which is equal to the quotient obtained by: (i) subtracting the option exercise price per Class A

Share from the weighted average price of the Class A Shares on the TSX for the five days immediately preceding the date of such election and multiplying that amount by the number of Class A Shares issuable on exercise of the options subject to election; and (ii) dividing the product obtained from (i) by the weighted average price of the Class A Shares on the TSX for the five trading days immediately preceding the date of such election.

Effect of Termination of Employment or Death

Unless otherwise determined by the Board, if an eligible participant ceases to be employed by, or act as, a director of the Company or its affiliate: (i) as a result of death, any option held by such eligible participant at the date of death shall be exercisable only to the extent that the eligible participant was entitled to exercise the option at the date of their death and only for 12 months after such date or the expiration of the option, whichever is sooner; (ii) for any reason other than death or cause, any option held by such eligible participant at the effective date thereof shall become exercisable, only to the extent that the eligible participant was entitled to exercise the option at the date, for a period of up to 90 days thereafter or the expiration of the option, whichever is sooner; or (iii) for cause, no option held by such eligible participant will be exercisable following the date on which such eligible participant ceased to be employed or to be a director, as the case may be.

Loans to Employees

Subject to applicable law, the Board may at any time authorize the Company to loan money to an eligible participant (excluding any director or executive officer or equivalent thereof), on such terms and conditions as the Board may reasonably determine, to assist such eligible participant to exercise an option held by them.

Bonus Class A Share Issuances

The Board shall have the right to issue or reserve for issuance, for no cash consideration, to any eligible participant, any number of Class A Shares as a discretionary bonus subject to such provisos and restrictions as the Board may determine. The aggregate maximum number of Class A Shares that may be issued in the form of a bonus will be limited to 3,000,000 Class A Shares (equal to 0.51 % of the Common Shares issued and outstanding). At the Meeting, it is proposed to amend the Equity Incentive Plan to increase this limit to 5,000,000 Class A Shares (equal to 0.86% of the Common Shares issued and outstanding).

Purchase Plan

Eligible participants who have been continuously employed by the Company or any of its affiliates on a full-time basis for at least 12 consecutive months may, at the Board's discretion, contribute an amount equal to not more than 10% of their base salary towards the purchase of Class A Shares. In addition to the amount contributed by the eligible participant, the Company will contribute an additional amount determined by the Board, which shall not exceed the amount contributed by the eligible participant. On March 31, June 30, September 30 and December 31 in each calendar year the Company will issue to each contributing eligible participant that number of Class A Shares, rounded down to the nearest whole Class A Share, which is equal to the aggregate amount of the eligible participant's contribution and the Company's contribution divided by the weighted average price of the shares on the TSX for the 90-day period immediately preceding the date of issuance. The aggregate maximum number of shares that may be issued pursuant to this Purchase Plan will be limited to 3,000,000 Class A Shares.

If an eligible participant dies or otherwise ceases to be employed by the Company or any of its affiliates for any reason or receives notice from the Company of the termination of his or her employment, any amounts contributed by the eligible participant but not yet applied to the purchase of Class A Shares shall be paid to the eligible participant or their estate or successor as the case may be.

To date, the Board has not made the Purchase Plan available for participation by its eligible employees.

Amendments

The Board may amend the terms of the Equity Incentive Plan without shareholder approval, including for the purposes of: changes of a clerical or grammatical nature; changes regarding the persons eligible to participate in the Equity Incentive Plan; changes to the exercise price, vesting, term and termination provisions of options; changes to the cashless exercise right provisions; changes to the share bonus plan provisions (other than the maximum number of Class A Shares issuable under the bonus share plan); changes to the authority and role of the Compensation and Human Resources Committee under the Plan; changes to the acceleration and vesting of options in the event of a takeover bid; and any other matter relating to the Equity Incentive Plan and the options and awards granted thereunder; except in those circumstances set forth in the Equity Incentive Plan as requiring shareholder approval and as required by applicable securities regulatory authorities or any stock exchange upon which the Class A Shares are then listed.

Securities Issued and Unissued under the Equity Incentive Plan

As at March 24, 2014, there are 575,964,092 Class A Shares of the Company issued and outstanding. Pursuant to the Equity Incentive Plan and based on the current outstanding Class A Shares of the Company, Class A Shares reserved for issuance under the Equity Incentive Plan would be as follows:

	Number of Class A Shares	% of Issued and Outstanding Class A Shares ⁽⁵⁾
Class A Shares reserved for future issuance pursuant to issued and unexercised options under the Equity Incentive Plan ⁽¹⁾⁽²⁾	11,370,000	1.97%
Unissued Class A Shares available for future option grants under the Equity Incentive Plan ⁽³⁾	26,151,409	4.54%
Maximum number of Class A Shares available for issuance under the Equity Incentive Plan ⁽⁴⁾	57,596,409	10%

Notes:

- (1) The Equity Incentive Plan has not been previously approved by shareholders.
- (2) Excludes 20,075,000 Class A Shares reserved for future issuance pursuant to issued and unexercised options under Option Agreements.
- (3) Calculated as the difference between the maximum number of Class A Shares available for issuance under the Equity Incentive Plan and the sum of all Class A Shares reserved for future issuance pursuant to issued and unexercised options under the Equity Incentive Plan and the Option Agreements (as described in Note (2) above).
- (4) Excluding the bonus shares and the Purchase Plan.
- (5) Based on 575,964,092 outstanding Class A Shares of the Company.

Option Agreements

Each of the options issued under an Option Agreement has a term of five years from the date of the grant. Options vest over a four year period. Upon issuance, 20% of the options issued vest immediately and the remaining portion vest on the anniversary date of the date of grant each year thereafter at the rate of 20% per annum over the four-year period. The Board has also authorized the holders of options to utilize alternative exercise rights in a manner substantially the same as that applicable under the Equity Incentive Plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than routine indebtedness, at no time during the Company's most recently completed financial year was any director, executive officer or proposed management nominee for election as a director of the Company, or any associate of any such director, executive officer or proposed nominee, indebted to the Company or any of its subsidiaries, or to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed below, the Company is unaware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

The Company is a party to a cost sharing agreement with Ivanhoe Energy Inc. (TSX; NASDAQ), Kaizen Discovery Inc. (TSX-V), Ivanhoe Capital Corporation, GoviEx Uranium Inc. and I-Pulse Inc. Except for GoviEx Uranium Inc., Mr. Friedland, Executive Chairman of the Company, has a material direct or indirect beneficial interest in these companies. Through these agreements, the Company shares, on a cost-recovery basis, office space, furnishings, equipment and communications facilities in Vancouver, Singapore and London. The Company also shares the costs of employing administrative and certain management personnel in these offices. In 2013, the Company's share of these costs was \$5.8 million. In 2001, the Company agreed, as part of the cost sharing arrangements and in connection with Mr. Friedland's position as the Executive Chairman, to share the costs of operating an aircraft owned by a private company of which Mr. Friedland is the sole shareholder. The Company paid \$1.2 million towards aircraft operating costs in 2013.

In October 2013, Mr. Friedland, the Executive Chairman of the Company, subscribed for an aggregate of 12,500,000 Common Shares in a private placement for gross proceeds to the Company of Cdn\$25 million. The private placement was completed in reliance on available exemptions from the formal valuation and minority shareholder approval requirements contained in Multilateral Instrument 61-101.

MANAGEMENT CONTRACTS

Management functions of the Company and its subsidiaries are not performed by a person or persons other than the directors or senior officers of the Company.

CORPORATE GOVERNANCE DISCLOSURE

The Board is responsible for the overall corporate governance of the Company, and it recognizes the need for the highest standards of behavior and accountability. Please refer to Schedule 3 for the Corporate Governance Disclosure required under National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

ADDITIONAL INFORMATION

Additional information relating to the Company is available free of charge through the Company's website at www.ivanhoemines.com or through the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com. This includes the Company's comparative financial statements and management's discussion and analysis for its most recently completed financial year, which may be viewed on the SEDAR website. Securityholders may contact the Company directly to receive copies of information relating to it, including its financial statements and management's discussion and analysis, without charge, upon written or oral request to Mary Vincelli, Corporate Secretary, Suite 654-999 Canada Place, Vancouver, British Columbia, V6C 3E1, or by telephone at (604) 688-6630 (not a toll-free number).

DATED at Vancouver, British Columbia as of the 26th day of March, 2014.

BY ORDER OF THE BOARD OF DIRECTORS

"Mary Vincelli"

Mary Vincelli
Corporate Secretary

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

1. ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed. Management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed:

Mr. Robert M. Friedland
Mr. Ian D. Cockerill
Mr. Peter G. Meredith
Mr. Charles J. Russell
Dr. Markus Faber
Mr. William G. Lamarque
Mr. William B. Hayden
Mr. Oyvind Hushovd
Mr. Guy J. de Selliers
Dr. Rilwanu Lukman

Unless such authority is withheld, proxies given pursuant to the solicitation by the management of the Company will be voted FOR the nominees listed in this Management Proxy Circular. Management does not contemplate that any of the nominees will be unable to serve as a director.

The Board currently consists of ten (10) directors. The Company is requesting that the shareholders consider and, if thought advisable, approve an ordinary resolution at the Meeting to set the number of directors of the Board at ten (10) directors for the ensuing year.

On February 6, 2013, the Board adopted a majority voting policy (the “**Majority Voting Policy**”) required by the rules of the TSX. The Majority Voting Policy states that, in an uncontested election, any nominee who receives a greater number of votes “withheld” than “for” must submit his or her resignation promptly after the Meeting for the Nominating and Corporate Governance Committee’s consideration. The Board will determine, based on the recommendation of the Nominating and Corporate Governance Committee, whether or not to accept such director’s offer to resign and announce in a press release its determination (and the reasons for rejecting the resignation if applicable) within ninety (90) days following the date of the Meeting. See Schedule 3 “Corporate Governance – Majority Voting Policy” for a further description of the Majority Voting Policy.

The director tables in Schedule 1 provide information on the nominees proposed for election to the Board. Included in these tables is information relating to each nominee’s committee memberships, meeting attendance, other public company directorships, ownership of Company securities, principal occupation, business or employment and the period of time during which each has been a director of the Company. The statement as to Common Shares and other securities beneficially owned, directly or indirectly, or over which control or direction is exercised by the nominees is in each instance based upon information furnished by the nominee concerned and is as at March 24, 2014.

Summary of Board and Committee Meetings Held

The following table summarizes the meetings of the Board and the committees held during the year ended December 31, 2013:

	Number of Meetings
Board of Directors	7
Audit Committee	4
Compensation and Human Resources Committee	5
Nominating and Corporate Governance Committee	4

	Number of Meetings
Sustainability Committee	2
Independent Directors	1
Non-Executive Directors	2

During 2013, five (5) meetings of the Board were held by teleconference and two (2) meetings of the Board were held in person. One (1) resolution was passed in writing by the Board. Resolutions in writing must be executed by all of the directors entitled to vote on a matter in order to be effective.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of management, except as disclosed herein, no director or executive officer of the Company is, as of the date of this Management Proxy Circular, or was, within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including Ivanhoe) that was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued: (i) while such person was acting in that capacity; or (ii) after such person was acting in such capacity and which resulted from an event that occurred while that person was acting in such capacity.

Lars-Eric Johansson served, from June 2004 to April 2006, as the Executive Vice-President and Chief Financial Officer of Kinross Gold Corporation ("**Kinross**"), a reporting issuer in all of the Provinces of Canada. Kinross Gold Corporation was subject to a management cease trading order issued by the Ontario Securities Commission on April 1, 2005 for failure to file its annual financial statements in the prescribed time period. Kinross became current in its filings on February 22, 2006 and the management cease trading order was lifted on that date.

Mr. Lamarque serves as the Chief Executive Officer of Ecometals Limited ("**Ecometals**"). On October 3, 2013 a Cease Trade Order against Ecometals was issued by the British Columbia Securities Commission for failing to file its audited financial statements and associated filings for the year ending March 31, 2013. Ecometals has confirmed that it continues to work with its auditors to complete the filings as soon as its financial condition allows.

To the knowledge of management, except as disclosed herein, no director or executive officer of the Company, or shareholder holding a sufficient number of securities to affect materially the control of the Company is, as of the date of this Management Proxy Circular, or has been, within 10 years before the date hereof, a director or executive officer of any company that, while such person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Cockerill was a non-executive director of Peterstow Holdings from August 2010 to March 2012. In August 2012, Peterstow Holdings applied for an order from the High Court in Swaziland to be placed under provisional liquidation. Mr. Cockerill is a minority shareholder of Peterstow Holdings, owning less than 1% of the issued and outstanding capital of the company.

Dr. Lukman was a director of MPF Corp., Ltd. from June 2007 through September 2008 at which time the company filed a voluntary petition for reorganization under Chapter 11 in the U.S. Bankruptcy Court for the Southern District of Texas, in joint administration with MPF Holding U.S. LLC. During the time that Dr. Lukman was a member of the board, no board meetings were held and Dr. Lukman received no fees from the company.

Mr. Lamarque was a director of Century Mining Corporation ("**Century**") until it was purchased through a statutory plan of arrangement by White Tiger Gold Ltd. ("**White Tiger**") in October 2011. On May 25, 2012, White Tiger announced that Century had received a notice from Deutsche Bank AG, London

Branch, that it was in breach of certain contractual commitments and that Deutsche Bank would be enforcing its security on the property of Century.

To the knowledge of management, no director or executive officer of the Company, or shareholder holding a sufficient number of securities to affect materially the control of the Company has, within the 10 years before the date of this Management Proxy Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

To the knowledge of management, no director or executive officer of the Company, or shareholder holding a sufficient number of securities to affect materially the control of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

2. APPOINTMENT OF AUDITORS

At the Meeting shareholders will be asked to appoint an auditor for the ensuing year. If there is more than one nominee for appointment as the Company's auditor, the nominee receiving the greatest number of votes will be appointed. If there is only one nominee for appointment as auditor, such nominee will be declared appointed by acclamation.

Deloitte LLP, Chartered Accountants, will be nominated at the Meeting for re-appointment as the Company's auditors at a remuneration to be fixed by the directors. Deloitte LLP has been the Company's auditors since May 1998.

Unless such authority is withheld, the nominees identified on the proxy form intend to vote FOR the re-appointment of Deloitte LLP as the auditors of the Company to hold office for the ensuing year at the remuneration to be fixed by the Directors.

3. APPROVAL AND RECONFIRMATION OF THE EQUITY INCENTIVE PLAN AND APPROVAL OF PROPOSED AMENDMENT

The Company's only security based compensation arrangement is the "Equity Incentive Plan", a summary of which is included in this Management Proxy Circular under the heading "*Securities Authorized For Issuance Under Equity Compensation Plans – Summary of the Equity Incentive Plan*".

The Equity Incentive Plan was first adopted in 2011, prior to the Company's listing on the TSX and its initial public offering in October, 2012. Accordingly, the three year term prescribed by the TSX expires in 2014. Shareholders will be asked to consider, and, if deemed appropriate, to approve an ordinary resolution, the full text of which is reproduced below, re-approving and confirming the Company's Equity Incentive Plan and any unallocated options and entitlements.

In addition, the Company proposes to increase the maximum number of Common Shares available under the share bonus provisions of the Equity Incentive Plan from 3,000,000 to 5,000,000 Class A Shares, an increase of 2,000,000 which represents approximately 0.34% of the total issued and outstanding Common Shares.

The text of the ordinary resolution reads as follows:

1. Subject to receipt of approval of the Toronto Stock Exchange, the equity incentive plan, as amended (the "Equity Incentive Plan"), described in the Management Proxy Circular of the Company dated March 26, 2014 and any unallocated options or other entitlements thereunder, be and they are hereby reconfirmed, authorized, ratified and approved in entirety, subject to such amendments as may be required by the Toronto Stock Exchange;

2. The Company is authorized to continue granting entitlements in accordance with the terms and conditions of the Equity Incentive Plan until May 5, 2017, being the date that is three (3) years from the date where shareholder approval is being sought; and

3. Any director or officer of the Company is authorized to execute and deliver all other documents and do all other acts and things as may be necessary or desirable to give effect to this resolution.

This approval will be effective for three years from the date of the Meeting. If approval is not obtained at the Meeting, options and other entitlements which have not been allocated as of the Meeting date and options and other entitlements which are outstanding as of the Meeting date and which are subsequently cancelled, terminated or exercised will not be available for a new grant under the Equity Incentive Plan. Previously allocated options and other entitlements will continue to be unaffected by the approval or disapproval of this resolution.

Unless such authority is withheld, the nominees identified on the proxy form intend to vote FOR the foregoing resolution approving and reconfirming the Company's Equity Incentive Plan, as amended.

OTHER BUSINESS

Management of the Company is not aware of any matter to come before the Meeting other than the matters referred to in the Notice of Meeting.

DIRECTORS' APPROVAL

The contents of this Management Proxy Circular and its distribution to shareholders have been approved by the Board.

SCHEDULE 1 – DIRECTOR TABLES



Robert M. Friedland

Singapore

Age: 63

Director Since: 2000

Director Status:
Non-Independent⁽¹⁾

Areas of Experience:
CEO/Board
International Finance
Mining Industry
Public Capital Markets
Managing/Leading Growth

Robert Friedland is the founder of the Company and has been the Executive Chairman and director since November 2000. He was formerly President of the Company from June 2003 to May 2008.

Mr. Friedland has served as the Executive Co-Chairman of Ivanhoe Energy Inc. since May 2008 and was Deputy Chairman from June 1999 to May 2008, President from May 2008 to May 2010, and Chief Executive Officer from May 2008 to December 2011.

Mr. Friedland was the founder of Ivanhoe Mines Ltd. (now Turquoise Hill Resources Ltd.) ("**Former Ivanhoe Mines**") and served as Executive Chairman and Chief Executive Officer until April 2012. He directed the assembly by Former Ivanhoe Mines of a portfolio of interests in several countries over 15 years and led the company's discoveries and initial development of the Oyu Tolgoi copper-gold-silver deposits in southern Mongolia.

Mr. Friedland is also Chairman and President of Ivanhoe Capital Corporation, a private company based in Singapore that specializes in providing venture capital and project financing for international business enterprises, predominantly in the fields of energy and minerals. He was the Chairman of Potash One Inc. from May 2009 to January 2011.

In March 2012, Mr. Friedland was recognized as Mining Personality of the Year at the inaugural Asia Mining Awards, sponsored by the Mines & Money conference and the Asia Mining Club in Hong Kong, which cited his role in Mongolia's emergence as a major destination for mining investment. Former Ivanhoe Mines' Oyu Tolgoi copper-gold mining complex was voted Project Development of the Year.

Mr. Friedland received the Dealmaker of the Year award for Former Ivanhoe Mines from Australia's Diggers and Dealers Mining Forum in August 2011. In June 2009, Canada's Northern Miner publishing group named Mr. Friedland one of Canada's Super Seven Dynamos who have track records of turning junior companies into major success stories. The publishing group also named him the 2006 Mining Person of the Year for his success in negotiating a strategic partnership with Rio Tinto International Holdings Limited to develop Former Ivanhoe Mines' Oyu Tolgoi project in Mongolia. The Mongolian government's Foreign Investment and Foreign Trade Agency recognized Mr. Friedland with consecutive Investor Envoy of the Year awards in 2003 and 2002. Mr. Friedland holds a Bachelor of Arts in Political Science from Reed College.

Principal Occupation, Business or Employment

Founder and Executive Chairman (November 2000 – present), Executive Chairman (March 1994 – April 2012) and Chief Executive Officer (October 2010 – April 2012), Former Ivanhoe Mines; Chairman (January 1991 – present) and President (July 1988 – present), Ivanhoe Capital Corporation; Founder and Executive Co-Chairman (May 2008 – present), President (May 2008 – May 2010), Chief Executive Officer (May 2008 – December 2011), and Deputy Chairman (June 1999 – May 2008), Ivanhoe Energy Inc.

Board/Committee Membership:	Attendance:		Public Board Membership:	
			Company:	Since:
Board of Directors	5 of 7	71%	Ivanhoe Energy Inc. (TSX; NASDAQ)	1995
Total:	5 of 7	71%		

Common Shares Beneficially Owned, Controlled or Directed:

Year	Common Shares ⁽³⁾	Total Market Value of Common Shares	Minimum Required
2014	147,966,755	\$223,429,800 ⁽⁴⁾	See Note (6)
2013	135,335,035	\$573,820,548.40 ⁽⁵⁾	See Note (6)

Options Held:

Date Granted	Expiry Date	Number Granted	Vested / Unvested	Exercise Price	Total Unexercised	Value of Options Unexercised ⁽⁹⁾
Dec. 13, 2013	Dec. 13, 2018	1,000,000	0 / 1,000,000	Cdn\$1.98 ⁽⁷⁾	1,000,000	Nil
Feb. 17, 2011	Feb. 17, 2016	6,000,000	4,800,000 / 1,200,000	\$2.40 ⁽⁸⁾	6,000,000	Nil
Sep. 9, 2010	Sep. 9, 2015	1,000,000	800,000 / 200,000	\$1.80 ⁽⁸⁾	1,000,000	Nil



Ian D. Cockerill
Gauteng, South Africa
Age: 59

Director Since: May 2011

Director Status:
Independent⁽²⁾

Areas of Experience:
CEO/Board
Governance
Compensation
Mining Industry
International Project
Management
Public Capital Markets

Ian Cockerill has been a director of the Company since May 2011 and is currently the Lead Independent Director. Mr. Cockerill has more than 35 years' experience in the global resources industry. In addition to Ivanhoe, Mr. Cockerill serves on the boards of Petmin Limited, a junior natural resources company, Endeavour Mining Corporation, a gold producer company, African Minerals Limited, a minerals exploration, development and mining company, Hummingbird Resources Limited, a gold exploration company with interests in Liberia, Blackrock World Mining Trust plc, a United Kingdom-based investment trust company and Orica Limited, a mining services company. Mr. Cockerill also acts as an advisor to several other companies in the mining field.

As Chairman of the Leadership for Conservation in Africa, a not-for-profit initiative, Mr. Cockerill has been engaged in promoting conservation and sustainable development across the African continent, in partnership with the South African Parks Board, global business leaders and the International Union for Conservation of Nature.

Mr. Cockerill's involvement in the mining industry began as a geologist in 1975. He commenced work with Anglo American Corporation ("Anglo") in January 1979, where he held various managerial positions mainly in the Gold and Uranium division, later AngloGold Limited. Between 1996 and 1999, Mr. Cockerill was Executive director – Business Development and Executive Officer, African International Operations of AngloGold Limited. Subsequent to his work with Anglo, Mr. Cockerill accepted the position of Managing Director and Chief Operating Officer with Gold Fields Limited in June 1999, a position he held until he was appointed President and Chief Executive Officer in July 2002. In June 2008, Mr. Cockerill joined Anglo American plc as Chief Executive Officer, Anglo Coal, responsible for all global operations until retiring from that position in December 2009.

Mr. Cockerill completed his Bachelor of Science (Hons) in Geology (Chelsea College, University of London), Master of Science in Mining-Mineral Production Management (Royal School of Mines), MDP – Unisa, and an Advanced Management Programme (Templeton College, Oxford University).

Principal Occupation, Business or Employment

Director of Endeavour Mining Corporation (September 2013 – present); Non-Executive Director and Vice Chairman of African Minerals Limited (July 2013 – present); Executive Director (March 2010 – July 2010), Executive Chairman (July 2010 – February 2013) and Non-Executive Chairman (February 2013 – present) of Petmin Limited; Non-Executive Director of Orica Limited (September 2010 – present); Non-Executive Chairman of Hummingbird Resources Ltd. UK (October 2009 – present); Chief Executive Officer of Anglo Coal (June 2008 – December 2009); Chief Executive Officer and Managing Director of Gold Fields Ltd. (May 2002 – April 2008)

Board/Committee Membership:	Attendance:		Public Board Membership	
			Company:	Since:
Board of Directors	6 of 7	86 %	Hummingbird Resources plc (AIM)	2009
Nominating and Corporate Governance	4 of 4	100 %	Orica Limited (ASX)	2010
Compensation and Human Resources - Chair	5 of 5	100 %	Petmin Limited (AIM; JSE)	2010
Total:	15 of 16	94%	Endeavour Mining Corporation (TSX; ASX; OTCQX)	2013
			African Minerals Limited (AIM)	2013
			Blackrock World Mining Trust plc (LSE)	2013

Common Shares Beneficially Owned, Controlled or Directed:

Year	Common Shares ⁽³⁾	Total Market Value of Common Shares	Minimum Required
2014	Nil	Nil	See Note (6)
2013	Nil	Nil	See Note (6)

Options Held:

Date Granted	Expiry Date	Number Granted	Vested / Unvested	Exercise Price	Total Unexercised	Value of Options Unexercised ⁽⁹⁾
Feb. 17, 2011	Feb. 17, 2016	125,000	100,000 / 25,000	\$2.40 ⁽⁸⁾	125,000	Nil



Peter G. Meredith
British Columbia, Canada
Age: 70

Director Since: May 1998

Director Status:
Non-Independent⁽¹⁾

Areas of Experience:
CEO/Board
International Finance
Mining Industry
Public Capital Markets

Peter Meredith has been a director of the Company since 1998.

Mr. Meredith is the former Deputy Chairman and Chief Financial Officer of the Former Ivanhoe Mines, where he was involved in overseeing business development and corporate relations. He also served as its Chief Financial Officer from May 2004 to May 2006, and from June 1999 to November 2001, and as its Deputy Chairman from May 2006 to April 2012. He served as a Director of Turquoise Hill Resources Ltd. from March 2005 to May 2013. Mr. Meredith was also Chairman of SouthGobi Resources Ltd. until September 2012.

Prior to joining Ivanhoe Mines Ltd., Mr. Meredith spent 31 years with Deloitte LLP, chartered accountants, and retired as a partner in 1996. Mr. Meredith is a Chartered Accountant and is a member of the Institute of Chartered Professional Accountants of British Columbia, the Institute of Chartered Professional Accountants of Ontario and the Ordre des Comptables Professionnels Agrées du Quebec.

Mr. Meredith was certified as a Chartered Accountant by the Canadian Institute of Chartered Accountants (1968).

Principal Occupation, Business or Employment

President and Chief Executive Officer, Global Mining Management Corporation (April 2006 – May 2013); Chairman of SouthGobi Resources Ltd. (October 2009 – September 2012); Chief Executive Officer of SouthGobi Resources Ltd. (June 2007 – October 2009); Deputy Chairman of Former Ivanhoe Mines (May 2006 - April 2012)

Board/Committee Membership:	Attendance:		Public Board Membership	
			Company:	Since:
Board of Directors	7 of 7	100 %	Great Canadian Gaming Corporation (TSX)	2000
Audit ⁽¹⁰⁾	3 of 3	100 %	Ivanhoe Energy Inc. (TSX; NASDAQ)	2007
Nominating and Corporate Governance – Chair ⁽¹¹⁾	1 of 1	100 %	Peregrine Diamonds Ltd. (TSX)	2013
Total:	11 of 11	100 %	Trevali Mining Corporation (TSX)	2013
			Kaizen Discovery Inc. (TSX-V)	2013

Common Shares Beneficially Owned, Controlled or Directed:

Year	Common Shares ⁽³⁾	Total Market Value of Common Shares	Minimum Required
2014	1,304,825	\$1,970,285.75 ⁽⁴⁾	See Note (6)
2013	813,000	\$3,447,120 ⁽⁵⁾	See Note (6)

Options Held:

Date Granted	Expiry Date	Number Granted	Vested / Unvested	Exercise Price	Total Unexercised	Value of Options Unexercised ⁽⁹⁾
N/A	N/A	N/A	N/A	N/A	N/A	N/A



Charles Russell has been a director of the Company since 2000. Currently retired, Mr. Russell has been a Chartered Mining Engineer since 1989. He has 45 years of international experience in the mining industry, over 25 of which were in Africa, during which time he acted as General Manager of National Iron Ore Company Ltd. in Liberia from January 1975 to November 1980. Mr. Russell was the General Manager of Ashanti Gold Fields Ltd. in Ghana from November 1980 to May 1983 and held senior management positions at Kilembe Mines Ltd. from July 1961 to January 1975.

Mr. Russell was the Vice President of Ivanhoe Capital Corporation from January 1993 to December 1995. He was President of Diamond Fields Resources Inc. from September 1993 to February 1994 and held senior management positions with Galactic Resources Ltd. from June 1987 to September 1992.

Mr. Russell obtained an Associateship of the Camborne School of Mines from the Camborne School of Mines, UK and is a Fellow of the Institute of Materials, Minerals and Mining.

Principal Occupation, Business or Employment

Retired (June 1995 – present)

Board/Committee Membership:	Attendance:		Public Board Membership	
			Company:	Since:
Board of Directors	7 of 7	100 %	Rye Patch Gold Corp. (TSX-V; OTCQX)	2007
Audit	4 of 4	100 %		
Nominating and Corporate Governance	4 of 4	100 %		
Sustainability - Chair	2 of 2	100 %		
Total:	17 of 17	100 %		

Common Shares Beneficially Owned, Controlled or Directed:

Year	Common Shares ⁽³⁾	Total Market Value of Common Shares	Minimum Required
2014	508,468	767,786.68 ⁽⁴⁾	See Note (6)
2013	508,468	\$2,155,904.32 ⁽⁵⁾	See Note (6)

Options Held:


Date Granted	Expiry Date	Number Granted	Vested / Unvested	Exercise Price	Total Unexercised	Value of Options Unexercised ⁽⁹⁾
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Charles J. Russell
Guernsey, Channel Islands
Age: 79

Director Since: July 2000

Director Status:
Independent⁽²⁾

Areas of Experience:
Mining Industry
International Project
Management
Mining Engineering
Governance

 <p>Dr. Markus Faber Chiang Mai, Thailand Age: 68</p> <p>Director Since: August 2004</p> <p>Director Status: Independent⁽²⁾</p> <p>Areas of Experience: Board International Finance Global Economics Mining Industry Compensation Public Capital Markets</p>	<p>Dr. Markus Faber has been a director of the Company since 2004. Dr. Faber has over 35 years of experience in the finance industry. Dr. Faber is the Managing Director of Marc Faber Limited, an investment advisory and fund management firm based in Hong Kong. He acts as an Executive Director, an Investment Advisor, and a Fund Manager to a number of corporations, private investment funds, organizations, and individuals around the world. Dr. Faber serves as a director of NovaGold Resources Inc. and Sprott Inc. as well as a number of international investment funds. Dr. Faber is Chairman of Indochina Capital Corporation, Leopard Capital Ltd. and Leopard Cambodia Fund's GP. Dr. Faber was a director of Former Ivanhoe Mines from February 2002 to April 2012.</p> <p>Dr. Faber publishes a widely read monthly investment newsletter entitled <i>The Gloom, Boom & Doom Report</i> and is the author of several books including <i>Tomorrow's Gold – Asia's Age of Discovery</i>. A renowned commentator on global market trends and developments, he is also a regular contributor to several leading financial publications around the world, including <i>Barron's</i>, where he is a member of the <i>Barron's</i> Roundtable.</p> <p>Dr. Faber obtained a Ph.D. in Economics <i>magna cum laude</i> from the University of Zurich.</p>						
	Principal Occupation, Business or Employment						
	Managing Director of Marc Faber Limited (June 1990 – present)						
	Board/Committee Membership:		Attendance:		Public Board Membership		
					Company:		Since:
	Board of Directors		7 of 7	100%	Sprott Inc. (TSX)		2010
	Compensation and Human Resources		3 of 5	60%	NovaGold Resources Inc. (TSX; NYSE)		2010
	Total:		10 of 12	83%			
	Common Shares Beneficially Owned, Controlled or Directed:						
	Year		Common Shares ⁽³⁾		Total Market Value of Common Shares		Minimum Required
	2014		233,333		352,332.83 ⁽⁴⁾		See Note (6)
	2013		233,333		\$989,331.92 ⁽⁵⁾		See Note (6)
	Options Held:						
	Date Granted	Expiry Date	Number Granted	Vested / Unvested	Exercise Price	Total Unexercised	Value of Options Unexercised ⁽⁹⁾
	N/A	N/A	N/A	N/A	N/A	N/A	N/A



William G. Lamarque
England, United Kingdom
Age: 59

Director Since: June 2006

Director Status:
Independent⁽²⁾

Areas of Experience:
CEO/Board
International Finance
Mining Industry
Public Capital Markets

William Lamarque joined the Board in June 2006. Mr. Lamarque has been Managing Partner of Balor Capital Management LLC, since October 2007, and Gold Street Advisors LLC, since September 2007, companies which specialize in commodities trading and the risk management of commodity derivatives.

After being the General Manager of the China Trading Division of Jardine Matheson and Company Ltd. in Hong Kong, Mr. Lamarque joined N.M. Rothschild and Sons Ltd. in London, where he became an Executive Member of the Board of Directors, after serving for several years as China country manager for the group, based in Hong Kong, and in various banking roles in London. He subsequently became Managing Director of Rothschild Inc. in New York with responsibility for the group's commodity trading and metals producer financings in the Americas. He has been a Member of the Commodity Exchange, Inc., served on the Central Bank Committee of the World Gold Council and the China Committee of International Financial Services, London (then the "British Invisibles") and is a former Chairman of the Public Affairs Committee of the London Bullion Market Association.

Mr. Lamarque has held various positions within the Hanson family's commercial and financial services group where he has been President of Hanson Capital Asia Ltd. since February 2002 and a director of Hanson Logistics Ltd. since December 2011. He has been a member of the board of directors of Handeni Gold Inc., a Tanzanian gold exploration and business, as Vice Chairman, since March 2012,. Mr. Lamarque served on the Board of Minera Gold Limited (formerly Mundo Minerals Ltd.) from May 2012 to October 2013. He is Chief Executive Officer, since January 2011, of Ecometals Limited, a TSX Venture Exchange listed mineral exploration and development company.

Mr. Lamarque won an Open Exhibition to Cambridge University (Magdalene College) where he read Classics, graduating with a Bachelor of Arts (Hons) in 1977.

Principal Occupation, Business or Employment

Managing Partner of Balor Capital Management LLC (October 2007 – present); President of Hanson Capital Asia Ltd. (February 2002 – present); Chief Executive Officer of Ecometals Limited (January 2011 – present)


Board/Committee Membership:	Attendance:		Public Board Membership	
			Company:	Since:
Board of Directors	7 of 7	100%	Ecometals Limited (TSX-V)	2007
Audit	4 of 4	100%	Handeni Gold Inc. (OTC-BB)	2012
Total:	11 of 11	100%		

Common Shares Beneficially Owned, Controlled or Directed:

Year	Common Shares ⁽³⁾	Total Market Value of Common Shares	Minimum Required
2014	177,335	267,775.85 ⁽⁴⁾	See Note (6)
2013	233,333	\$989,331.92 ⁽⁵⁾	See Note (6)

Options Held:

Date Granted	Expiry Date	Number Granted	Vested / Unvested	Exercise Price	Total Unexercised	Value of Options Unexercised ⁽⁹⁾
N/A	N/A	N/A	N/A	N/A	N/A	N/A

 <p>William B. Hayden New South Wales, Australia Age: 62</p> <p>Director Since: March 2007 and May 1998 - September 2002</p> <p>Director Status: Independent⁽²⁾</p> <p>Areas of Experience: CEO/Board Mining Industry International Project Public Capital Markets</p>	<p>William Hayden is a geologist with over 35 years' experience in the mineral exploration industry, much of which has been in Africa and the Asia-Pacific region. He has been involved with Ivanhoe since the amalgamation of African Mineral Corp. with China Industrial Minerals Company Ltd. in 1998, and served as its President from May 1998 to November 2001. Since 1986, Mr. Hayden has worked in a management capacity with several exploration and mining companies both in Australia and overseas. Mr. Hayden served as President of Ivanhoe Philippines, Inc. (which at the time was a subsidiary of Former Ivanhoe Mines) from July 2005 to December 2011.</p> <p>Mr. Hayden currently serves as a director of the following publicly listed companies: China Polymetallic Mining Ltd. (since November 2011), Sunward Resources Ltd. (since September 2010), Condoto Platinum NL (since February 2011) and Globe Metals and Mining Ltd. (since November 2009). He served as a Non-Executive director of Ivanhoe Australia Ltd. (now Chinova Resources Pty Limited) from November 2006 to May 2010.</p> <p>Mr. Hayden holds a Bachelor of Science (Hons) in Geology from Sierra Nevada College, Nevada.</p>						
	Principal Occupation, Business or Employment						
	President and director of Ivanhoe Philippines, Inc. (July 2005 – December 2011); President of GoviEx Uranium Inc. (June 2010 – August 2011)						
	Board/Committee Membership:		Attendance:		Public Board Membership		
					Company:	Since:	
	Board of Directors		7 of 7	100%	Globe Metals and Mining Ltd. (ASX)	2009	
	Sustainability		2 of 2	100%	Sunward Resources Ltd. (TSX; OTCQX)	2010	
	Total:		9 of 9	100%	China Polymetallic Mining Limited (HKSE)	2011	
					Condoto Platinum NL (ASX)	2011	
	Common Shares Beneficially Owned, Controlled or Directed:						
Year		Common Shares ⁽³⁾		Total Market Value of Common Shares		Minimum Required	
2014		466,666		704,665.66 ⁽⁴⁾		See Note (6)	
2013		466,666		\$1,978,663.84 ⁽⁵⁾		See Note (6)	
Options Held:							
Date Granted	Expiry Date	Number Granted	Vested / Unvested	Exercise Price	Total Unexercised	Value of Options Unexercised ⁽⁹⁾	
N/A	N/A	N/A	N/A	N/A	N/A	N/A	



Oyvind Hushovd joined the Board in September 2007. Mr. Hushovd currently serves on the board of Nyrstar B.V., an integrated mining and metals business with positions in zinc and lead. He served on the boards of Cameco Corporation, one of the world's largest uranium producers, from December 2003 to May 2013 and Inmet Mining Corporation from May 2002 to March 2013.

From March 2003 to May 2005, Mr. Hushovd was the Chief Executive Officer and Chairman of Gabriel Resources Ltd., a Canadian-based resources company. Mr. Hushovd was the President and Chief Executive Officer of Falconbridge Limited from December 1996 to February 2002.

Mr. Hushovd earned a Master of Economics and Business Administration from the Norwegian School of Business (NHH) and subsequently achieved a Master of Law Degree from the University of Oslo.

Principal Occupation, Business or Employment

Director of Nyrstar B.V. (December 2009 - present); director of Cameco Corporation (December 2003 – May 2013); director of Inmet Mining Corporation (May 2002 – March 2013)

Oyvind Hushovd
Norway
Age: 64

Director Since: September 2007

Director Status:
Independent⁽²⁾

Areas of Experience:
CEO/Board
Mining Industry
Compensation
Governance
International Project

Board/Committee Membership:	Attendance:		Public Board Membership	
			Company:	Since:
Board of Directors	6 of 7	86%	Nyrstar B.V. (EBR)	2009
Nominating and Corporate Governance ⁽¹²⁾	3 of 3	100%		
Audit - Chair ⁽¹³⁾	1 of 1	100%		
Compensation and Human Resources	5 of 5	100%		
Total:	15 of 16	94%		

Common Shares Beneficially Owned, Controlled or Directed:

Year	Common Shares ⁽³⁾	Total Market Value of Common Shares	Minimum Required
2014	1,000,000	1,510,000 ⁽⁴⁾	See Note (6)
2013	1,000,000	\$4,240,000 ⁽⁵⁾	See Note (6)

Options Held:

Date Granted	Expiry Date	Number Granted	Vested / Unvested	Exercise Price	Total Unexercised	Value of Options Unexercised ⁽⁹⁾
N/A	N/A	N/A	N/A	N/A	N/A	N/A



Mr. Guy J. de Selliers
England, United Kingdom
Age: 61

Director Since: May 2011

Director Status:
Non-Independent⁽¹⁾

Areas of Experience:
CEO/Board
International Finance
Mining Industry
Public Capital Markets

Guy de Selliers has more than 35 years' experience in international finance and business. He is currently President and co-founder of HCF International Advisers Ltd., a corporate finance advisory firm focused on the mining and metals industry. Mr. de Selliers is on the board, audit committee and finance committee of Solvay S.A., a leading European chemical group (Euronext listed). He is Vice-Chairman of the Board and Chairman of the risk and capital committee of Ageas S.A., a European based insurance group with activities in Europe and Asia (Euronext listed). He is on the board and Chairman of the audit committee of AMG Advanced Metallurgical Group N.V. (a Euronext listed Dutch company). He is a director of I-Pulse Inc. and Wessex Grain Ltd. (privately held companies) and on the Advisory Board of Pamplona Private Equity. Mr. de Selliers is the Chairman of the Board of Trustees of Partners in Hope (a charity based in the United Kingdom) and Chairman of the Board of Trustees of the Renewable Energy Foundation.

Mr. de Selliers started his career in June 1977 at the World Bank in the mining division following which he worked at Lehman Brothers, as Senior Vice President, International Investment Banking. In July 1990 he became part of the team responsible for creating the European Bank for Reconstruction and Development ("EBRD"). Mr. de Selliers was Vice Chairman of the Credit Committee and a member of the EBRD's Executive Committee. After leaving EBRD in December 1997, Mr. de Selliers served as Chief Executive of MC-BBL Eastern Holdings, until its sale where upon he joined Robert Fleming and Co. Limited as board member and Chairman, Eastern Europe. He also acted as expert advisor to the European Commission on a number of issues.

Mr. de Selliers earned a Master's degree in Engineering and a Master's degree in Economics from the University of Louvain.

Principal Occupation, Business or Employment

President of HCF International Advisers Ltd. (March 2003 – present)

Board/Committee Membership:	Attendance:		Public Board Membership	
			Company:	Since:
Board of Directors	6 of 7	86%	Solvay S.A. (EBR)	1993
Total:	6 of 7	86%	Ageas S.A. (EBR)	2009
			AMG Advanced Metallurgical Group N.V. (EAM)	2007

Common Shares Beneficially Owned, Controlled or Directed:

Year	Common Shares ⁽³⁾	Total Market Value of Common Shares	Minimum Required
2014	Nil	Nil	See Note (6)
2013	Nil	Nil	See Note (6)

Options Held:

Date Granted	Expiry Date	Number Granted	Vested / Unvested	Exercise Price	Total Unexercised	Value of Options Unexercised ⁽⁹⁾
Feb. 17, 2011	Feb. 17, 2016	125,000	100,000 / 25,000	\$2.40 ⁽⁸⁾	125,000	Nil



Dr. Rilwanu Lukman

Austria

Age: 75

Director Since: February 2012

Director Status:
Independent⁽²⁾

Areas of Experience:

Board
Petroleum Industry
Mining Industry
Mining Engineering
Chemical Engineering
International Politics

Dr. Rilwanu Lukman, has more than 40 years of experience in the petroleum and mining industries, and has relevant relationships at the most senior levels around the world. Dr. Lukman has served as Nigeria's Minister of Mines, Power and Steel from January 1984 to December 1985, Minister of Petroleum Resources from January 1986 to December 1989, Minister of Foreign Affairs from December 1989 to October 1990, and Chairman of the Board of Directors of the National Electric Power Authority (NEPA) from March 1993 to December 1994.

Since January 2012, Dr. Lukman has served as a Non-Executive director of International Mining + Infrastructure Corporation plc., an investment company focused on Africa's resource sector.

Prior to a reverse merger with African LNG Holdings Ltd., Dr. Lukman served as Strategic Advisor to the Board of Gasol Plc. from July 2007 to December 2008. He has served as Secretary General of the Organization of the Petroleum Exporting Countries (OPEC) from January 1995 to December 2000 and President of OPEC from March 1985 to December 1989.

Dr. Lukman is the founder of Afren PLC and served as its Non-Executive Chairman from November 2006 to December 2008. He is the founder of the African Petroleum Producers Association and served as its Chairman from March 1986 to March 1987.

Dr. Lukman received a Bachelor of Science (Engineering) in Mining from the University of London, a Postgraduate Certificate in Mining & Mineral Exploration from the University of Mining & Metallurgy, Leoben, Austria, a postgraduate in Mineral Economics from McGill University, Montreal and a Ph.D in Chemical Engineering from the University of Bologna, Italy. He also holds a Doctorate degree from the University of Maiduguri in Nigeria. Dr. Lukman holds a Doctor of Science Degree from Ahmadu Bello University, Zaria and two Honorary Doctorate degrees from Moore House College, Atlanta and the University of Benin respectively. Dr. Lukman was made a Knight of the British Empire (KBE) in 1989 and an Officer of the Legion d'Honneur of France in 1990.

Principal Occupation, Business or Employment

Principal of R. Lukman and Co. Limited (October 1991 – present)

Board/Committee Membership:	Attendance:		Public Board Membership	
			Company:	Since:
Board of Directors	7 of 7	100%	International Mining + Infrastructure Corporation Plc (AIM)	2012
Sustainability	1 of 2	50%		
Total:	8 of 9	89%		

Common Shares Beneficially Owned, Controlled or Directed:

Year	Common Shares ⁽³⁾	Total Market Value of Common Shares	Minimum Required
2014	Nil	Nil	See Note (6)
2013	Nil	Nil	See Note (6)

Options Held:

Date Granted	Expiry Date	Number Granted	Vested / Unvested	Exercise Price	Total Unexercised	Value of Options Unexercised ⁽⁹⁾
Feb. 24, 2012	Feb. 24, 2017	125,000	75,000 / 50,000	\$3.00 ⁽⁸⁾	125,000	Nil

Notes to the Director Tables:

- (1) See entitled "Corporate Governance Disclosure" for a description of the reasons why the Company does not consider this nominee to be independent.
- (2) "Independent" refers to the standards of independence established under Canadian Securities Administrators' National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.
- (3) "Common Shares" refers to the number of Common Shares beneficially owned, or over which control or direction is exercised, by the nominee as of March 24, 2014 and April 1, 2013, respectively. Unissued Class A Shares issuable upon the exercise or conversion of convertible securities of the Company may be deemed outstanding for certain purposes under securities laws, but are excluded from the "Common Shares" reported. Unissued Class A Shares issuable upon the exercise of incentive stock options are excluded from the "Common Shares" and are reported as "Options Held" in the Director Tables on Schedule 1.
- (4) "Total Market Value of Common Shares" is calculated by multiplying the closing price of the Class A Shares on the Toronto Stock Exchange ("TSX") on March 24, 2014 (converted to "\$" using the Bank of Canada noon rate – Cdn\$1.69 to \$1.51), by the number of Common Shares held by the nominee as of those dates, excluding any unissued Common Shares issuable pursuant to the exercise of share purchase warrants, incentive stock options or other convertible securities of the Company.
- (5) "Total Market Value of Common Shares" is calculated by multiplying the closing price of the Class A Shares on the TSX on April 1, 2013 (converted to "\$" using the Bank of Canada noon rate – Cdn\$4.31 to \$4.24), by the number of Common Shares held by the nominee as of those dates, excluding any unissued Common Shares issuable pursuant to the exercise of share purchase warrants, incentive stock options or other convertible securities of the Company.
- (6) The Company adopted a non-executive director stock ownership policy and an executive management stock ownership policy. See Schedule 3 entitled "Corporate Governance Disclosure" and the subsection "Compensation and Human Resources Committee" starting on page S3-6 for a descriptions of those policies.
- (7) The exercise price is an amount equal to not less than 100% of the weighted average price of the Company's Class A Shares during the five day trading period preceding the date of grant.
- (8) The exercise price represents a good faith determination by the Board of the fair market value of the optioned securities based on the most recent Common Share issue price preceding the date of grant.
- (9) The "Value of Unexercised Options" is calculated on the basis of the difference between the closing price of the Class A Shares on the TSX on March 24, 2014 (converted to "\$" using the Bank of Canada noon rate – Cdn\$1.69 to \$1.51) and the exercise price of the options multiplied by the number of unexercised options on March 24, 2014, vested and unvested.
- (10) Mr. Meredith resigned as the Chair of the Audit Committee in August 2013. During 2013, the Audit Committee held three (3) meetings prior to his resignation.
- (11) Mr. Meredith became a member and Chair of the Nominating and Corporate Governance Committee in August 2013. The Nominating and Corporate Governance Committee held one (1) meeting during 2013 following the date of Mr. Meredith's appointment.
- (12) Mr. Hushovd resigned as the Chair of the Nominating and Corporate Governance Committee in August 2013. During 2013, the Nominating and Corporate Governance Committee held three (3) meetings prior to his resignation.
- (13) Mr. Hushovd became a member and Chair of the Audit Committee in August 2013. The Audit Committee held one (1) meeting during 2013 following the date of Mr. Hushovd's appointment.

SCHEDULE 2 – STATEMENT OF EXECUTIVE COMPENSATION

In accordance with the requirements of applicable securities legislation in Canada, the following executive compensation disclosure is provided in respect of each person who served as the Company's Chief Executive Officer (the "**CEO**") or Chief Financial Officer (the "**CFO**") during the 2013 fiscal year, and each of the three (3) other most highly compensated executive officers of the Company and its subsidiaries for the 2013 fiscal year, whose annual aggregate compensation exceeded Cdn\$150,000 (collectively, the "**NEOs**").

Compensation Discussion and Analysis

Executive Summary

The purpose of the Company's compensation program for senior executives is to provide incentives to attract, motivate and retain qualified and experienced executives, to align their interests with the interests of the Company's shareholders, and to provide for transparent and defensible compensation.

- The Company's Compensation and Human Resources Committee ("**Compensation Committee**") was established by the Board in May 2012. Through the Compensation Committee, the Board is committed to the transparent presentation of its compensation program.
- The three principal elements of the compensation program are: (i) base salary; (ii) performance bonuses (cash and/or shares); and (iii) long term incentives.
- Overall incentive compensation is awarded based on both corporate objectives and individual performance objectives.

In 2013, the Company established a peer comparator group and an incentive compensation plan to target both short term incentives ("**STI**") (cash and/or securities) and long term incentives ("**LTI**") such as stock options, both as a percentage of base salary, with targets varying depending on the responsibilities of the various executive positions.

Each executive was tasked to develop a career path with short and long term key performance areas (KPA) and key performance indicators (KPI) which was agreed to by senior executives and the Compensation Committee. In addition, corporate performance objectives were set. These KPA's and KPI's were evaluated and incentive recommendations were made by management to the Compensation Committee.

In 2013, the individuals who served as chief executive officer, chief financial officer and the other three most highly compensated executive officers (the "**Named Executive Officers**" or "**NEOs**") were:

NEO	Position Held
Robert M. Friedland	Executive Chairman
Lars-Eric Johansson	President and Chief Executive Officer
Marna Cloete	Chief Financial Officer
Steve Garcia	Chief Development Officer
Michael Gray	Chief Operating Officer

Compensation Committee

The Compensation Committee has the following objectives:

- provide strong incentive for management to contribute to the achievement of the Company's short term and long term goals;
- ensure the interests of the Company's executive officers and shareholders are aligned;

- enable the Company to attract, retain and motivate executive officers of the highest calibre in light of the strong competition in the Company's industry for qualified personnel; and
- provide fair, transparent, and defensible compensation.

In light of its objectives, the Compensation Committee has been assigned the following responsibilities:

- reviewing and approving corporate goals and objectives for the CEO's compensation, evaluating the CEO's performance and setting the CEO's compensation level;
- reviewing and making recommendations to the Board with respect to the adequacy and form of compensation and benefits of all executive officers and directors;
- administering and making recommendations to the Board with respect to the Company's incentive compensation plans and equity-based plans;
- recommending to the Board the CEO's performance evaluation, which takes into consideration the CEO's annual objectives and performance; and
- determining the recipients of, and the nature and size of share compensation awards and bonuses granted from time to time.

All Compensation Committee members are independent directors. In 2013, the Compensation Committee met five times, once in person. All meetings of the Compensation Committee are documented in the form of meeting minutes. The Compensation Committee is made up of the following members, all of whom have experience in dealing with compensation matters:

- Mr. Ian Cockerill has served as the Chair of the Compensation Committee since its establishment in May 2012. During his 38 year career in the natural resources sector, Mr. Cockerill has held a variety of executive management and operational roles. Since 2002, he has acted as Chief Executive Officer of several publicly listed multi-national companies, as well as served on the boards and associated sub-committees of several of these companies. Mr. Cockerill has extensive experience with the design, motivation and implementation of compensation schemes in various international organizations, specifically in relation to working with external remuneration consultants across the globe.
- Dr. Markus Faber has served as a member of the Compensation Committee since its establishment in May 2012. Dr. Faber served as a member of the compensation and benefits committee of Former Ivanhoe Mines for over ten years. Dr. Faber has been a member of the compensation and benefits committee of Sunshine Silver Mines Corporation since September, 2011, and has similarly acted for several other private companies, including fund management companies in Asia. In these capacities, Dr. Faber worked with professional remuneration consultants on matters pertaining to executive and director compensation.
- Mr. Oyvind Hushovd has served as a member of the Compensation Committee since its establishment in May 2012. Mr. Hushovd served on the compensation committee of global mining company, Cameco Corporation until May 2013, on the compensation and benefits committee of, Canadian-based global mining company, Inmet Mining Corporation until March 2013, and was a member of the compensation and benefits committee of LionOre Mining International Limited and Western Oil Sands Inc. prior to the sale of those companies in 2007. While gaining extensive experience as an executive of Falconbridge Limited and Gabriel Resources Ltd., Mr. Hushovd collaborated with professional remuneration consultants in respect of matters pertaining to the establishment and implementation of a number of compensation programs including senior management compensation programs.

Outside Consultants and Peer Comparator Group

In establishing policies covering base salaries, benefits, annual incentive bonuses, and long term incentives, the Compensation Committee takes into consideration the recommendations of management. When the Compensation Committee considers it necessary or advisable it may retain, at the Company's expense, outside consultants or advisors to assist or advise the Compensation Committee on any matter within its mandate. The Compensation Committee has the sole authority to retain and terminate any such consultants or advisors.

During 2013 the Compensation Committee engaged the services of the consulting firm Mercer Canada Ltd. ("**Mercer**") to assess executive pay levels, including base salary, short-term incentives, target total cash compensation, long-term incentives and target total direct compensation for approximately 20 positions (the "**Mercer Study**"). Mercer provided the Compensation Committee with an evaluation against peer group comparators (see below) and recommendations for potential adjustments to compensation levels and pay mix between compensation components.

The Mercer Study used a combination of proxy and compensation survey data. The comparator group consisted of, among others, Katanga Mining, Capstone Mining, Hudbay Minerals, Nevsun Resources, Agnico Eagle Mines, Thompson Creek Metals, First Quantum, Platinum Group Metals, Lonmin, Impala, Northam, Aquarius, African Minerals and African Barrick.

Mercer received \$37,503 in 2013 and \$28,557 in 2012 in connection with its executive compensation advice to the Compensation Committee. There were no other fees paid to other consultants or advisors in connection with compensation advice or services in 2013 or 2012.

Compensation Philosophy and Goals

The Board has the responsibility of overseeing the Company's compensation program. The Board has delegated certain oversight responsibilities to the Compensation Committee but retains final authority over the compensation program and process, including approval of material amendments to or the adoption of new equity-based compensation plans and the review and approval of Compensation Committee recommendations.

The Compensation Committee oversees and sets the general guidelines and principles for the Company's executive compensation policies. It assesses the individual performance of the Company's executive officers and makes recommendations relating to compensation to the Board. Based on these recommendations, the Board makes decisions concerning the nature and scope of the compensation to be paid to the Company's executive officers. The Compensation Committee bases its recommendations to the Board on its compensation philosophy and the Compensation Committee's assessment of corporate and individual performance, recruiting and retention needs. In the normal course, the Company's total compensation package is comprised of three principal elements: salary, bonus, and equity incentives. Certain executives receive other compensation additionally, such as housing allowance and travel expenditures.

The Chairman of the Compensation Committee will meet with the CEO at least annually to discuss management's corporate goals for the forthcoming year, and to complete the annual review of the CEO's performance. The Compensation Committee works with the CEO to evaluate the performance and set the compensation, including proposed salary adjustments and awards, for the other NEOs.

NEOs and directors are not permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps or collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director in accordance with the Company's Corporate Disclosure, Confidentiality and Securities Trading Policy.

Management of Risk

In designing and implementing the Company's compensation policy, the Compensation Committee and the Board regularly assess the risks associated with the Company's policies and practices. During 2013,

the Company introduced an incentive structure that focuses on a number of objectives based on the short and long term strategic goals of the Company. In doing so, the Company avoids using a single metric, which in the Company's view could be distortive. Planned performance is now be measured against actual achievements on a continuous basis, enabling the Board to react to any significant unanticipated risks. The Compensation Committee maintains sufficient discretion and flexibility in implementing compensation decisions such that unintended consequences in remuneration can be minimized, while still allowing the Compensation Committee to be responsive to market forces in a competitive environment.

Compensation Decisions for 2013

The principal components of executive compensation in 2013 consisted of base salary, cash bonuses and stock options in accordance with the principal elements of the Company's compensation program.

Performance objectives were set at the beginning of the year and included such elements as securing of sufficient financing to deliver on corporate commitments and to fund the advancement of the projects, securing of strategic partnerships to develop its assets, building an organization to support the growth of the group, advancing the economic studies at the Kamoia and Platreef projects, the dewatering of the Kipushi mine, securing the required licenses from regulatory bodies, and achieving a good corporate record in health and safety and in ensuring a spotless environmental record.

In the case of the NEO's the judgment was based on a mix of corporate objectives and performance objectives for each executive as well as a discretionary assessment of overall job performance.

Taking into account the financial situation of the Company, the Board, on the recommendation of the Compensation Committee, did authorize the payment of bonuses consisting of half a portion in cash and half a portion in shares.

The following table sets forth the NEOs Short Term Incentive targets compared to the Short Term Incentive awarded, each representing annual bonus targets expressed as a percentage of base salary as set forth in the following table:

Name and Principal Position	Short Term Incentive Target	Short Term Incentive Awarded
Robert M. Friedland Executive Chairman and Director	75%	75%
Lars-Eric Johansson President and Chief Executive Officer	75%	75%
Marna Cloete Chief Financial Officer	30%	50% ⁽¹⁾
Steve Garcia Chief Development Officer	50%	50%
Michael Gray Chief Operating Officer	50%	40%

Notes:

- (1) Although Ms. Cloete had a Short Term Incentive target of 30%, she received a Short Term Incentive of 50% and her Short Term Incentive target going forward was amended to 50%.

Salary

In establishing base salaries for its officers during 2013, the Compensation Committee and Board relied on their experience and knowledge of comparable market salary levels for individuals in positions with similar responsibilities and experience, as well as contractual commitments negotiated at the time of

hiring of certain NEOs. The Compensation Committee further relied on the Mercer Study to assess executive pay levels, which included comparative base salaries.

Bonuses

The payment of short to medium term incentives / bonuses were linked to specific KPAs and KPIs which were determined per executive position and were subject to Board approval. Short to medium term incentives or bonuses consisted of half a cash portion and half bonus shares and were expressed as a percentage of the base salary.

Stock Options

During 2013, the Company granted stock options to provide long term incentive compensation for its NEOs. The 2013 awards were granted on a discretionary basis, based on the Board and the Compensation Committee's assessments of responsibilities and achievements, recognizing that at the earlier stage of development, stock option awards can help to preserve cash resources. Generally, the number of options granted to any NEO is a function of the level of authority and responsibility of the NEO, the contribution the NEO made to the business and affairs of the Company, the number of options the Company has already granted to the NEO, and such other factors as the Compensation Committee may consider relevant.

In 2013, the following NEOs were granted a number of options as part of their 2013 annual compensation, Ms. Cloete was issued 50,000 options as part of her 2012 annual compensation, with each option exercisable at Cdn\$4.98 and expiring January 11, 2018. Mr. Friedland and Mr. Johansson were issued 1,000,000 options each, Mr. Gray and Mr. Garcia were issued 500,000 options each and Ms. Cloete was issued 400,000 options, with each option exercisable at Cdn\$1.98 and expiring on December 13, 2018; in each case as a year-end bonus. The options were granted in accordance with the Company's Equity Incentive Plan and shall vest in four equal parts, each representing 25% of the options, commencing on the one year anniversary of the date of grant and on each of the three anniversaries thereafter.

Other Compensation

The aggregate "other compensation" received by each NEO is disclosed in the "Summary Compensation Table" below. The Company does not provide its executive officers with a pension plan.

Compensation Decisions and Structure for 2014

For 2014 and going forward, the Compensation Committee intends to follow a compensation program for senior management, based on the recommendations of Mercer using equitable comparator group market analysis. Upon review of the comparator group in December 2013, the Compensation Committee and the Board kept the annual salaries for 2014 of Mr. Friedland and Mr. Johansson at \$650,000, Mr. Gray and Mr. Garcia at \$500,000 and increased the salary of Ms. Cloete to \$350,000.

Under the new compensation program, total direct compensation is intended to be comprised of annual base salaries, and STI and LTI awards, such awards intended to be based on the achievement of pre-determined, measurable corporate and/or individual performance objectives, subject to approval by the Board and recognizing that the Compensation Committee and Board will retain a significant degree of discretion in making compensation decisions. LTI awards will continue to consist of awards of stock options, such stock options subject to the terms of the Equity Incentive Plan, and STI awards of cash and/or securities of the Company, each representing annual bonus targets expressed as a percentage of base salary as set forth in the following table:

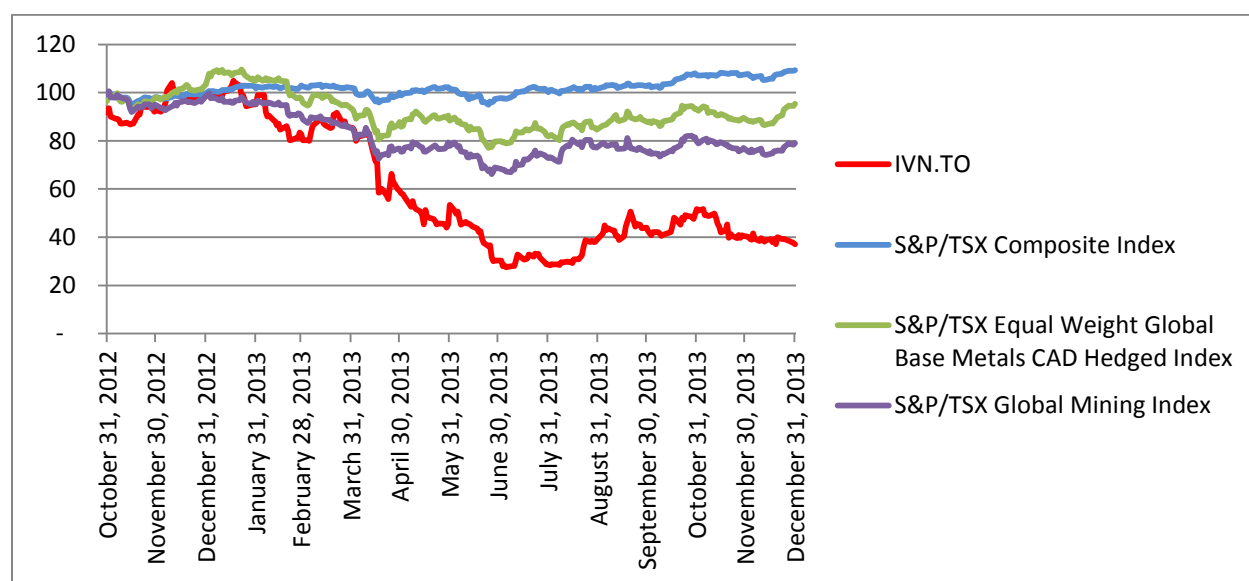
	Executive Chairman President & CEO	Chief Operating Officer Chief Development Officer Executive Vice Presidents Chief Financial Officer	Vice Presidents
Long Term Incentive	75%	50%	30%
Short Term Incentive	75%	50%	30%

The performance objectives for 2014 are as follows:

- The completion of pre-feasibility studies at the Kamoa and Platreef Projects;
- The completion of an exploration program and development plan for the Kipushi Project;
- To obtain the Mining Right for the Platreef Project;
- The conclusion of the Broad Based Black Economic Empowerment ownership structure for the Platreef Project;
- The conclusion of a listing on the Johannesburg Stock Exchange;
- The conclusion of a strategic partnership;
- To secure ongoing funding at the Platreef Project as well as corporate expenditure;
- The commencement of a decline shaft at the Kamoa Project;
- To strengthen the sustainability organization and programs; and
- The appointment of essential staff to further advance the projects.

Performance Graph

The following graph shows the change in a Cdn\$100 investment in Ivanhoe common shares since Ivanhoe's initial public offering, compared to the S&P/TSX Composite Index, the S&P/TSX Equal Weight Global Base Metals CAD Hedged Index and the S&P/TSX Global Mining Index as at December 31, 2013.



The trend in overall compensation paid to the Company's executive officers over the period has not specifically tracked the performance of the market price of the Company's common shares, or the S&P/TSX Composite Index. Overall compensation for NEOs increased during the period.

Summary Compensation Table

The following table sets forth the total compensation paid to, or earned by, the NEOs for the Company's most recently completed three financial years.

Name and Principal Position	Year Ended Dec. 31	Salary	Share - Based Awards ⁽¹⁾	Option -Based Awards ⁽²⁾	All Other Compensation	Total Compensation
Robert M. Friedland Executive Chairman and Director	2013	\$650,000	\$245,000	\$1,280,465	\$247,078 ^{(3) (4)}	\$2,422,543
	2012	\$350,000	—	\$2,237,845	\$500,000 ⁽⁵⁾	\$3,087,845
	2011	—	—	\$4,815,577	\$1,200,000 ⁽⁶⁾	\$6,015,577
Lars-Eric Johansson President and Chief Executive Officer	2013	\$650,000	\$245,000	\$1,298,766	\$252,927 ⁽⁷⁾⁽⁸⁾	\$2,446,693
	2012	\$350,000	—	\$1,832,019	\$503,692 ⁽⁸⁾⁽⁹⁾	\$2,685,711
	2011	\$316,667	—	\$325,207	\$503,877 ⁽⁸⁾⁽¹⁰⁾	\$1,145,891
Marna Cloete Chief Financial Officer	2013	\$277,413 ⁽²⁰⁾	\$58,488 ⁽²⁰⁾	\$141,381	\$69,674 ⁽¹¹⁾⁽¹²⁾⁽²⁰⁾	\$546,956
	2012	\$249,082 ⁽²⁰⁾	—	\$94,060	\$204,314 ⁽¹²⁾⁽¹³⁾⁽²⁰⁾	\$547,456
	2011	\$266,524 ⁽²⁰⁾	—	\$94,060	\$135,230 ⁽¹²⁾⁽¹⁴⁾⁽²⁰⁾	\$495,814
Steve Garcia Chief Development Officer	2013	\$521,196 ⁽²⁰⁾	\$125,000	\$556,538	\$284,892 ⁽¹⁵⁾⁽¹⁶⁾	\$1,487,626
	2012	—	—	—	—	—
	2011	—	—	—	—	—
Michael Gray Chief Operating Officer	2013	\$554,686	\$102,322	\$475,294	\$134,251 ⁽¹⁷⁾⁽¹⁸⁾⁽²¹⁾	\$1,266,553
	2012	\$275,000	—	\$724,131	\$101,846 ^{(18)(19) (21)}	\$1,100,977
	2011	—	—	—	—	—

- (1) The value attributed to share based awards was determined with reference to the fair market value at the date of grant.
- (2) The value attributed to option grants was determined using the Black Scholes Model in accordance with the International Financial Reporting Standards ("IFRS") and the following assumptions: an estimated volatility equal to 76%; an estimated dividend yield of \$nil, a risk free rate of return equal to the rate currently available on federal government zero-coupon bonds with a term equal to the expected life of the option and an expected life approximating the term of the option.
- (3) Mr. Friedland received a bonus of \$245,000 to reflect the respective role and achievements, with a view to market levels of compensation and retention considerations.
- (4) In 2013, Canada Pension Plan contributions and Employment insurance premiums to the value of \$2,078 was paid on behalf of Mr. Friedland.
- (5) Mr. Friedland received a bonus of \$500,000, of which \$250,000 was a success bonus for the conclusion of the IPO and the additional bonus of \$250,000 was to reflect the respective role and achievements, with a view to market levels of compensation and retention considerations.
- (6) Mr. Friedland received \$1,200,000, as a success bonus for the conclusion of the investment by Itochu Corporation ("Itochu"), a corporation incorporated under the laws of Japan, in Beales Ltd.
- (7) Mr. Johansson received a bonus of \$245,000 to reflect the respective role and achievements, with a view to market levels of compensation and retention considerations.
- (8) In 2013, Mr. Johansson received \$3,596 in health benefits (2012: 3,596; 2011: \$3,877), \$96 (2012: \$96) in Accidental Death and Dismemberment ("AD&D") insurance and \$4,235 in life cover.
- (9) Mr. Johansson received a bonus of \$500,000, of which \$250,000 was a success bonus for the conclusion of the IPO and the additional bonus of \$250,000 was to reflect the respective role and achievements, with a view to market levels of compensation and retention considerations.
- (10) Mr. Johansson received \$500,000, as a success bonus for the conclusion of the investment by Itochu in Beales Ltd.
- (11) Ms. Cloete received a bonus of \$58,488 to reflect the respective role and achievements, with a view to market levels of compensation and retention considerations.

- (12) In 2013, Ms. Cloete received \$11,186 in health benefits (2012: \$8,824; 2011: \$10,230).
- (13) Ms. Cloete received a bonus of \$195,490, of which \$102,890 was a success bonus for the conclusion of the IPO and the additional bonus of \$92,600 was to reflect the respective role and achievements, with a view to market levels of compensation and retention considerations.
- (14) Ms. Cloete received \$125,000, as a success bonus for the conclusion of the investment by Itochu in Beales Ltd.
- (15) Mr. Garcia received a bonus of \$125,000 to reflect the respective role and achievements, with a view to market levels of compensation and retention considerations.
- (16) In 2013, Mr. Garcia received \$104,065 as a relocation allowance, a housing allowance of \$37,338, family travel benefits of \$18,401 and \$88 in AD&D insurance. The housing allowance and family travel benefits were received in South African Rand (ZAR) and has been converted from "ZAR" to "\$" using the average monthly exchange rate in the month of receipt.
- (17) Mr. Gray received a bonus of \$130,559 to reflect the respective role and achievements, with a view to market levels of compensation and retention considerations.
- (18) In 2013, Mr. Gray received \$3,596 (2012: \$1,798) in health benefits and \$96 (2012: \$48) in AD&D insurance.
- (19) Mr. Gray received a bonus of \$100,000 as success bonus for the conclusion of the IPO.
- (20) This amount was received in South African Rand (ZAR) and has been converted from "ZAR" to "\$" using the average monthly exchange rate in the month of receipt.
- (21) This amount was received in Great Britain Pounds (GBP) and has been converted from "GBP" to "\$" using the average monthly exchange rate in the month of receipt.

Incentive Plan Awards

Outstanding Share – Based Awards and Option Based Awards

The following table sets forth the options granted to the NEOs, to purchase or acquire securities of the Company outstanding at the end of the financial year ended December 31, 2013.

Option-Based Awards							
Name	Number of Common Shares underlying unexercised options	Option exercise price	Option expiration date	Value of unexercised in-the-money options ⁽³⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ⁽⁴⁾	Market or payout value of share-based awards that have vested ⁽⁵⁾
Robert M. Friedland Executive Chairman and Director	1,000,000 ⁽¹⁾	\$1.80	September 9, 2015	—	200,000	—	—
	6,000,000 ⁽¹⁾	\$2.40	February 17, 2016	—	2,400,000	—	—
	1,000,000	\$1.86 ⁽²⁾	December 13, 2018	—	1,000,000	—	—
Lars-Eric Johansson President and Chief Executive Director	1,000,000 ⁽¹⁾	\$1.80	September 9, 2015	—	200,000	—	—
	2,500,000 ⁽¹⁾	\$3.00	April 20, 2017	—	1,500,000	—	—
	1,000,000	\$1.86 ⁽²⁾	December 13, 2018	—	1,000,000	—	—
Marna Cloete ⁽⁶⁾ Chief Financial Officer	500,000 ⁽¹⁾	\$1.80	April 8, 2015	—	100,000	—	—
	250,000 ⁽¹⁾	\$1.80	September 9, 2015	—	50,000	—	—
	50,000	\$4.68 ⁽²⁾	January 11, 2018	—	37,500	—	—
	400,000	\$1.86 ⁽²⁾	December 13, 2018	—	400,000	—	—
Steve Garcia Chief Development Officer	1,000,000	\$3.00	September 1, 2017	—	600,000	—	—
	500,000	\$1.86 ⁽²⁾	December 13, 2018	—	500,000	—	—
Michael Gray Chief Operating Officer	1,000,000	\$3.00	April 1, 2017	—	600,000	—	—
	500,000	\$1.86 ⁽²⁾	December 13, 2018	—	500,000	—	—

Notes:

- (1) All option grants reported reflect the amendments to the respective individual option agreements entered into by the Company with the concerned director or officer (the "**Option Agreements**") as a result of the corporate reorganization (approved by the Company's shareholders on May 26, 2011) (the "**Reorganization**"), including the five-for-one stock split.
- (2) Options issued in Cdn\$. This amount has been converted from "Cdn\$" to "\$" using the prevailing exchange rate on December 31, 2013.
- (3) Calculated as the difference between the closing market price of the Common Shares on the TSX on December 31, 2013, and the exercise price of the options, multiplied by the number of vested, unexercised options. This amount has been converted from "Cdn\$" to "\$" using the prevailing exchange rate on December 31, 2013. No options held by NEO's were in-the-money at December 31, 2013.
- (4) Calculated as the difference between the closing market price of the Common Shares on the TSX on December 31, 2013, and the exercise price of the options, multiplied by the number of unvested options. This amount has been converted from "Cdn\$" to "\$" using the prevailing exchange rate on December 31, 2013.
- (5) Calculated as the difference between the closing market price of the Common Shares on the TSX on December 31, 2013, and the exercise price of the options, multiplied by the number of vested options. This amount has been converted from "Cdn\$" to "\$" using the prevailing exchange rate on December 31, 2013.
- (6) In 2013, Ms. Cloete exercised 250,000 options with an exercise price of \$1.33.

Incentive Plan Awards – Value Vested or Earned during the Year

The following table sets forth the value vested or earned during the year of option-based awards, share based awards and non-equity incentive plan compensation paid to NEOs, during the most recently completed financial year.

Name	Option-based awards – Value vested during the year⁽¹⁾	Share-based awards – Value earned during the year	Non-equity incentive plan compensation – Value earned during the year
Robert M. Friedland	\$1,280,465	\$245,000	\$245,000
Lars-Eric Johansson	\$1,298,766	\$245,000	\$245,000
Marna Cloete	\$141,381	\$58,488	\$58,488
Steve Garcia	\$556,538	\$125,000	\$125,000
Michael Gray	\$475,294	\$102,322	\$130,559

Notes:

- (1) The value attributed to option grants was determined using the Black Scholes Model in accordance with IFRS and the following assumptions: an estimated volatility equal to 76%; an estimated dividend yield of \$nil; a risk free rate of return equal to the rate currently available on federal government zero-coupon bonds with a term equal to the expected life of the option, and an expected life approximating the term of the option.

Termination and Change of Control Benefits

The Company has employment arrangements with each of its NEOs which may include letter agreements, employment agreements and option agreements. The following sets out an estimate of the termination payments that would be payable to the Company's NEOs during the time periods and in the circumstances provided:

- (a) the Company may terminate the NEO's employment without notice, payment in lieu of notice, severance payments, damages or any sums whatsoever for cause;
- (b) the Company may terminate the employment agreement on six months' notice or payment equal to six months' base salary, plus one additional month's notice, or payment in lieu, for each year of service from the date of commencement of employment to a maximum of 20 months' notice, or payment in lieu, to an NEO, and all of such NEOs unvested stock options will be deemed to have vested, and all of such NEOs unexercised stock options will remain exercisable until the earlier of twelve months following the date of such termination and the expiry date of such options;

- (c) an NEO may terminate the employment agreement on six months' notice to the Company without payment of severance; and
- (d) if a change of control occurs and, at any time during the twelve month period following such change of control, either (i) there occurs a termination of an NEO's employment by the Company, except for cause, or (ii) NEO resigns employment for good reason (as defined in the respective agreements for each NEO) then, in each case, in lieu of the payments on termination otherwise payable under the employment agreement, each NEO shall be entitled to receive a lump sum payment equal to his or her annual base salary, all of such NEOs unvested stock options will be deemed to have vested, and all of such NEOs unexercised stock options will remain exercisable until the earlier of twelve months following the date of such termination and the expiry date of such options.

For purposes of the employment agreements with the NEOs, a "change of control" will occur if, among other things, there is a merger, arrangement or similar transaction in which holders of the Company's Common Shares prior to completion of the transaction hold less than 50% of the outstanding voting securities of the successor corporation or entity after the transaction, or there occurs the direct or indirect acquisition by any person, or combination of persons acting jointly or in concert, of more than 50% of the voting rights attached to all outstanding voting securities of the Company (currently the Class A Shares and Class B Shares), or a person comes to acquire the legally enforceable right to elect a majority of the Board.

The following is an estimate of incremental payments to the NEOs under the foregoing scenarios as at December 31, 2013:

Name	Payment of Severance	Benefits	In-the-money Value of Accelerated Options	Total
(a) Termination by the Company for cause				
Robert M. Friedland	—	—	—	—
Lars-Eric Johansson	—	—	—	—
Marna Cloete	—	—	—	—
Steve Garcia	—	—	—	—
Michael Gray	—	—	—	—
(b) Termination by the Company by notice or payment in lieu of notice				
Robert M. Friedland	\$433,333	—	—	\$433,333
Lars-Eric Johansson	\$686,507	\$3,964	—	\$690,470
Marna Cloete	\$377,132	\$5,593	—	\$382,725
Steve Garcia	\$316,401	\$44	—	\$316,445
Michael Gray	\$358,267	\$1,846	—	\$360,113
(c) Termination by the NEO on six months' notice⁽¹⁾				
Robert M. Friedland	—	—	—	—
Lars-Eric Johansson	—	—	—	—
Marna Cloete	—	—	—	—
Steve Garcia	—	—	—	—
Michael Gray	—	—	—	—
(d) Termination following Change of Control				
Robert M. Friedland	\$650,000	—	—	\$650,000

Name	Payment of Severance	Benefits	In-the-money Value of Accelerated Options	Total
Lars-Eric Johansson	\$650,000	\$7,927	—	\$657,927
Marna Cloete	\$333,502	\$11,186	—	\$344,689
Steve Garcia	\$546,681	\$88	—	\$546,769
Michael Gray	\$554,686	\$3,692	—	\$558,378

Notes:

- (1) Although no severance is payable if an NEO terminates the employment agreement on six months' notice, the NEO will still continue to receive the required compensation under his or her employment arrangement during the notice period.

Compensation of Directors

Retainers and Fees	Amount
Basic Annual Retainer for Non-Executive Directors	\$60,000
Lead Director Annual Retainer	\$40,000
Audit Committee Chair Annual Retainer	\$20,000
Compensation and Human Resources Committee Chair Annual Retainer	\$15,000
Safety, Health and Environmental Committee Chair Annual Retainer	\$10,000
Nominating and Corporate Governance Committee Chair Annual Retainer	\$10,000
Meeting Fees (per Board and Committee meeting), paid annually	\$1,500
Travel Fees (fee per day), paid annually	\$1,500

In 2012, the Company established a Deferred Stock Unit (“**DSU**”) plan to provide non-executive directors of the Company with the opportunity to acquire DSUs in order to allow them to participate in the long term success of the Company and to promote a greater alignment of interests between its non-executive directors and shareholders. DSUs are notional shares that mirror the market value of the Company's shares and where the value of each unit is equal to the whole value of the underlying security. Issuances of DSUs for directors' retainers or as annual incentives in lieu of option grants are less dilutive than fully exercised stock options, as no shares are issued from treasury. The Company's DSU plan is administered by the Compensation Committee and Board which has the power to make decisions about the awarding of DSUs, including the vesting of such awards. Unless otherwise determined by the Board, DSUs will cease vesting when a director leaves the Board. Unless otherwise determined by the Compensation Committee or the Board at or after the award date, any DSUs outstanding but unvested prior to a change of control will vest upon a change of control.

The DSU plan provides non-executive directors of the Company with a quarterly grant of 2,500 DSUs, each representing an equivalent economic interest to a Common Share.

For the compensation received by directors who are executive officers, see “Summary Compensation Table” on page S2-7.

Director Compensation Table

The following table sets forth the value of all compensation provided to non-executive directors, excluding those directors who are also NEOs, for the Company's financial year ended December 31, 2013.

Name and Principal Position	Year Ended Dec. 31	Fees Earned	Share-based awards ⁽¹⁾	Option-Based Awards ⁽²⁾	All Other Compensation	Total Compensation
Dr. Markus Faber	2013	\$82,500	\$9,315	—	\$249	\$92,064
William Hayden	2013	\$82,500	\$9,315	—	\$249	\$92,064
Oyvind Hushovd	2013	\$105,435	\$9,315	—	\$249	\$115,000
William Lamarque	2013	\$87,000	\$9,315	—	\$249	\$96,564
Peter Meredith	2013	\$97,065	\$9,315	—	\$14,292	\$120,673
Charles Russell	2013	\$106,000	\$9,315	—	\$249	\$115,564
Guy de Selliers	2013	\$75,000	\$9,315	\$24,532	\$249	\$109,096
Ian Cockerill	2013	\$148,000	\$9,315	\$24,532	\$249	\$182,096
Dr. Rilwanu Lukman	2013	\$73,500	\$9,315	\$58,614	\$249	\$141,678

Notes:

- (1) Calculated on the basis of the closing price of the Common Shares on the TSX on December 31, 2013. This amount has been converted from "Cdn\$" to "\$" using the prevailing exchange rate on December 31, 2013.
- (2) The value attributed to option grants was determined using the Black Scholes Model in accordance with IFRS and the following assumptions: an estimated volatility equal to 76%; an estimated dividend yield of \$nil; a risk free rate of return equal to the rate currently available on federal government zero-coupon bonds with a term equal to the expected life of the option; and an expected life approximating the term of the option.

Outstanding Option-Based Awards

The following table sets forth the options granted to the directors, excluding those directors who are also NEOs, to purchase or acquire securities of the Company which were outstanding at the end of the financial year ended December 31, 2013.

Name	Option-Based Awards	Number of securities underlying unexercised options	Option exercise price	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ⁽²⁾
Dr. Markus Faber	—	—	—	—	—	—	—
William Hayden	—	—	—	—	—	—	—
Oyvind Hushovd	—	—	—	—	—	—	—
William Lamarque	—	—	—	—	—	—	—
Peter Meredith	—	—	—	—	—	—	—
Charles Russell	—	—	—	—	—	—	—
Guy de Selliers	125,000	125,000	\$2.40	17-Feb-2016	—	50,000	—
Ian Cockerill	125,000	125,000	\$2.40	17-Feb-2016	—	50,000	—
Dr. Rilwanu Lukman	125,000	125,000	\$3.00	24-Feb-2017	—	75,000	—

Notes:

- (1) Calculated as the difference between the closing market price of the Common Shares on the TSX on December 31, 2013, and the exercise price of the options, multiplied by the number of vested, unexercised options. This amount has been converted from "Cdn\$" to "\$" using the prevailing exchange rate on December 31, 2013.
- (2) Calculated as the difference between the closing market price of the Common Shares on the TSX on December 31, 2013, and the exercise price of the options, multiplied by the number of unvested options. This amount has been converted from "Cdn\$" to "\$" using the prevailing exchange rate on December 31, 2013.

Incentive Plan Awards – Value Vested or Earned during the Year

The following table sets forth the value vested or earned during the year of option-based awards, and non-equity incentive plan compensation paid to directors, not including those directors who are also NEOs, during the most recently completed financial year.

Name	Option-based awards – Value vested during the year⁽¹⁾	Share-based awards – Value vested during the year⁽²⁾	Non-equity incentive plan compensation – Value earned during the year
Dr. Markus Faber	—	\$9,315	—
William Hayden	—	\$9,315	—
Oyvind Hushovd	—	\$9,315	—
William Lamarque	—	\$9,315	—
Peter Meredith	—	\$9,315	—
Charles Russell	—	\$9,315	—
Guy De Selliers	\$24,532	\$9,315	—
Ian Cockerill	\$24,532	\$9,315	—
Dr. Rilwanu Lukman	\$58,614	\$9,315	—

Notes:

- (1) The value attributed to option grants was determined using the Black Scholes Model in accordance with IFRS and the following assumptions: an estimated volatility equal to 76%; an estimated dividend yield of \$nil; a risk free rate of return equal to the rate currently available on federal government zero-coupon bonds with a term equal to the expected life of the option; and an expected life approximating the term of the option.
- (2) Calculated on the basis of the closing price of the Common Shares on the TSX on December 31, 2013. This amount has been converted from "Cdn\$" to "\$" using the prevailing exchange rate on December 31, 2013.

SCHEDULE 3 – CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (the “**Disclosure Instrument**”) requires the Company to annually disclose its corporate governance practices with reference to a series of corporate governance practices outlined in National Policy 58-201 – *Corporate Governance Guidelines* (the “**Guidelines**”).

The following is a discussion of each of the Company’s corporate governance practices for which disclosure is required by the Disclosure Instrument. Unless otherwise indicated, the Board believes that its corporate governance practices are consistent with those recommended by the Guidelines.

Board of Directors

Director Independence

For the purposes of the Disclosure Instrument, a director is independent if he or she has no direct or indirect material relationship with the Company. A “material relationship” is one which could, in the view of the Board, reasonably be expected to interfere with the exercise of the director’s independent judgment. Certain specified relationships will, in all circumstances, be considered, for the purposes of the Disclosure Instrument, to be material relationships.

As of the date of this Management Proxy Circular, the Board consists of seven (7) individuals who are independent and three (3) individuals who are not independent, when applying the criteria prescribed by the Disclosure Instrument. If all of management’s nominees are elected as directors at the Meeting, the Board will consist of seven (7) individuals who are independent and three (3) individuals who are not independent.

The current independent directors are: Ian Cockerill, Charles Russell, Dr. Markus Faber, William Lamarque, Oyvind Hushovd, William Hayden and Dr. Rilwanu Lukman. Mr. Ian Cockerill has been appointed as the Lead Independent Director of Ivanhoe, whose mandate in this regard is to act in a leadership role on behalf of all independent directors.

Robert M. Friedland (the Executive Chairman of the Board), Peter Meredith, and Guy de Selliers are not independent for the purposes of the Disclosure Instrument. Mr. Friedland is the founder and Executive Chairman of the Company. Mr. Meredith has been determined to be not independent at this time by virtue of his historical close business relationship with Mr. Friedland, including their prior roles as senior executives of Former Ivanhoe Mines. Finally, Mr. de Selliers is not independent as a result of his material interest in HCF International Advisors, a firm who has provided financial advisory services to Ivanhoe.

Other Directorships

For information respecting those companies that are reporting issuers (or the equivalent) in Canada or elsewhere in which any of the directors of the Company also act as directors, please see the section entitled “Election of Directors” starting on page 11 of this Management Proxy Circular and Schedule 1.

Meetings of Independent Directors

Meetings of the independent directors are held to update the independent directors on corporate developments since the last board meeting. There was one meeting of the independent directors in 2013. The Company’s non-executive directors are entitled to hold meetings at which members of management are not present. However, insofar as the non-executive directors are not all independent directors (for example, Mr. Meredith is a non-executive director but is not considered independent), such non-executive, non-independent director may participate in such meetings. Two meetings of the non-executive directors were held in 2013.

The Compensation Committee is comprised solely of independent directors. The Nominating and Corporate Governance Committee is comprised of a majority of independent directors. The independent directors on each committee at times go “in camera” in their committee meetings and request that any

non-independent directors and members of management who may be attending such meetings as guests excuse themselves. Any committee member can request that any part of a committee meeting be held on an in camera basis at any time. Accordingly, the Board believes that the committee meetings provide an adequate forum in which to facilitate open and candid discussion among the Company's independent directors. Each of the Nominating and Corporate Governance Committee and the Compensation Committee met four (4) and five (5) times, respectively, during 2013.

Independence of Board Chair

The Executive Chairman is a non-independent director. However, Ian Cockerill, the Independent Lead Director of the Board, is an independent director. Mr. Cockerill's responsibilities include:

- providing a source of Board leadership;
- ensuring that the Board functions effectively and independently of management;
- overseeing the quality of the information sent to directors;
- acting as a facilitator with respect to interaction among the independent directors and between management and the independent directors;
- chairing any meetings of the independent directors held from time to time; and
- overseeing the governance obligations of the Board and its committees generally.

Meeting Attendance Records

For information concerning the number of Board and committee meetings held in 2013 and the attendance record of each director in respect of those meetings, please see the section entitled "Election of Directors" starting on page 11 of this Management Proxy Circular and Schedule 1.

Mandate of the Board

Under the BCBCA, the directors of the Company are required to manage the Company's business and affairs, and in doing so to act honestly and in good faith with a view to the best interests of the Company. In addition, each director must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

As required by the BCBCA, the Board is responsible for supervising the conduct of the Company's affairs and the management of its business, including setting long term goals and objectives for the Company, formulating the plans and strategies necessary to achieve those objectives, supervising senior management in their implementation and reviewing the principal risks inherent in the Company's business. Although the Board delegates the responsibility for managing the day to day affairs of the Company to senior management personnel, the Board retains a supervisory role in respect of, and ultimate responsibility for, all matters relating to the Company and its business. The obligations of the Board must be performed continuously, and not merely from time to time, and in times of crisis or emergency the Board may assume a more direct role in managing the affairs of the Company.

The Board strives to ensure that actions taken by the Company are in the best interest of the Company's shareholders. The Board's strategic planning process includes annual and quarterly budget reviews and approvals, reviews of the operations and risk issues at each Board meeting, and annual reviews of the Company's resources, which are required to carry out the Company's growth strategy and to achieve its objectives. In addition to those matters that must, by law, be approved by the Board, the Board is required to approve annual operating and capital budgets, any material dispositions, acquisitions and investments outside of the ordinary course of business or not provided for in the approved budgets, long term strategy, organizational development plans and the appointment of senior executive officers. The Board periodically reviews the mandate of the Company and supplements it as required from time to time.

The Board fulfills its statutory obligations through direct oversight, setting policy, appointing committees and appointing officers of the Company. Specific responsibilities under the written mandate include the following:

1. Approving the issuance of any securities of the Company.
2. Approving the incurrence of any debt by the Company outside the ordinary course of business.
3. Reviewing and approving the annual and quarterly capital and operating budgets.
4. Reviewing and approving major deviations from the capital and operating budgets.
5. Approving the annual audited consolidated financial statements and interim consolidated financial statements, including the management discussion & analysis, information circulars, annual information forms, annual reports, offering memorandums and prospectuses.
6. Approving material investments, dispositions and joint ventures, and approving any other major initiatives outside the scope of approved budgets.
7. Reviewing and approving the Company's strategic plans, adopting a strategic planning process and monitoring the Company's performance.
8. Reviewing and approving the Company's incentive compensation plans.
9. Determining the composition, structure, processes, and characteristics of the Board and the terms of reference of committees of the Board, and establishing a process for monitoring the Board and its directors on an ongoing basis.
10. Appointing a nominating and corporate governance committee, an audit committee, a compensation and human resources committee, and any other committees from time to time, and delegating to any such committees powers of the Board as appropriate and legally permissible.
11. Nominating the candidates for the Board to the shareholders, based on recommendations from the nominating and corporate governance committee.
12. Ensuring an appropriate orientation and education program for new directors is provided.
13. Determining whether individual directors meet the requirements for independence under applicable regulatory requirements.
14. Monitoring the ethical conduct of the Company and ensuring that it complies with applicable legal and regulatory requirements.
15. Ensuring that the directors that are independent of management have the opportunity to meet regularly.
16. Reviewing its mandate and other Board policies and terms of reference for committees of the Board in place from time to time and propose modifications as applicable.
17. Appointing and monitoring the performance of senior management, formulating succession plans for senior management and, with the advice of the Compensation Committee, approving the compensation of senior management.
18. Ensuring policies and processes are in place for identifying principal business risks and opportunities for the Company, addressing the extent to which such risks are acceptable to the Company, and ensuring that appropriate systems are in place to manage risks.

19. Ensuring policies and processes are in place to ensure the integrity of the Company's internal control, financial reporting and management information systems.
20. Ensuring appropriate policies and processes are in place to ensure the Company's compliance with applicable laws and regulations, including timely disclosure of relevant corporate information and regulatory reporting.
21. Exercising direct control during periods of crisis.
22. Serving as a source of advice to senior management, based on directors' particular backgrounds and experience.
23. Ensuring that the directors have direct access to management and, as necessary and appropriate, independent advisors.
24. Ensuring evaluations of the Board and its committees are carried out at least annually.

Position Descriptions

The Board has not adopted a written position description for the Executive Chairman, Mr. Friedland. To date the scope of duties of the Executive Chairman has been tailored to the unique skills, talents and experience that Mr. Friedland possesses and includes strategic planning, corporate and business development, fundraising and value creation.

The Board has not developed written position descriptions for the chairs of its committees. The Company expects that the chairs will assume a leadership role in the committees, and that written position descriptions may, in the future, be developed.

The Board has not developed a written position description for its Chief Executive Officer, Mr. Johansson. The CEO's roles and responsibilities are delineated through his employment agreement with the Company, and through the on-going communication process between the CEO (and other senior management) and the Executive Chairman and Board.

Orientation and Continuing Education

Board Orientation

The Board is responsible for the orientation and education of new members of the Board and all new directors are provided with copies of the Company's policies, although a formal orientation and education process has not been adopted. Prior to joining the Board, each new director is briefed by management of the Company. This briefing includes an outline of the business and prospects of the Company, both positive and negative, with a view to ensuring that such director is properly informed to commence his or her duties as a director. Each new director is also given the opportunity to meet with the auditors and counsel to the Company, and to make site visits to the Company's properties. All Directors are members of the Institute of Corporate Directors.

Continuing Education

Management and outside advisors provide information to the Board and its committees to keep the directors up-to-date with the Company, its business and the environment in which it operates as well as with developments in the responsibilities of directors. In addition, directors are encouraged to take courses relevant to the Company and its business, particularly with respect to corporate governance and the mining industry.

Ethical Business Conduct

The directors encourage and promote a culture of ethical business conduct through communication and supervision as part of their overall stewardship responsibility. In addition, the Company has adopted a Code of Business Conduct and Ethics (the “**Code**”) which addresses the Company’s continuing commitment to integrity and ethical behaviour. The Code establishes procedures that allow directors, officers and employees of the Company to confidentially submit their concerns to the Lead Independent Director regarding questionable ethical, moral, accounting or auditing matters, without fear of retaliation. A copy of the Code and other governance documents are available on Ivanhoe’s website, www.ivanhoemines.com. Compliance with the Code is maintained primarily through the reporting process within the Company’s organizational structure.

The Company uses a confidential and anonymous reporting system that allows individuals to report suspected illegal, unethical or improper conduct in violation of the Code through the Internet or a toll-free telephone number. The reporting system is run by an independent third party and generates reports for the Company’s Ethics and Compliance Officer and the Audit Committee. The Ethics and Compliance Officer reviews the reports with the Chair of the Audit Committee as they are received and investigates any alleged breaches of the Code and certain other Company policies.

Certain members of the Board are directors or officers of, or have significant shareholdings in, other mineral resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. Where such a conflict involves a particular Board member (i.e. where a Board member has an interest in a material contract or material transaction involving the Company), such Board member will be required to disclose his or her interest to the Board and refrain from voting at the Board meeting of the Company considering such contract or transaction in accordance with applicable law. It is not always easy to determine whether a conflict of interest exists, so any potential conflicts of interest should be reported immediately to a member of senior management who is independent of the potential conflict and who will assess the issue with the advice of legal counsel. In rare instances, if deemed appropriate, the Company may establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict.

Audit Committee

The Audit Committee is comprised of Oyvind Hushovd (Chair), Charles Russell and William Lamarque, each of whom is “financially literate” within the meaning of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) of the CSA. All Audit Committee members are “independent” within the meaning of NI 52-110.

The Company has adopted an Audit Committee charter which codifies the mandate of the Audit Committee, and specifically defines the relationship with, and expectations of, the external auditors, including the establishment of the independence of the external auditor and the approval of any non-audit mandates of the external auditor; the engagement, evaluation, remuneration and termination of the external auditor; its relationship with, and expectations of, the internal auditor function and its oversight of internal control; and the disclosure of financial and related information. The Board will review and reassess the adequacy of the Audit Committee charter on an annual basis.

A copy of the Audit Committee’s charter may be obtained upon request to the Corporate Secretary, 654 - 999 Canada Place, Vancouver, British Columbia, V6C 3E1, telephone (604) 688-6630. In addition, the Audit Committee charter is included in each Annual Information Form filed by the Company and available at www.sedar.com and on the Company’s website at www.ivanhoemines.com.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee, consisting of Messrs. Meredith (Chair), Cockerill and Russell, has been established to assist the Board with the nomination of directors and to develop, monitor and implement the Company’s approach to corporate governance. While Mr. Meredith is not

independent, the Board has considered his extensive experience with public companies in determining his position as Chair of the Nominating and Corporate Governance Committee. The Board considers the presence of two senior and experienced independent directors to be sufficient to encourage any objective nominating process.

The role of the Nominating and Corporate Governance Committee is to, amongst other things: (i) identify individuals qualified to become members of the Board and Board committees; and recommend that the Board select such persons as nominees for appointment or election to the Board; (ii) develop and recommend to the Board corporate governance guidelines for the Company and make recommendations to the Board with respect to corporate governance practices; and (iii) establish such permanent or ad hoc committees as it deems necessary for the purposes of assisting in the corporate governance of the Company. All members shall have a working familiarity with corporate governance practices.

In fulfilling its responsibilities to identify individuals qualified to become members of the Board, the committee will consider: (i) the independence of each nominee; (ii) the experience and background of each nominee; (iii) the skill set of each nominee relative to the balance of skills required by the Board and its committees to meet their respective mandates; (iv) the past performance of directors being considered for re-election; (v) applicable regulatory requirements; and (vi) such other criteria as may be established by the Board or the Nominating and Corporate Governance Committee from time to time.

A copy of the Nominating and Corporate Governance Committee's charter may be obtained upon request to the Corporate Secretary, 654 – 999 Canada Place, Vancouver, British Columbia, V6C 3E1, telephone (604) 688-6630 and is available on the Company's website at www.ivanhoemines.com.

Compensation and Human Resources Committee

The Board's mandate includes reviewing and approving compensation for the directors and officers of the Company. The Board has established the Compensation Committee, which is currently comprised of Messrs. Cockerill (Chair), Hushovd and Faber, each of whom is independent.

The individuals comprising the Compensation Committee have acted as directors and executive officers for a variety of publicly listed and private companies. As a group, such directors have several years of directorship experience and each director has been a regular attendee at Board meetings. The Company believes that the directors' experiences in this regard are relevant to their responsibilities in determining executive compensation and enables them to make decisions on the suitability of the Company's compensation policies and practices.

The Compensation Committee's mandate includes establishing an overall compensation policy for the Company and monitoring its implementation, with special attention devoted to the executive group. In particular, the Compensation Committee is responsible for reviewing and making recommendations to the Board periodically regarding the Company's remuneration and compensation policies, including short and long term incentive compensation plans and equity-based plans, bonus plans, executive stock option plans and grants and benefit plans (including the group life and health program). In this regard, the Compensation Committee has the authority to retain such independent advisors as it may deem necessary or advisable for its purposes. The Compensation Committee meets at least annually to fulfill its mandate and in 2013 met five (5) times.

In December 2012, the Company adopted a corporate policy to encourage non-executive directors to invest in the Common Shares of the Company by requiring each non-executive director to hold Common Shares having an aggregate market value equal to not less than one (1) times the basic annual retainer non-executive directors. Each non-executive director is expected to meet this minimum threshold by the later of (i) the third anniversary following his initial appointment or election to the Board and (ii) two (2) years following the date of adoption of the policy by the Company.

The Company has also adopted a corporate policy to align the interests of the Company's executive management with the interests of its shareholders by requiring the executive officer to hold Common Shares having an aggregate market value equal to not less than one (1) times his annual base salary

within five years by the later of (i) the date of commencement of his employment as executive officer or (ii) the adoption of the policy by the Company.

The level of compensation for the Board and its committees will be reviewed periodically by the Compensation Committee, which makes recommendations to the Board with respect thereto.

A copy of the Compensation Committee's charter may be obtained upon request to the Corporate Secretary, 654 – 999 Canada Place, Vancouver, British Columbia, V6C 3E1, telephone (604) 688-6630 and is available on the Company's website at www.ivanhoemines.com.

Board Committees

In addition to the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee, the roles of which have been discussed above, the Board has also created the Sustainability Committee.

Sustainability Committee

The Sustainability Committee is comprised of Messrs. Russell (Chair) and Hayden and Dr. Lukman, all of whom are independent. The Board has determined that the input of management is important in reviewing the environmental affairs of the Company and the sustainability committee liaises with the management of Ivanhoe on an as needed basis.

The Sustainability Committee is responsible for establishing and reviewing the Company's safety, health and environmental policies; monitoring effectiveness of, and compliance with, such policies; and receiving audit results and reports from management regarding sustainability performance.

Assessments

One of the objectives of the Nominating and Corporate Governance Committee is to develop a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors. Notwithstanding the foregoing, the Nominating and Corporate Governance Committee will, as part of its mandate: (i) examine the size and composition of the Board and recommend adjustments from time to time to ensure that the Board is of a size and composition that facilitates effective decision-making; (ii) identify and assess the necessary and desirable competencies and characteristics for the Board and the extent to which those competencies and characteristics are represented thereon; (iii) ensure that the Board has appropriate structures and procedures in order to function with the proper degree of independence from management; (iv) review practices and procedures of the Board in light of ongoing developments in securities law, stock exchanges and regulatory requirements, and industry best practices, relating to matters of corporate governance; and (v) review and reassess the adequacy of the Company's corporate governance policies, practices and procedures annually and recommend to the Board any changes deemed appropriate by it.

Majority Voting Policy

On February 6, 2013, the Board adopted a majority voting policy, which requires that, in an uncontested election, any nominee for director with respect to whom a majority of the votes represented by proxies validly deposited prior to the Meeting are "withheld" from his or her election (a "**Majority Withheld Vote**"), submit his or her resignation to the Nominating and Corporate Governance Committee for consideration following the Meeting.

The Nominating and Corporate Governance Committee must consider the resignation, and make a recommendation to the Board whether or not to accept it. The Board must consider the recommendation of the Nominating and Corporate Governance Committee, and determine whether or not to accept the recommendation. A press release disclosing the Board's determination (and the reasons for rejecting the resignation, if applicable) must be issued within 90 days following the date of the Meeting.

Any director who tenders his or her resignation is not entitled to participate in any meeting of the Nominating and Corporate Governance Committee, if he or she is a member of that committee, or of the Board to consider whether his or her resignation should be accepted.

In a contested election, where the number of director nominees exceeds the number of directors to be elected, a plurality vote standard will continue to apply.