

February 26, 2018

Ivanhoe Mines announces a 50% increase in Indicated Mineral Resources, at a 3% cut-off grade, at the ultra-high-grade Kakula Copper Discovery in D.R. Congo.

Kakula now contains Indicated Mineral Resources of 174 million tonnes at 5.62% copper, plus additional Inferred Mineral Resources of 9 million tonnes at 3.66% copper, at a 3% cut-off.

At a 1% cut-off, Kakula's Indicated Mineral Resources have increased by 58%, now totalling 585 million tonnes at 2.92% copper.

Kakula's strike length now extends to 13.3 kilometres and remains open for significant expansion.

New Mineral Resource estimate establishes the Kamoia-Kakula Project as the world's fourth-largest copper discovery. Project's copper grades are the highest, by a wide margin, of the world's top 10 copper deposits.

Average true thickness of Kakula's selective mineralized zone is 10.1 metres in the Indicated Mineral Resources area, at a 1% cut-off.

Kakula's new estimate boosts combined Kamoia-Kakula Indicated Mineral Resources to 1.03 billion tonnes at 3.17% copper, containing approximately 72 billion pounds of copper, plus an additional 183 million tonnes of Inferred Mineral Resources at 2.31% copper, at a 1.5% cut-off.

Consultation between industry participants and government set to begin to review the DRC 2002 Mining Code.

Geophysical surveys underway to help identify new exploration targets on the highly prospective Kamoia-Kakula mining licence.

KOLWEZI, DEMOCRATIC REPUBLIC OF CONGO – Robert Friedland, Executive Chairman of Ivanhoe Mines (TSX: IVN; OTCQX: IVPAF), and Lars-Eric Johansson, Chief Executive Officer, announced today that the company has completed an independently verified, updated Mineral Resource estimate for the ultra-high-grade Kakula Discovery on the Kamoia-Kakula Copper Project, near the mining centre of Kolwezi in the Democratic Republic of Congo.

The tier-one Kamoia-Kakula Project is a joint venture between Ivanhoe Mines, Zijin Mining and the government of the Democratic Republic of Congo (DRC).

The updated Kakula Mineral Resource estimate, prepared under the direction of independent consultant Amec Foster Wheeler, covers a mineralized strike length of 13.3 kilometres. For the first time, the updated estimate incorporates Mineral Resources contained in the Kakula West Discovery area and the saddle area between the main Kakula Discovery area and Kakula West (see Figure 1).

The new estimate boosts the total tonnage of Kakula's Indicated Mineral Resources by 50%, at a 3% copper cut-off, compared to the previous Kakula resource estimate issued in May 2017 that covered a strike length of 7.7 kilometres.

Kakula's new Indicated Mineral Resources at a 3% cut-off grade have increased by 58 million tonnes and currently total 174 million tonnes at a grade of 5.62% copper. This compares to the May 2017 estimate of 116 million tonnes at 6.09% copper, at the same cut-off grade. Estimated Inferred Mineral Resources now total an additional nine million tonnes at a grade of 3.66% copper, at a 3% cut-off.

At a 1% copper cut-off, Kakula's Indicated Mineral Resources have increased by 58%, to now total 585 million tonnes at 2.92% copper.

The Kakula high-grade mineralized trend remains open in multiple directions. Mr. Friedland said Ivanhoe expects that ongoing in-fill and step-out drilling will yield significant expansions and further upgrades to the current resources.

“Kakula is the most remarkable mineral discovery we have seen during our 35-plus years in the exploration industry. The new, independently-verified resource estimate now places Kamoia-Kakula ahead of Indonesia's renowned Grasberg Deposit as the world's fourth-largest copper discovery on the planet in terms of contained copper. And it still is growing.

“The exceptionally high copper grades, thicknesses and continuity of the mineralization at Kakula distinguish this discovery from anything else in the Central African Copperbelt,” Mr. Friedland added.

“Based on the findings of the independent preliminary economic assessment completed in November of last year, the resources we've discovered should allow us to build a world-scale, highly-mechanized, underground copper mine with an initial capital cost expected to be far lower than other operations of this size.

“With this initial Mineral Resource estimate at Kakula West, we can begin to evaluate technical and infrastructure options to expeditiously develop the zones of thick, high-grade, bottom-loaded chalcocite in this latest discovery area.”

Mr. Friedland said that a development scenario using a mining rate of six million tonnes a year and a copper cut-off grade of 3% indicates that Kakula already has enough Indicated Mineral Resources to mine at an average grade of between 5.5% and 6% copper for approximately 30 years.

“If we lower the copper cut-off grade to 1%, which is higher than the mining grades at most of the world’s major copper mines, we could be mining almost 3% copper at Kakula for approximately 100 years,” Mr. Friedland said.

“Importantly, the western trend of Kakula’s high-grade mineralized core appears to be open to the southwest, suggesting that potential extensions of the Kakula West Discovery could remain within the Kamoia-Kakula mining licence for a considerable distance. The ongoing gravity and geophysical seismic surveys will provide our geological team with additional data to better assess the direction and extent of Kakula’s high-grade mineralized zone.

“The unparalleled strength and continuity of the Kakula mineralized trend also bodes well for the potential for exploration success on Ivanhoe’s 100%-owned Western Foreland licences, to the west of Kamoia-Kakula. Given the accumulation of in-depth, proprietary geological insights gained by Ivanhoe’s geological team into the features controlling the high-grade copper mineralization during almost two decades of exploring in the region, we are highly confident of further exploration successes in 2018 and beyond.”

The Kakula Discovery is approximately 10 kilometres southwest of Kamoia’s initial Kansoko Mine development (see figures 1 & 2). Ivanhoe and Zijin have been conducting an aggressive drilling program totalling more than 181,500 metres at the Kakula Discovery since April 2016. The program is expected to continue through 2018.

The February 23, 2018 Kakula Mineral Resource estimate was prepared by George Gilchrist, Ivanhoe Mines’ Mineral Resources Manager, under the direction of Dr. Harry Parker and Gordon Seibel, both RM SME, of Amec Foster Wheeler, of Reno, Nevada, and is reported in accordance with the 2014 CIM *Definition Standards for Mineral Resources and Mineral Reserves*. Dr. Parker and Mr. Seibel are the Qualified Persons for the estimate. A technical report will be filed on SEDAR at www.sedar.com and on the Ivanhoe Mines website at www.ivanhoemines.com within 45 days of the issuance of this news release.

Highlights include:

- Indicated Mineral Resources total 585 million tonnes at a grade of 2.92% copper, containing 37.7 billion pounds of copper at a 1% copper cut-off. At a 2% copper cut-off, Indicated Mineral Resources total 330 million tonnes at a 4.07% copper grade, containing 29.6 billion pounds of copper. At a higher cut-off of 3% copper, Indicated Mineral Resources total 174 million tonnes at a grade of 5.62% copper, containing 21.5 billion pounds of copper.**

- **Inferred Mineral Resources total 113 million tonnes at a grade of 1.90% copper, containing 4.7 billion pounds of copper at a 1% copper cut-off. At a 2% copper cut-off, Inferred Mineral Resources total 44 million tonnes at a 2.59% copper grade, containing 2.5 billion pounds of copper. At a higher cut-off of 3% copper, Inferred Mineral Resources total 9 million tonnes at a grade of 3.66% copper, containing 0.7 billion pounds of copper.**
- **The average true thickness of the selective mineralized zone (SMZ) at a 1% copper cut-off is 10.1 metres in the Indicated Mineral Resources area and 6.7 metres in the Inferred Mineral Resources area. At a higher 3% copper cut-off, the average true thickness of the SMZ is 4.7 metres in the Indicated Mineral Resources area and 3.3 metres in the Inferred Mineral Resources area.**

The Kakula Mineral Resources are defined within a total area of 24.9 square kilometres at a 1% copper cut-off. At the same cut-off grade, the areal extent of Indicated Mineral Resources is 19.4 square kilometres and the areal extent of the Inferred Mineral Resources is 5.5 square kilometres. Figure 6 shows the expansion of Kakula's Indicated and Inferred Mineral Resources since May 2017.

The Kakula Discovery remains open for significant expansion in multiple directions, while the remainder of the southern parts of the Kamoia-Kakula mining licence area is virtually untested (see figures 2 and 3). Drilling by nine rigs is continuing at Kakula; more than 25,000 metres have been drilled since the beginning of this year.

DRC Mining Code update

Ivanhoe Mines recently has had constructive discussions in Kinshasa, the capital of the DRC, regarding the review of the DRC 2002 Mining Code. In conjunction with other international mining companies operating in the DRC, progress has been made toward understanding the key issues of concern to both the government and industry participants.

Ivanhoe Mines has received specific assurance that a detailed consultation process will commence in the near future with the goal of reaching a collaborative, sustainable, and stable long-term fiscal and regulatory framework that provides the foundation for the continued development of the mineral resources sector, and helps create a brighter future for all the citizens of the DRC. The organization of all major mining companies operating in the DRC, announced at the 2018 Cape Town Mining Indaba, will represent the industry during the upcoming consultation period.

Figure 1. Kamoia-Kakula mining licence, showing the Kamoia, Kakula and Kakula West Mineral Resource areas.

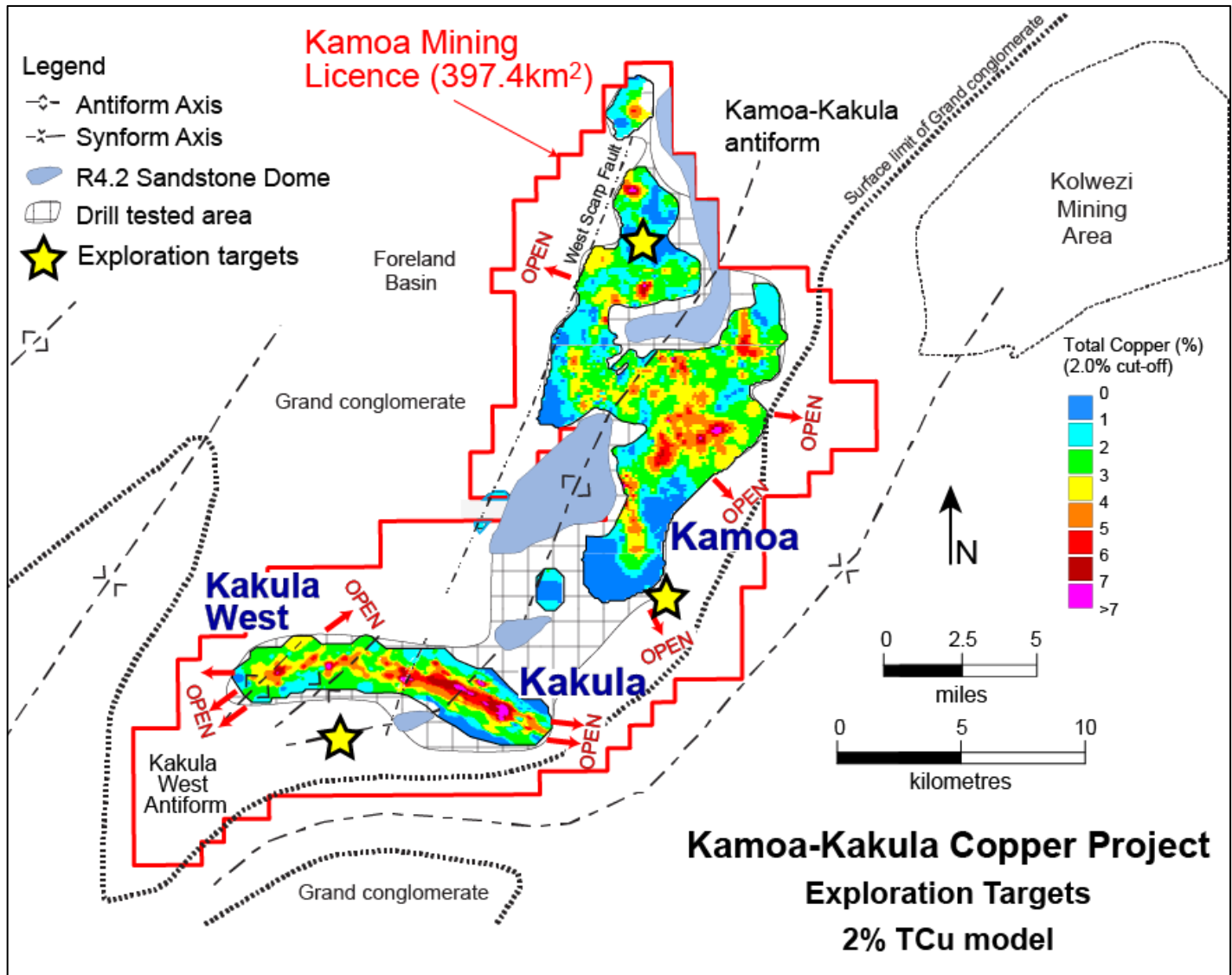
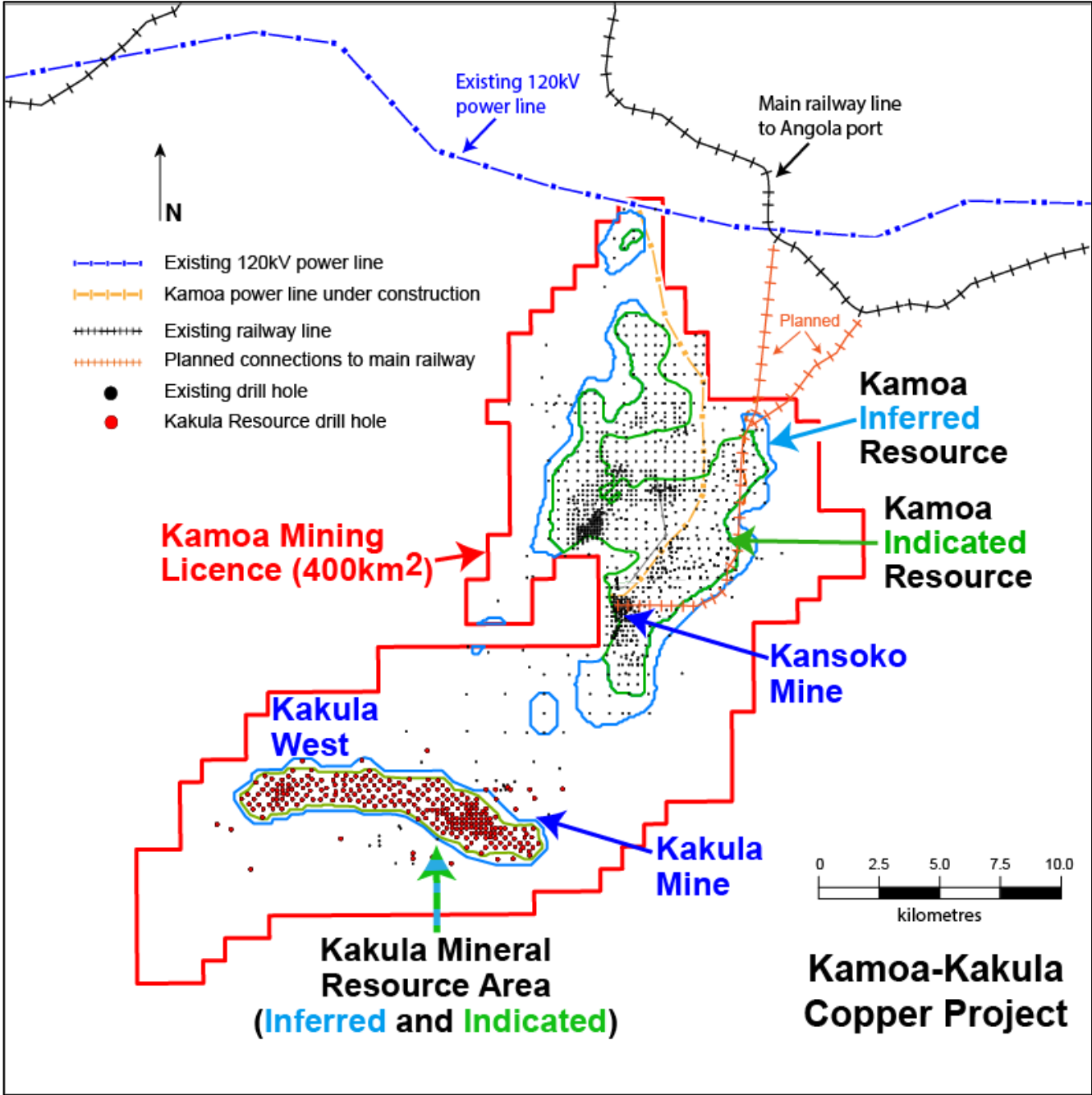


Figure 2. Kamoia, Kakula and Kakula West Indicated and Inferred Mineral Resource areas, with existing power and rail infrastructure.



The February 2018 Kakula Mineral Resource estimate is based on results from approximately 151,000 metres of drilling in 271 holes completed by December 31, 2017.

Indicated Resources are classified when the drill-hole spacing approximates a 400-metre grid, while Inferred Resources are classified when the drill-hole spacing approximates an 800-metre grid.

The February 2018 Kakula Mineral Resources, along with sensitivities at various cut-offs, are shown in tables 1, 2 and 3.

Table 1. Indicated and Inferred Mineral Resources at a 1% copper cut-off grade, Kakula Deposit.

Category	Tonnage (Mt)	Area (km ²)	Copper (%)	Vertical Thickness (metres)	Contained Copper (kTonnes)	Contained Copper (billion lbs)
Indicated	585	19.4	2.92	10.8	17,100	37.7
Inferred	113	5.5	1.90	7.3	2,150	4.7

Notes:

- Ivanhoe's Mineral Resources Manager George Gilchrist, a Member of the Geology Society of South Africa and Professional Natural Scientist (Pr. Sci. Nat) with the South African Council for Natural Scientific Professions (SACNASP), estimated the Mineral Resources under the supervision of Dr. Harry Parker and Gordon Seibel, both Registered Members of the Society for Mining, Metallurgy and Exploration (RM SME), who are the Qualified Persons for the Mineral Resource estimate. The effective date of the estimate is February 23, 2018. Mineral Resources are estimated using the CIM Definition Standards for Mineral Resources and Reserves (2014).
- For Kakula, Mineral Resources are reported using a total copper (TCu) cut-off grade of 1% TCu and an approximate minimum thickness of 3.0 metres. There are reasonable prospects for eventual economic extraction under assumptions of a copper price of US\$3.00/lb, employment of underground, mechanized, room-and-pillar and drift-and-fill mining methods, and that copper concentrates will be produced and sold to a smelter. Mining costs are assumed to be \$42/t. Concentrator and general and administrative (G&A) costs are assumed to be \$18/t. Metallurgical recovery is assumed to average 85%. Ivanhoe is studying (preliminary economic assessment in progress) reducing mining costs using a convergence backfill method.
- Reported Mineral Resources contain no allowances for hanging wall or footwall contact boundary loss and dilution. No mining recovery has been applied.
- Approximate drill hole spacings are 800 metres for Inferred Mineral Resources and 400 metres for Indicated Mineral resources.
- Rounding as required by reporting guidelines may result in apparent differences between tonnes, grade and contained metal content.

Table 2. Kakula Deposit Indicated Mineral Resources, Sensitivity Cases.

Category	Cut-off Grade (Cu%)	Tonnes (millions)	Area (Sq. km)	Copper Grade	True Thickness (metres)	Contained Copper (kTonnes)	Contained Copper (billion lbs)
Indicated	7.0	41	2.2	8.07%	6.3	3,290	7.3
Indicated	6.0	67	3.6	7.46%	6.2	4,970	11.0
Indicated	5.0	98	5.7	6.82%	5.7	6,690	14.7
Indicated	4.0	140	9.0	6.13%	5.1	8,560	18.9
Indicated	3.0	174	12.3	5.62%	4.7	9,750	21.5
Indicated	2.5	208	14.4	5.14%	4.8	10,700	23.5
Indicated	2.0	330	16.6	4.07%	6.6	13,400	29.6
Indicated	1.5	420	18.0	3.55%	7.8	14,900	32.9
Indicated	1.0	585	19.4	2.92%	10.1	17,100	37.7

The footnotes to Table 1 also apply to Table 2.

Table 3. Kakula Deposit Inferred Mineral Resources, Sensitivity Cases.

Category	Cut-off Grade (Cu%)	Tonnes (millions)	Area (Sq. km)	Copper Grade	True Thickness (metres)	Contained Copper (ktonnes)	Contained Copper (billion lbs)
Inferred	4.0	2	0.2	4.17%	3.3	98	0.2
Inferred	3.0	9	0.8	3.66%	3.3	325	0.7
Inferred	2.5	17	1.7	3.20%	3.2	549	1.2
Inferred	2.0	44	3.2	2.59%	4.3	1,140	2.5
Inferred	1.5	69	4.5	2.26%	5.0	1,560	3.4
Inferred	1.0	113	5.5	1.90%	6.7	2,150	4.7

The footnotes to Table 1 also apply to Table 3.

High-grade Kakula Discovery presents transformational opportunities for Kamo-a-Kakula development

Mineralization at Kakula is substantively thicker and higher grade than mineralization found elsewhere on the Kamo-a mining licence. It also is consistently bottom-loaded and will support the construction of SMZ composites at cut-offs of up to at least 3% copper. The lateral consistency of mineralization at these higher cut-offs presents significant opportunities for mine planning, with large areas of the resource having average grades in excess of 6% when using the SMZ at a cut-off of 3% copper.

The Kakula resource model was constructed using a series of nested grade shells at 1%, 2% and 3% cut-offs. A minimum thickness of 3.0 metres was applied to the 3% grade shell and the outer shells were nested above and below this central shell. The resultant model allows the flexibility to show distribution of grades and thicknesses across the various grade shells and highlights Kakula's outstanding, high-grade potential.

Figures 3 and 4 show the lateral distribution of grades across the 3% copper shell and the base-case, 1% copper shell, respectively. Figure 5 shows the thickness of Indicated and Inferred Mineral Resource blocks at a 1% copper cut-off.

Now that a Mineral Resource estimate has been independently verified for the Kakula West Discovery, Ivanhoe and Zijin can explore options to accelerate future mine production by bringing high-grade mineralization from Kakula West into the Kakula mine plan.

Additional exploration success could have a significant influence on the size, value and timing of the overall development plan; as such, the Kamo-a-Kakula development plans will be reassessed and amended as the project moves forward to reflect ongoing exploration results.

Kakula decline development work progressing on schedule to provide access to the high-grade copper resources

Underground development work on the twin declines at the Kakula Copper Discovery is progressing according to plan. Both declines have been advanced more than 200 metres, approximately 10% of the projected total distance.

The Kakula box cut was successfully completed on October 26, 2017, and the first blast for the twin declines at Kakula took place on November 16, 2017. The Kakula decline development work is being undertaken by JMMC, a DRC subsidiary of JCHX Mining Management of Beijing, China. Depending on ground conditions, the 3,600-metre decline development contract is scheduled for completion around the end of this year.

Initial mine development is planned to begin at the Kakula Deposit in a flat, near-surface zone along the deposit's axis that, at a 3% cut-off, is between 7.1 metres and 11.7 metres thick, with copper grades of between 8.11% and 10.35%. Based on the findings of the independent preliminary economic assessment completed in November of last year, Kakula's copper grade is projected to average 6.4% over the first 10 years of production.

Aerial view of the Kakula box cut, showing portals for the twin declines, and related surface facilities.



Kakula geologists (from left) Alain Kyatenga and Maria Mwenya, and mining engineer Sylver Nzam, logging core at the core shed.



Members of Kakula's geology team with Guy Muswil, Head of Sustainability with the Kamoia-Kakula Copper Project (centre), and Pierre Olombe, DRC Transport Manager (right), examine new drill core from Kakula West.



Figure 3. Kakula and Kakula West discovery areas showing grades of Indicated and Inferred Mineral Resource blocks at a 3% copper cut-off.

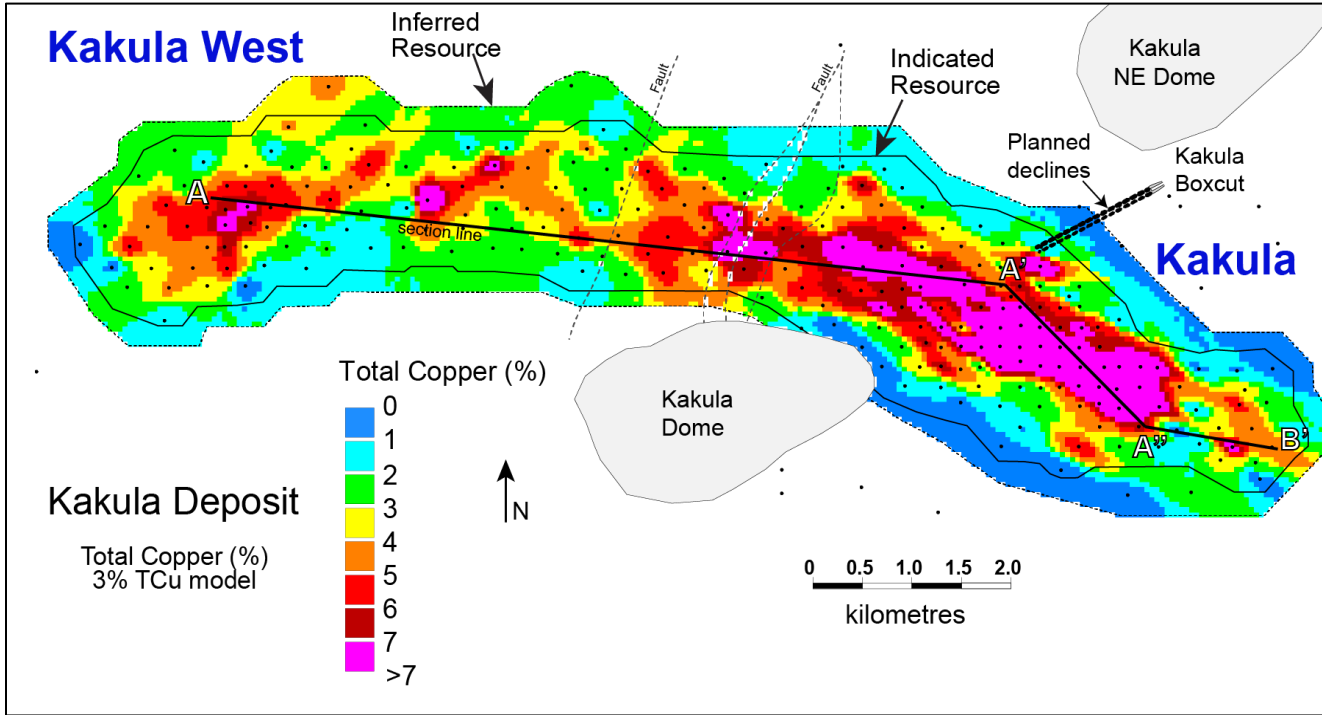
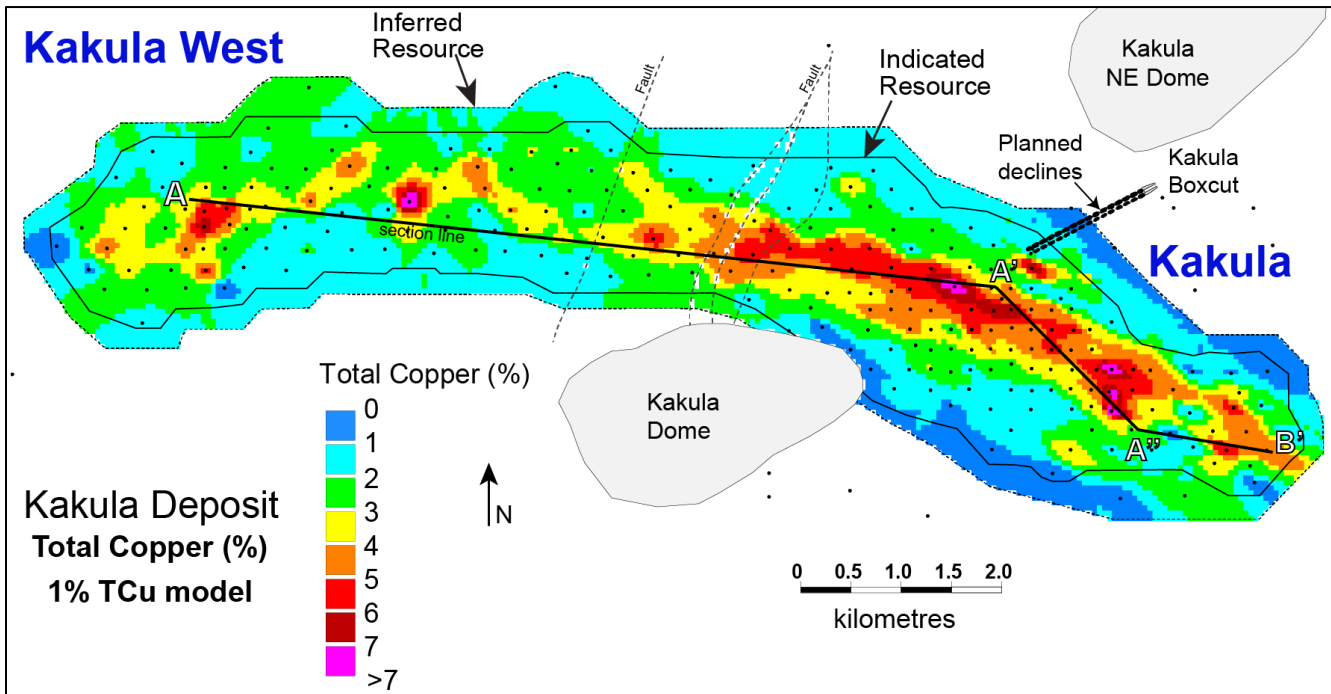


Figure 4. Kakula and Kakula West discovery areas showing grade of Indicated and Inferred Mineral Resource blocks at a 1% copper cut-off.



The Indicated and Inferred Mineral Resource perimeters indicate a confidence classification. Cut-off criteria are applied within the perimeters to state Mineral Resources.

Figure 5. Kakula and Kakula West discovery areas showing the thickness of Indicated and Inferred Mineral Resource blocks at a 1% copper cut-off.

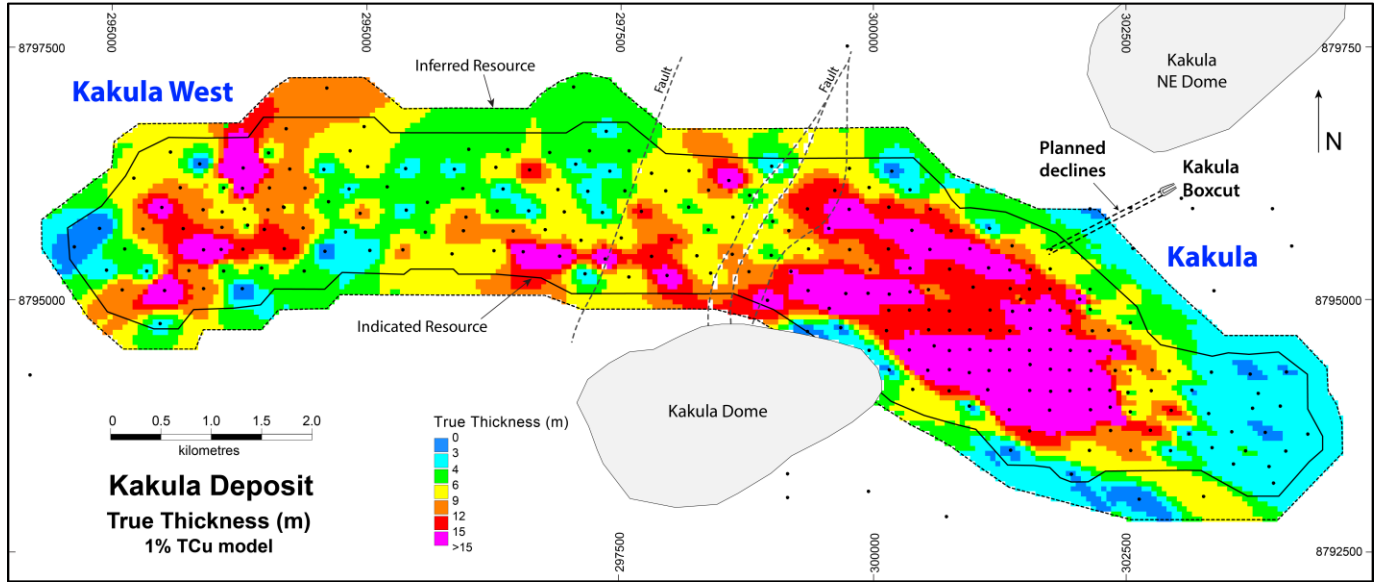


Figure 6. Kakula and Kakula West discovery areas showing expansion of Indicated and Inferred Mineral Resources since May 2017.

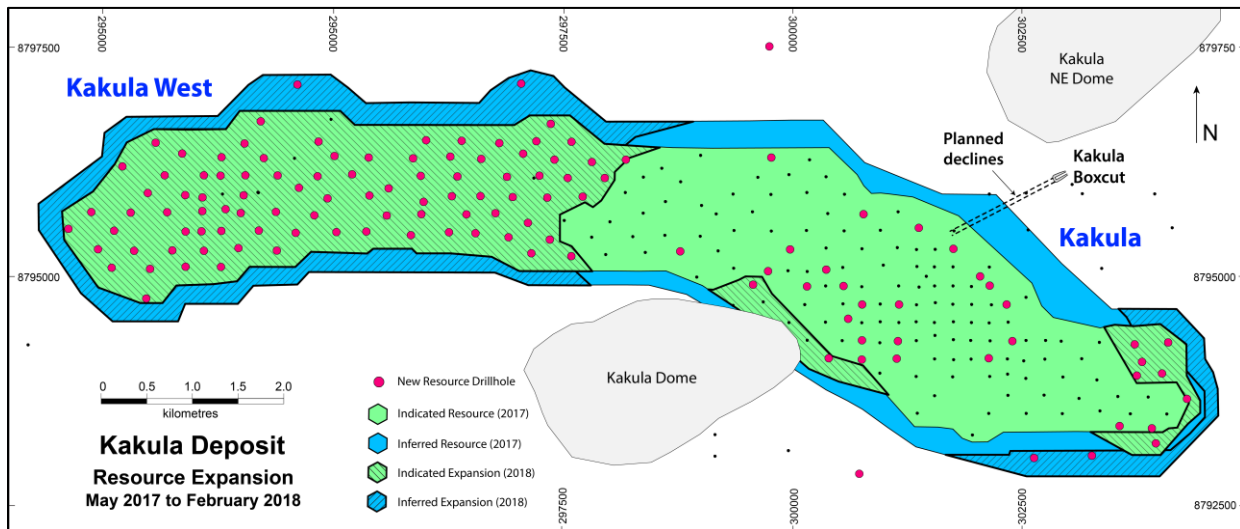
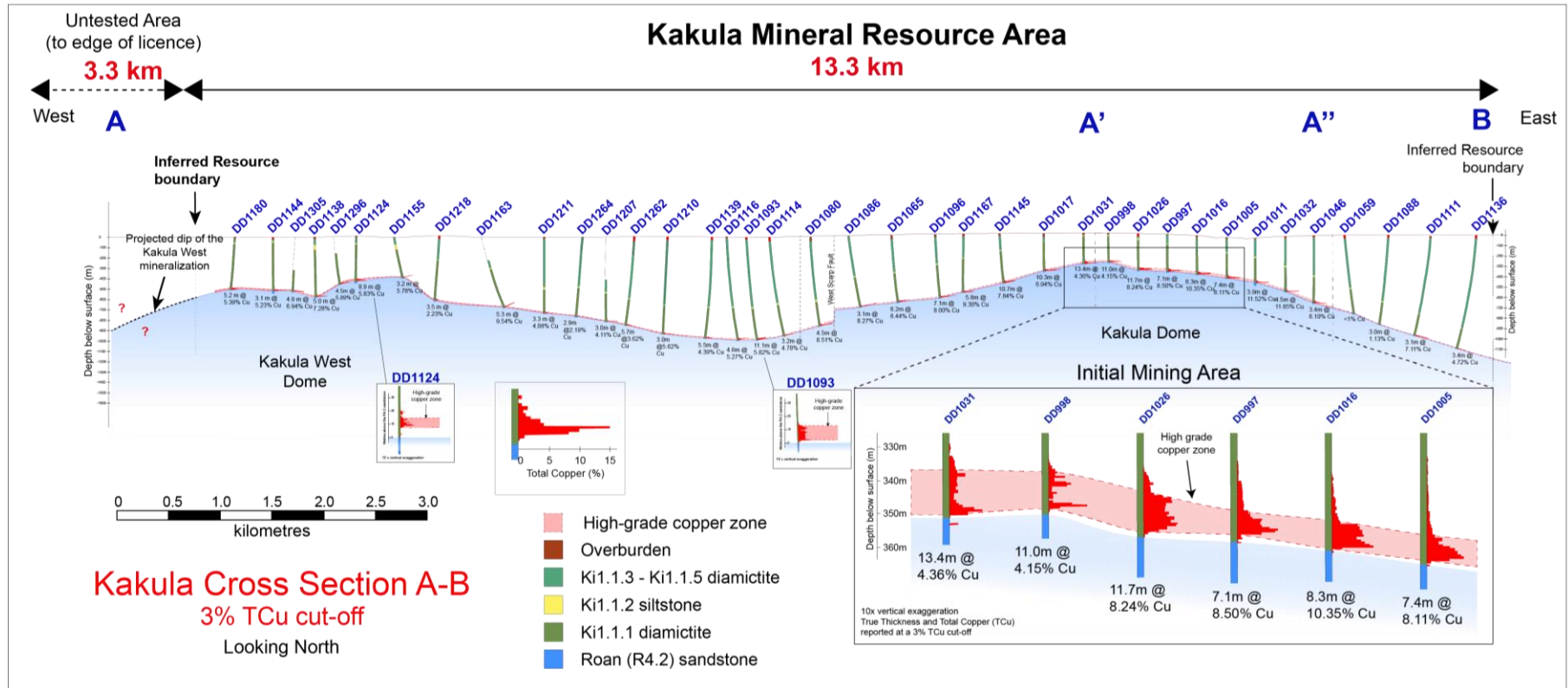


Figure 7. Section along the axis of the Kakula Deposit on section showing drilling completed to date and composites at a 3% copper cut-off.



Kakula's updated resources expand what already had been established as a tier-one resource base at the Kamo-Kakula Project

Kakula is the second major discovery on the Kamo mining licence in the past nine years. An expanded, independent prefeasibility study was completed on the Kamo Deposit in November 2017 and is the basis of the current mineral reserve for the Kansoko Mine at Kamo.

The combined Kamo-Kakula Indicated Mineral Resources now total 1.34 billion tonnes grading 2.72% copper, containing 80.7 billion pounds of copper at a 1.0% copper cut-off grade and an approximate minimum thickness of 3.0 metres. At a higher 1.5% copper cut-off grade and a minimum thickness of 3.0 metres, the combined Kamo-Kakula Indicated Mineral Resources now total 1.03 billion tonnes grading 3.17% copper, containing 71.7 billion pounds of copper.

Kamo-Kakula now also has Inferred Mineral Resources of 315 million tonnes grading 1.87% copper, containing 13.0 billion pounds of copper at a 1.0% copper cut-off grade and an approximate minimum thickness of 3.0 metres. At a 1.5% copper cut-off grade and a minimum thickness of 3.0 metres, Kamo-Kakula's Inferred Mineral Resources now total 183 million tonnes grading 2.31% copper, containing 9.3 billion pounds of copper.

The total consolidated Mineral Resource for the Kamo-Kakula Project is shown in Table 4 and the sensitivity of the resource at various cut-offs is shown in Table 5.

Table 4. Consolidated Mineral Resource Statement, Kamoia-Kakula Project, February 2018.

Deposit	Category	Tonnes (millions)	Area (sq. km)	Copper Grade	Vertical Thickness (metres)	Contained Copper (kt)	Contained Copper (billion lbs)
Kamoia	Indicated	759	50.7	2.57%	5.5	19,500	43.0
	Inferred	202	19.4	1.85%	3.8	3,740	8.2
Kakula	Indicated	585	19.4	2.92%	10.8	17,100	37.7
	Inferred	113	5.5	1.90%	7.3	2,150	4.7
Total Kamoia-Kakula Copper Project	Indicated	1,340	70.1	2.72%	6.9	36,600	80.7
	Inferred	315	24.9	1.87%	4.6	5,890	13.0

Notes:

- Ivanhoe's Mineral Resources Manager, George Gilchrist, Professional Natural Scientist (Pr. Sci. Nat) with the South African Council for Natural Scientific Professions (SACNASP), estimated the Mineral Resources under the supervision of Dr. Harry Parker and Gordon Seibel, both Registered Members of the Society for Mining, Metallurgy and Exploration (SME), who are the Qualified Persons for the Mineral Resource estimate. The effective date of the estimate is February 23, 2018. Mineral Resources are estimated using the 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves. Mineral Resources at Kamoia are inclusive of Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. No Mineral Reserves are currently estimated at Kakula.
- Mineral Resources at Kamoia are reported using a total copper (TCu) cut-off grade of 1% TCu and a minimum vertical thickness of 3 m. There are reasonable prospects for eventual economic extraction under assumptions of a copper price of US\$3.00/lb; employment of underground mechanized room-and-pillar and drift-and-fill mining methods; and that copper concentrates will be produced and sold to a smelter. Mining costs are assumed to be US\$27/t, and concentrator, tailings treatment, and general and administrative costs (G&A) are assumed to be US\$17/t. Metallurgical recovery for Kamoia is estimated to average 84%. At a 1% TCu cut-off grade, assumed net smelter returns for 100% of Mineral Resource blocks will cover concentrator, tailings treatment, and G&A costs.
- Mineral Resources at Kakula are reported using a TCu cut-off grade of 1% TCu and an approximate minimum thickness of 3 m. There are reasonable prospects for eventual economic extraction under assumptions of a copper price of US\$3.00/lb, employment of underground, mechanized, room-and-pillar and drift-and-fill mining methods, and that copper concentrates will be produced and sold to a smelter. Mining costs are assumed to be US\$42/t and concentrator, tailings treatment, and G&A costs are assumed to be US\$18/t. Metallurgical recovery is assumed to average 85% at the average grade of the Mineral Resource. Ivanhoe is studying reducing mining costs using a controlled convergence room-and-pillar method. At a 1% TCu cut-off grade, assumed net smelter returns for 100% of Mineral Resource blocks will cover concentrator, tailings treatment and G&A costs.
- Reported Mineral Resources contain no allowances for hangingwall or footwall contact boundary loss and dilution. No mining recovery has been applied.
- Tonnage and contained-copper tonnes are reported in metric units, contained-copper pounds are reported in imperial units and grades are reported as percentages.
- Rounding as required by reporting guidelines may result in apparent summation differences between tonnes, grade and contained metal content.
- Resources stated in Tables 1, 2 and 3 are not additive to this table.

Table 5. Indicated and Inferred Mineral Resources, Kamoa-Kakula Project, February 2018.

Category	Cut-off Grade (Cu%)	Tonnes (millions)	Area (Sq. km)	Copper Grade	Contained Copper (kTonnes)	Contained Copper (billion lbs)
Indicated	3.0	396	33.2	4.79%	19,000	41.8
Indicated	2.5	535	44.0	4.25%	22,800	50.2
Indicated	2.0	780	53.8	3.63%	28,300	62.4
Indicated	1.5	1030	62.8	3.17%	32,500	71.7
Indicated	1.0	1340	70.1	2.72%	36,600	80.7

Category	Cut-off Grade (Cu%)	Tonnes (millions)	Area (Sq. km)	Copper Grade	Contained Copper (kTonnes)	Contained Copper (billion lbs)
Inferred	3.0	28	3.0	3.56%	979	2.2
Inferred	2.5	58	6.1	3.13%	1,800	4.0
Inferred	2.0	111	10.3	2.69%	2,980	6.6
Inferred	1.5	183	16.3	2.31%	4,220	9.3
Inferred	1.0	315	24.9	1.87%	5,890	13.0

The footnotes to Table 4 also apply to Table 5.

Geophysical surveys ongoing at Kamoa-Kakula area

Exploration activities at the Kamoa-Kakula Project are being augmented by ongoing geophysical exploration programs. A 3,100-kilometre, airborne gravity survey, covering 2,000 square kilometres of the Western Foreland area (including Kamoa-Kakula) was recently completed and the data is being processed. In addition, seismic equipment, including an AHV-IV 65,000-pound seismic vibrator, has been mobilized to site as part of a plan to run approximately 80 kilometres of seismic traverses across the property, including over the highly prospective Kakula trend.

Integration of the geophysical program results with the Kamoa-Kakula team's existing geological models will allow fine-tuning of exploration targeting within the highly prospective Kamoa-Kakula mining licence area.

The seismic vibrator rig being used in a geophysical survey of the Kamo-Kakula licence area. The rig sends seismic waves into the ground to detect key geological markers.



Kamo-Kakula now ranks as the world's fourth-largest copper deposit

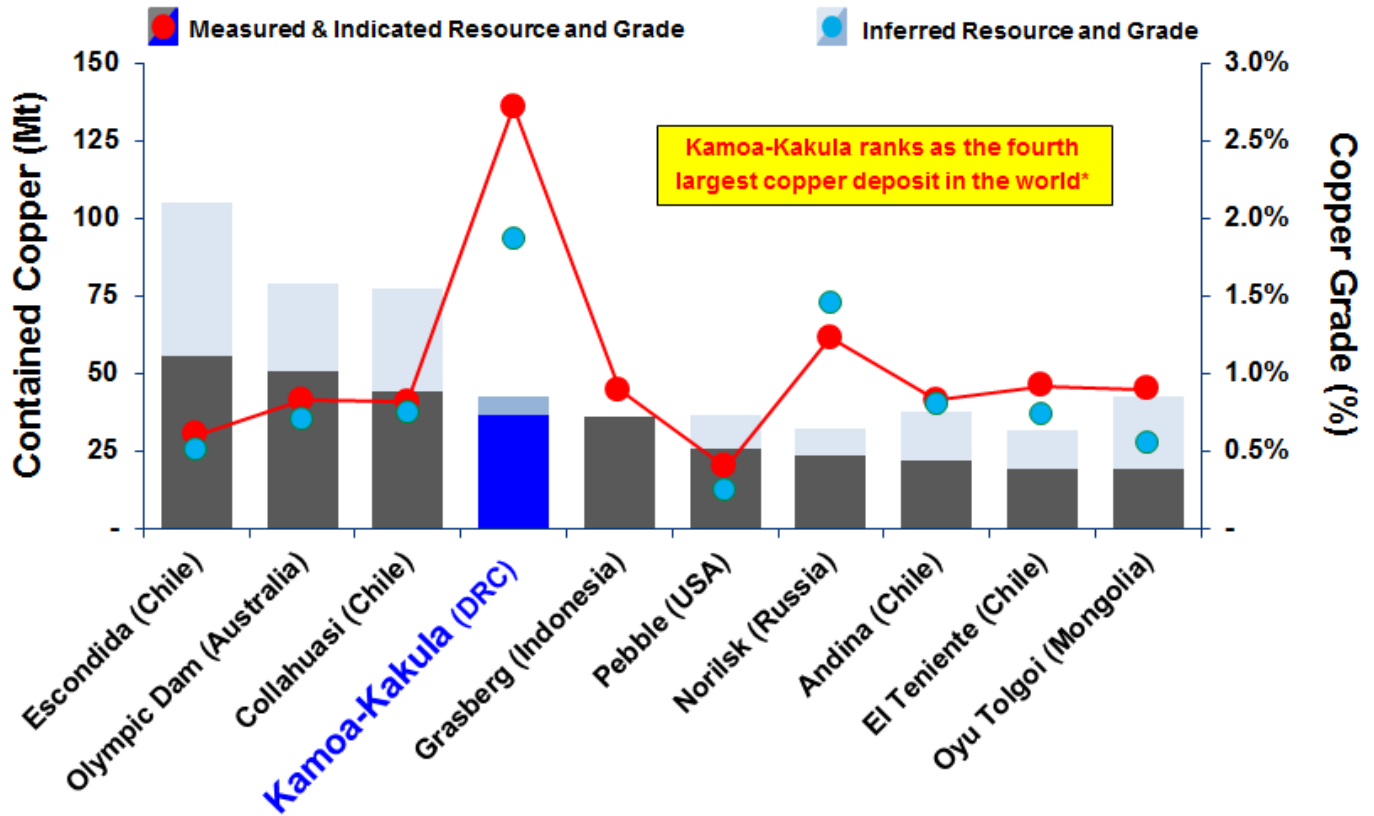
The February 2018 Kakula Mineral Resource estimate, together with the Kamo Mineral Resource estimate, firmly establishes the Kamo-Kakula Project among the four largest copper deposits in the world. Also significantly, Kamo-Kakula's copper grades are the highest, by a wide margin, of the world's top 10 deposits (see Figure 8). Both the Kakula Discovery and the earlier Kamo Discovery continue to remain open for expansion.

Research by Wood Mackenzie also confirms that the Kamo-Kakula Project is the world's largest, high-grade (>2.5% copper grade) copper deposit and the world's largest, undeveloped copper deposit, based on contained copper in the project's Measured and Indicated Mineral Resources.

A geological technician measures the rock quality at exploration drill hole DD1319, west of the current Kakula West Discovery area.



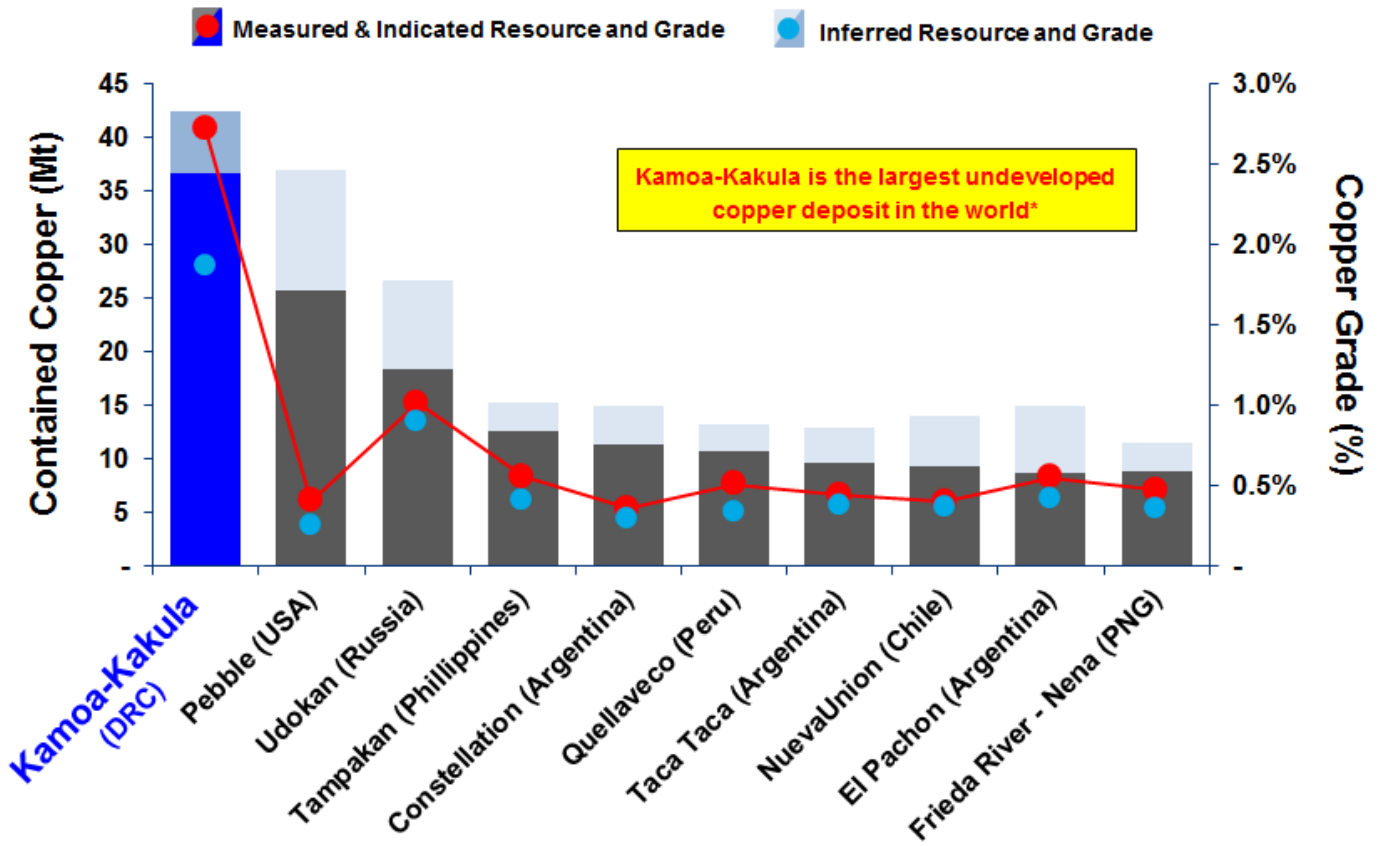
Figure 8. Among the world’s largest copper deposits by contained copper, Kamo-Kakula has the highest copper grades by a wide margin.



Source: Wood Mackenzie

*Note: Selected based on contained copper (Measured & Indicated Mineral Resources, inclusive of Mineral Reserves, and Inferred Mineral Resources), ranked on contained copper in Measured & Indicated Mineral Resources.

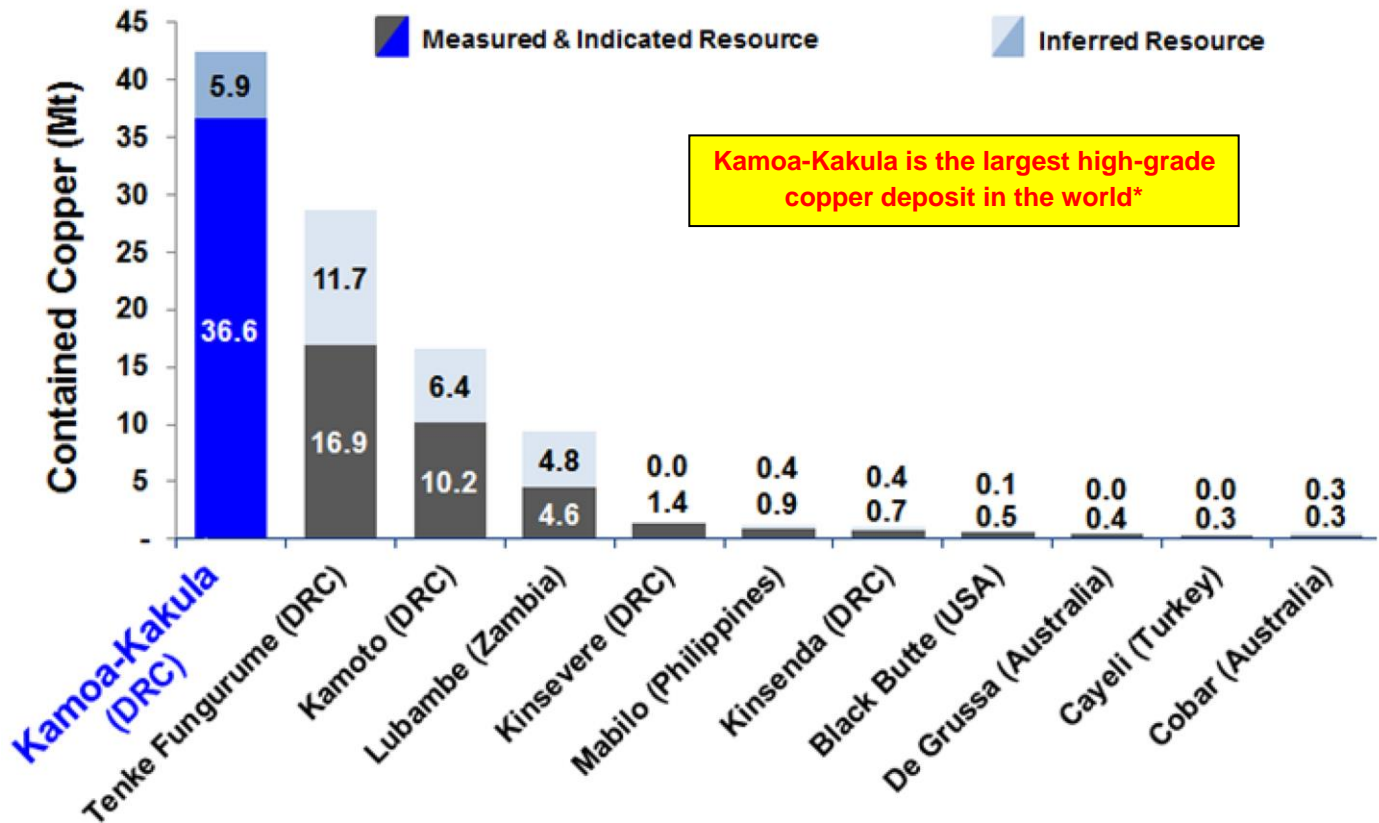
Figure 9. World's largest undeveloped copper deposits.



Source: Wood Mackenzie

*Note: Contained copper in undeveloped deposits (Measured & Indicated Mineral Resources, inclusive of Mineral Reserves, and Inferred Mineral Resources), ranked on contained copper in Measured & Indicated Mineral Resources.

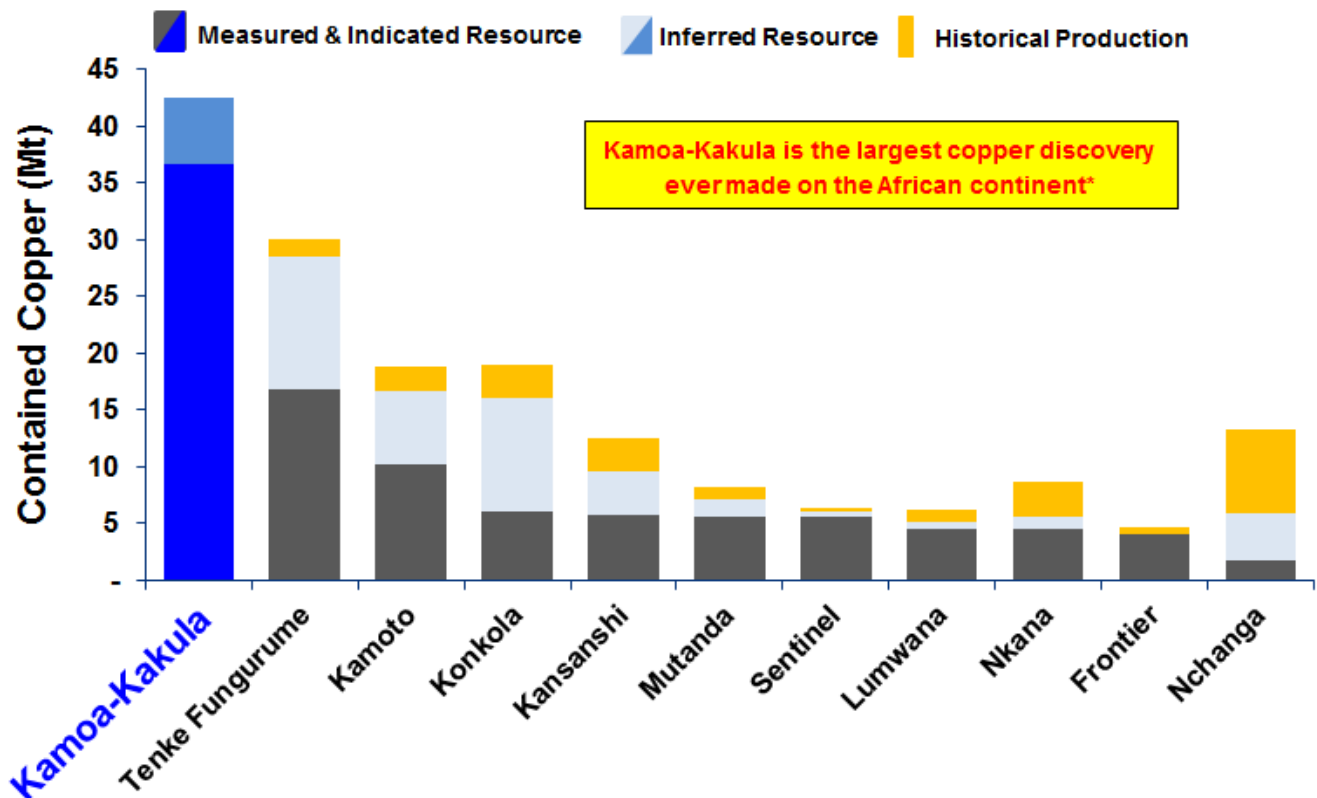
Figure 10. World's largest high-grade copper deposits (above 2.5% copper).



Source: Wood Mackenzie

*Note: Contained copper in high-grade deposits (Measured & Indicated Mineral Resources, inclusive of Mineral Reserves, and Inferred Mineral Resources), with grades above 2.5% copper.

Figure 11. Central African Copperbelt discoveries, ranked by resources and historical production.



*Source: Wood Mackenzie and USGS

Qualified Person and Quality Control and Assurance

The independent Qualified Persons for the February 2018 Kakula Mineral Resource estimate are Dr. Harry Parker and Gordon Seibel, both RM SME, of Amec Foster Wheeler. Dr. Parker and Mr. Seibel are both independent of Ivanhoe Mines.

Other scientific and technical information in this news release has been reviewed and approved by Stephen Torr, P.Geo., Ivanhoe Mines' Vice President, Project Geology and Evaluation, a Qualified Person under the terms of National Instrument 43-101. Mr. Torr is not independent of Ivanhoe Mines. Mr. Torr has verified the technical data disclosed in this news release not related to the current Mineral Resource estimate disclosed herein.

Ivanhoe Mines maintains a comprehensive chain of custody and quality assurance and quality control (QA/QC) program on assays from its Kamo-Kakula Project. Half-sawn core is processed at the Kamo-Kakula on-site preparation laboratory and prepared samples then are shipped by secure courier to Bureau Veritas Minerals (BVM) Laboratories in Australia, an ISO17025-accredited facility. Copper assays are determined at BVM by mixed-acid digestion with ICP finish. Industry-standard certified reference materials and blanks are inserted into the sample stream prior to dispatch to BVM. For detailed information about assay methods and data verification measures

used to support the scientific and technical information, please refer to the January 2018 technical report titled “Kamoa-Kakula Project – the Kamoa-Kakula 2017 Development Plan”, on the Ivanhoe Mines SEDAR profile at www.sedar.com and available at www.ivanhoemines.com.

Data verification for the Kakula Deposit

Dr. Parker and Mr. Seibel, (collectively the Amec Foster Wheeler QPs), reviewed the sample chain-of-custody, QA/QC procedures and the accreditations of analytical laboratories used by Ivanhoe. The Amec Foster Wheeler QPs are of the opinion that the procedures and QA/QC are acceptable to support Mineral Resource estimation. Amec Foster Wheeler also audited the assay database, core logging and geological interpretations and found no material issues with the data as a result of these audits.

In the opinion of the Amec Foster Wheeler QPs, the data verification programs undertaken on the geological and assay data collected from the Kakula and Kamoa Deposits support the geological interpretations and the analytical and database quality, and the data collected can support the Mineral Resource estimates.

About Ivanhoe Mines

Ivanhoe Mines is advancing its three principal projects in southern Africa: 1) Mine development at the [Platreef](#) platinum-palladium-gold-nickel-copper discovery on the Northern Limb of South Africa’s Bushveld Complex; 2) mine development and exploration at the [Kamoa-Kakula](#) Copper Project on the Central African Copperbelt in the DRC; and 3) upgrading at the historic, high-grade [Kipushi](#) zinc-copper-lead-germanium mine, also on the DRC’s Copperbelt. For details, visit www.ivanhoemines.com.

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Cautionary statement on forward-looking information

Certain statements in this release constitute “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws, including without limitation, the timing and results of (1) statements regarding the Kakula high-grade mineralized trend remains open in multiple directions and Ivanhoe expects significant expansions and upgrades to the current resources with ongoing in-fill and step-out drilling; (2) statements regarding the exceptionally high copper grades, thickness and continuity of Kakula distinguish this discovery from anything else in the Central African Copperbelt and should allow the company to build a world-scale, highly-mechanized, underground copper mine with an initial capital cost expected to be far lower than other operations of this size; (3) statements regarding the western trend of Kakula’s high-grade mineralized core appears to be open to the southwest, suggesting that potential extensions of the Kakula West discovery could remain within the Kamoa-Kakula mining licence for considerable distance; (4) statements regarding the unparalleled strength and continuity of the Kakula mineralized trend also bodes well for the potential for exploration success on Ivanhoe’s 100%-owned Western Foreland licences to the west of Kamoa-Kakula; (5) statements regarding given the accumulation of in-depth, proprietary geological insights into the features controlling the high-grade copper mineralization gained by Ivanhoe’s geological team during almost two decades of exploring in the region, Ivanhoe is highly confident of additional, significant exploration success in 2018 and

beyond; (6) statements that given the outstanding success to date in delineating high-grade copper resources, the Kakula drilling program is expected to continue throughout 2018; (7) statements regarding additional exploration success could have a significant influence on the size, value and timing of the overall development plan; as such, the Kamo-a-Kakula development plans will be reassessed and amended as the project moves forward to reflect ongoing exploration results; (8) statements regarding depending on ground conditions, the 3,600-metre Kakula decline development contract is scheduled for completion around the end of this year; (9) statements regarding initial mine development is planned to begin at the Kakula Deposit in a flat, near-surface zone which, at a 3% cut-off, is between 7.1 metres and 11.7 metres thick and with copper grades between 8.11% and 10.35% along the deposit's axis; (10) statements regarding based on the findings of the independent preliminary economic assessment completed in November of last year, Kakula's ultra-high copper grade expected to average 6.4% over the first 10 years of production; and (11) statements that an AHV-IV 65,000-pound seismic vibrator, has been mobilized to site as part of a plan to run approximately 80 kilometres of seismic traverses across the property, including over the highly prospective Kakula trend.

Such statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company, 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.

All such forward-looking information and statements are based on certain assumptions and analyses made by Ivanhoe Mines' management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believe are appropriate in the circumstances. These statements, however, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information or statements including, but not limited to, unexpected changes in laws, rules or regulations (including retroactive application), the failure of contractual agreements with the State to be honoured in whole or in part, or in the enforcement or application of laws, rules and regulations by applicable authorities; the failure of parties to contracts to perform as agreed; social or labour unrest; changes in commodity prices, including the price of copper; unexpected failure or inadequacy of infrastructure, or delays in the development of infrastructure, the failure of exploration programs or other studies to deliver anticipated results or results that would justify and support continued studies, development or operations, and the results of economic studies and evaluations. Other important factors that could cause actual results to differ from these forward-looking statements also include those described under the heading "Risk Factors" in the company's most recently filed MD&A as well as in the most recent Annual Information Form filed by Ivanhoe Mines. Readers are cautioned not to place undue reliance on forward-looking information or statements. The factors and assumptions used to develop the forward-looking information and statements, and the risks that could cause the actual results to differ materially are set forth in the "Risk Factors" section and elsewhere in the company's most recent Management's Discussion and Analysis report and Annual Information Form, available at www.sedar.com.

This news release also contains references to estimates of Mineral Resources. The estimation of Mineral Resources is inherently uncertain and involves subjective judgments about many relevant factors. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The accuracy of any such estimates is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation, which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. Mineral Resource estimates may have to be re-estimated based on, among other things: (i) fluctuations in copper prices or other mineral prices; (ii) results of drilling; (iii) results of metallurgical testing and other studies; (iv) changes to proposed mining operations, including dilution; (v) the evaluation of mine plans subsequent to the date of any estimates; (vi) the possible failure to receive required permits, approvals and licences, or changes to any such permits, approvals or licences; and (v) changes in laws, rules or regulations, including changes to tax, VAT, and royalty rates whether to be applied prospectively or retroactively.

Although the forward-looking statements contained in this news release are based upon what management of the company believes are reasonable assumptions, the company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of

this news release and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this news release.