

October 12, 2021

Kamoa-Kakula's Phase 2 expansion, doubling production to over 400,000 tonnes of copper per year, ahead of schedule and now on track to begin full operations in Q2 2022

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New Phase 1 daily production record of 721 tonnes of copper achieved

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Kamoa-Kakula's second filter press begins operations, allowing for increased copper concentrate production

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Phase 1 concentrator ore throughput exceeding the 3.8 Mtpa design by more than 10%

KOLWEZI, DEMOCRATIC REPUBLIC OF CONGO – Ivanhoe Mines (TSX: IVN; OTCQX: IVPAF) Co-Chairs Robert Friedland and Yufeng “Miles” Sun announced that construction of Kamoa-Kakula's Phase 2 concentrator plant, which is designed to double copper production to approximately 400,000 tonnes a year, is proceeding ahead of schedule. The project team now anticipates beginning operations of the Phase 2 concentrator plant in Q2 2022, as compared to current guidance of Q3 2022.

Mark Farren, Kamoa Copper's CEO, stated: “Construction of the Phase 2 concentrator plant is progressing very well and the project team is working hard to complete the project ahead of schedule, similar to what we did with the Phase 1 plant. Based on the pace of the work completed to date, we now expect to deliver first ore to the Phase 2 ball mills before the end of Q2 2022.”

The Phase 2, 3.8 million-tonne-per-annum (Mtpa) concentrator plant is a carbon copy of the Phase 1 concentrator plant, and is being constructed alongside the Phase 1 plant. All long-lead items of equipment, structural steel, platework and mechanical equipment for the Phase 2 plant already are delivered to site or are en-route. As of the end of September 2021, the Phase 2 plant was more than 50% complete.

“The ahead-of-schedule and on-budget achievements at Kamoa-Kakula stand tall and shine brightly in a COVID-19 world ... where mining, infrastructure, and other industrial projects are routinely massively delayed, hindered by supply bottlenecks and predictably subject to significant cost over-runs. This outstanding construction progress at our Phase 1 and Phase 2 mines in this challenging environment is a testament to the extraordinary skill and dedication of our 'United Nations' of managers,

staff and contractors," said Ivanhoe Founder & Executive Co-Chair Robert Friedland. "Their careful and diligent planning, and their utilization of all of our inherent advantages, delivered this historic achievement, which the industry and the world can now plainly see has risen to new heights in what a recent industry publication called the 'Democratic Republic of Copper'.

"The Congolese mining industry has a very bright future indeed, and the legacy mining companies had better 'pull up their socks' ... We are just starting ... Having raised the bar for construction delivery, Ivanhoe Mines is setting its sights on raising the environmental, social and governance bar for the ultra-low-carbon copper production our world desperately needs for the energy transformation. We have all the pieces to do just that ... We have the right team ... We have the right partners and the right stakeholders. And we have the best copper projects in the world right now."

Also at the end of September, Kamoakakula had surface ore stockpiles totalling approximately 3.66 million tonnes grading 4.73% copper, containing more than 173,000 tonnes of copper (or 381.4 million pounds of copper). These stockpiles are in place to help ensure a smooth and efficient ramp up of the Phase 2 concentrator to steady-state production during 2022.

As forecast in Ivanhoe's Kamoakakula's progress update issued on September 30, the second concentrate filter press began operations on October 3, enabling the Phase 1 plant to produce copper concentrate above design parameters. The second filter allows Kamoakakula's Phase 1 concentrator to take advantage of the exceptionally high-grade copper ore being processed directly from Kakula's underground mining operations and surface stockpiles.

"Kamoakakula's Phase 1 milling and flotation capacity has been demonstrated to be in excess of design parameters," commented Steve Amos, Kamoakakula's Head of Projects. "As such, the additional filter press enables Kamoakakula to take advantage of the extra mill throughput to produce more copper than the estimated design output of approximately 200,000 tonnes per year. We have a third filter press on order that will be installed as part of the Phase 2 concentrator expansion.

"The additional filtration capacity also will allow Kamoakakula's operations team to find the 'sweet spot' between copper recoveries and concentrate copper grades."

Aerial shot of the side-by-side Phase 1 (left) and Phase 2 (right) concentrator plants.



All eight rougher flotation cells and three of six cleaner flotation cells now installed in the Phase 2 concentrator plant.



Installing the inlet trunnion on the Phase 2 secondary ball mill.



Lifting the reducer gear box assembly for the Phase 2 secondary ball mill.



Preparing to lift shell sections of the second of two Phase 2 ball mills.



Since the previous reporting month, the Phase 1 concentrator has consistently achieved a run-rate throughput of 12,600 tonnes of ore per day (a rate of approximately 4.2 Mtpa), which is 10.5% higher than the design throughput of approximately 11,400 tonnes per day, or 3.8 Mtpa.

During initial commissioning of the second filter press, a new daily production record of 721 tonnes of copper in filtered concentrate was achieved on October 4, 2021. The current copper price is approximately US\$9,500 a tonne.

Watch a short video showcasing the commissioning of the second concentrate filter press at Kamo-Kakula: <https://vimeo.com/629021616/deccdb4768>

The Kamo-Kakula Copper Project is a joint venture between Ivanhoe Mines (39.6%), Zijin Mining Group (39.6%), Crystal River Global Limited (0.8%) and the Government of the Democratic Republic of Congo (20%).

(L-R) Operators Madickson Kabeya, Mumba Mpanga Elie, Bizimana Andre Stany and Bedudrick Mutombo, in front of the two concentrate filter presses that were manufactured by Outotec of Espoo, Finland.



Members of the multinational commissioning team at the new filter press on left.



Bizimana Andre Stany operating the concentrate filter press.



Philip Katayi monitoring the loading of high-grade copper concentrate into the transfer bin, which moves a portion of Kamoakakula's concentrate to the bagging plant for shipment to international markets.



Qualified Persons

Disclosures of a scientific or technical nature regarding development scenarios at the Kamo-Kakula Project in this news release have been reviewed and approved by Steve Amos, who is considered, by virtue of his education, experience and professional association, a Qualified Person under the terms of NI 43-101. Mr. Amos is not considered independent under NI 43-101 as he is Kamo Copper's Head of Projects. Mr. Amos has verified the technical data disclosed in this news release.

Ivanhoe has prepared an independent, NI 43-101-compliant technical report for the Kamo-Kakula Project, which is available on the company's website and under the company's SEDAR profile at www.sedar.com:

- Kamo-Kakula Integrated Development Plan 2020 dated October 13, 2020, prepared by OreWin Pty Ltd., China Nerin Engineering Co., Ltd., DRA Global, Epoch Resources, Golder Associates Africa, KGHM Cuprum R&D Centre Ltd., Outotec Oyj, Paterson and Cooke, Stantec Consulting International LLC, SRK Consulting Inc., and Wood plc.

The technical report includes relevant information regarding the assumptions, parameters and methods of the mineral resource estimates on the Kamo-Kakula Project cited in this news release, as well as information regarding data verification, exploration procedures and other matters relevant to the scientific and technical disclosure contained in this news release.

About Ivanhoe Mines

Ivanhoe Mines is a Canadian mining company focused on advancing its three principal joint-venture projects in Southern Africa: the development of major new, mechanized, underground mines at the Kamo-Kakula copper discoveries in the Democratic Republic of Congo and at the Platreef palladium-rhodium-platinum-nickel-copper-gold discovery in South Africa; and the extensive redevelopment and upgrading of the historic Kipushi zinc-copper-germanium-silver mine, also in the Democratic Republic of Congo.

Kamo-Kakula began producing copper concentrates in May 2021 and, through phased expansions, is positioned to become one of the world's largest copper producers. Kamo-Kakula and Kipushi are being powered by clean, renewable hydro-generated electricity and are projected to be among the world's lowest greenhouse gas emitters per unit of metal produced. Ivanhoe Mines has pledged to achieve net-zero operational greenhouse gas emissions (Scope 1 and 2) at the Kamo-Kakula Copper Mine when large-scale electric, hydrogen and hybrid underground mining equipment become commercially available. Ivanhoe also is exploring for new copper discoveries on its Western Foreland exploration licences in the Democratic Republic of Congo, near the Kamo-Kakula Project.

Information contacts

Investors: Bill Trenaman +1.604.331.9834 / Media: Matthew Keevil +1.604.558.1034

Forward-looking statements

Certain statements in this release constitute “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws. Such statements and information involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the company, its projects, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as “may”, “would”, “could”, “will”, “intend”, “expect”, “believe”, “plan”, “anticipate”, “estimate”, “scheduled”, “forecast”, “predict” and other similar terminology, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. These statements reflect the company’s current expectations regarding future events, performance and results and speak only as of the date of this release.

Such statements include without limitation, the timing and results of: (i) statements regarding the second concentrate filter press enables the Phase 1 concentrator plant to produce copper concentrate above design parameters statements; (ii) statements regarding the Kamo-a-Kakula’s Phase 2 expansion, doubling production to over 400,000 tonnes of copper per year, is ahead of schedule and now on track to begin full operations in Q2 2022; and (iii) statements regarding Kamo-a-Kakula and Kipushi are projected to be among the world’s lowest greenhouse gas emitters per unit of metal produced.

As well, all of the results of the Kakula definitive feasibility study, the Kakula-Kansoko pre-feasibility study and the Kamo-a-Kakula preliminary economic assessment, constitute forward-looking statements or information, and include future estimates of internal rates of return, net present value, future production, estimates of cash cost, proposed mining plans and methods, mine life estimates, cash flow forecasts, metal recoveries, estimates of capital and operating costs and the size and timing of phased development of the projects. Furthermore, with respect to this specific forward-looking information concerning the development of the Kamo-a-Kakula Project, the company has based its assumptions and analysis on certain factors that are inherently uncertain. Uncertainties include: (i) the adequacy of infrastructure; (ii) geological characteristics; (iii) metallurgical characteristics of the mineralization; (iv) the ability to develop adequate processing capacity; (v) the price of copper; (vi) the availability of equipment and facilities necessary to complete development; (vii) the cost of consumables and mining and processing equipment; (viii) unforeseen technological and engineering problems; (ix) accidents or acts of sabotage or terrorism; (x) currency fluctuations; (xi) changes in regulations; (xii) the compliance by joint venture partners with terms of agreements; (xiii) the availability and productivity of skilled labour; (xiv) the regulation of the mining industry by various governmental agencies; (xv) the ability to raise sufficient capital to develop such projects; (xvi) changes in project scope or design; (xvii) political factors; and (xviii) unforeseen delays or stoppages in shipping and transportation of goods and equipment.

Forward-looking statements and information involve significant risks and uncertainties, should not be read as guarantees of future performance or results and will not necessarily be accurate indicators of

whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements or information, including, but not limited to, the factors discussed below and under “Risk Factors”, and elsewhere in this release, as well as unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts with the company to perform as agreed; social or labour unrest; changes in commodity prices; and the failure of exploration programs or studies to deliver anticipated results or results that would justify and support continued exploration, studies, development or operations.

Although the forward-looking statements contained in this release are based upon what management of the company believes are reasonable assumptions, the company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this release and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this release.

The company’s actual results could differ materially from those anticipated in these forward-looking statements as a result of the factors set forth below in the “Risk Factors” section in the company’s 2021 Q2 MD&A and its current annual information form.