Lower Initial Capital Cost and Significant Smelting Capacity Are Among Key Elements for a Refocused Development Study for Ivanplats' Kamoa Copper Discovery

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KINSHASA, DEMOCRATIC REPUBLIC OF CONGO--(Marketwired - Aug 6, 2013) - Ivanplats (TSX:IVP) Executive Chairman Robert Friedland and Chief Executive Officer Lars-Eric Johansson announced today that key elements have been established for a new study to help set the stage for the cost-effective development of a mine and processing plant at the company's Kamoa copper discovery on the Central African Copperbelt in the Democratic Republic of Congo's Katanga Province.

The refocused Kamoa development study, to be prepared in conformance with the requirements set out in Canada's National Instrument 43-101, is expected to result in the declaration of the first mineral reserves at Kamoa and to report on the establishment of an appropriately phased approach to achieving first production and progressive expansion of the Kamoa Project.

Ivanplats is proposing two principal phases of development:

- The first phase of mining would target production of high-grade copper mineralization from shallow, underground resources to yield a high-value concentrate. Initial mill feed would come from Kansoko Sud and lead into the Centrale area of Kamoa's gently-dipping mineralized zones that collectively contain estimated Indicated Resources of 224 million tonnes grading 3.85% copper (at a 3.0% copper cutoff and a minimum 3.0-metre vertical mining thickness). Resource details are contained in the March 2013 Kamoa Technical Report, available at www.sedar.com.
- The planned second phase would entail a major expansion of the mine and mill and construction of a large smelter, supported by the full extent of the Kamoa resources.

Mr. Friedland said the revised mining scenario was being developed to deliver the best balance of a lower initial capital cost and shortest time to first production, while maintaining the company's commitment and momentum toward a major mine, mill and smelting operation.

"This scenario, if confirmed by current studies and financial modelling, could provide for a 2017 start of copper production from Kamoa's first phase of development, subject to available financing. It would require significantly lower capital costs than previously considered launch scenarios, while preserving the viability of our medium- and longer-term development options."

A recommended initial production rate will form part of the development study being prepared by Hatch Ltd., of South Africa, one of the world's leading mining engineering consultants. Projected to be completed in the second half of 2014, the study will be based on development of the estimated mineral resources described in the March 2013 Kamoa Technical Report, excluding Inferred Resources.

In addition, an updated preliminary economic assessment of the preferred development scenario now underway is expected to be finished in the fourth quarter of this year.

Building of mine-access decline at Kamoa planned to begin early next year

Mr. Johansson said that excavation of the first mine-access decline at Kamoa is expected to begin early next year. The decline would provide machinery with access to the high-grade, near-surface copper resources

that would be targeted for the planned first phase of production using the room-and-pillar mining method.

"To get into production as quickly as possible, our current strategy is to start with a smaller, simpler and more capital-efficient mine. Given the Kamoa Project's significant estimated Mineral Resource tonnage and its large lateral extent, we continue to believe that potential mining rates of up to 20 million tonnes per annum eventually could be achieved by operating in multiple mining areas and completing a series of production expansions to maximize the mine's capacity."

Construction of smelter an integral part of development plan

Mr. Johansson said Ivanplats is committed to build a smelter that will have the capacity to serve other mines in the Katanga district, create hundreds of additional skilled jobs as part of the project's major economic stimulus to the region and support the government's policy of adding in-country value to mineral production.

"A smelter also will improve the long-term economics of the project by reducing transportation costs and generating significant additional revenues through sales of the sulphuric acid by-product of the smelting process."

The Hatch development study will assess the most cost-effective smelter capacity and relevant smelting processes. It also will provide details on equipment, capital and operating costs as part of an analysis of the scope of proposed mining and processing to confirm Kamoa's commercial viability.

Timing of the smelter construction is dependent, in part, on the provision of additional generating capacity within the DRC's power supply grid.

In 2011, Ivanplats and DRC's state-owned power company, La Société Nationale d'Electricité (SNEL), agreed to upgrade two existing hydroelectric power plants, Mwadingusha and Koni, to feed up to 113 megawatts into the national power supply grid. SNEL would provide the Kamoa project with 100 megawatts from the grid, which would be sufficient to operate the initial mine. In April 2013, SNEL signed a further memorandum of understanding with Ivanplats to upgrade a third hydroelectric power plant - Nzilo 1 - that is projected to provide approximately an additional 100 megawatts to the grid upon its planned completion in 2022, entitling Kamoa to receive another 100 megawatts from the grid. A combined total of 200 megawatts from the grid would cover the power requirements of Kamoa's smelter and future mine expansions.

The start-up scenario to be examined in the development study will consider the necessity of the sale of copper concentrates as an interim measure pending Ivanplats' completion of its planned smelter in the vicinity of the Kamoa mine.

"The DRC government earlier this year mandated an end to exports of copper and cobalt concentrates, which is intended to encourage investments in additional mineral processing facilities within the DRC," Mr. Johansson said.

"The restriction presently is due to take effect in 2014. The country's current mining code requires a permit for the export of unprocessed minerals, which should be granted if insufficient processing facilities exist within the DRC or if it can be demonstrated that exports would generate a net benefit to the country.

"We believe our planned Kamoa development would meet the DRC's export criteria, if required. The Hatch development study will include a review of the economic impact of copper concentrate sales and the company will investigate regulatory procedures required to conduct limited-term concentrate sales as a prelude to, and in the context of, our integrated plan to build a major smelter in the DRC to produce higher-value blister copper," Mr. Johansson added.

"Significant improvements in transportation infrastructure in Central Africa in recent years, including railways in neighbouring Zambia and Angola, appear to make deliveries of copper concentrates by road and rail to third-party smelters viable and attractive during Kamoa's early years of production."

The development study's conclusions will be discussed with the DRC government. Additional studies are underway to advance the geotechnical, engineering and metallurgical understanding of Kamoa in support of the development study. Stantec Inc., of Arizona, USA, is preparing the mine plan based on the resources in the March 2013 Kamoa Technical Report. Four rigs are drilling at Kamoa to obtain further core for the Phase 4 metallurgical studies to help fine tune the optimal copper recovery process. Further hydrological drilling and testing is scheduled for the first half of 2014 to improve Kamoa's hydrological models.

Discussions well advanced with potential strategic partners

Mr. Friedland said that confidential discussions and the conduct of due diligence are well advanced with a selected number of leading international private and state-owned mining companies that have expressed interest in potential participation in the Kamoa Project. Ongoing talks could lead to the formation of a significant strategic partnership or syndicate for continued exploration and development of the Kamoa discovery and associated infrastructure.

Kamoa is world's largest undeveloped high-grade copper discovery

A new independent estimate detailed in the March 2013 Kamoa Technical Report more than doubled the high-grade Indicated Mineral Resources at Ivanplats' Kamoa copper discovery. Kamoa now ranks as Africa's largest high-grade copper discovery and the world's largest undeveloped high-grade copper discovery.

At a 2% copper cut-off grade, Kamoa's Indicated Resources presently total 550 million tonnes grading 3.04% copper and containing 36.9 billion pounds of copper. At the 2% cut-off, Kamoa also has 93 million tonnes of Inferred Resources grading 2.64% copper, which contain an estimated 5.4 billion pounds of copper.

At a lower, 1% copper cut-off grade and a minimum vertical mining thickness of three metres, Kamoa's Indicated Mineral Resources total 739 million tonnes grading 2.67% copper and containing 43.5 billion pounds of copper. In addition, Inferred Mineral Resources are estimated to total 227 million tonnes grading 1.96% copper and containing 9.8 billion pounds of copper.

The January resources estimate was prepared by AMEC, based on core from 555 holes drilled to December 10, 2012, in accordance with CIM Guidelines and under the direction of AMEC's Technical Director Dr. Harry Parker.

Kamoa Project description

The Kamoa Project is a very large, stratiform copper deposit with adjacent prospective exploration areas within the Central African Copperbelt, approximately 25 kilometres west of the town of Kolwezi and about 270 kilometres west of the Katanga provincial capital of Lubumbashi. Ivanplats holds its 95% interest in the Kamoa Project through a subsidiary company, African Minerals Barbados Limited SPRL (AMBL). A 5%, non-dilutable interest in AMBL was transferred to the DRC government on September 11, 2012, for no consideration, pursuant to the DRC Mining Code. Ivanplats also has offered to sell an additional 15% interest to the DRC government on commercial terms to be negotiated.

In August 2012, the DRC government granted mining licences for the Kamoa Project that cover a total of 400 square kilometres. The licences are valid for 30 years and can be renewed at 15-year intervals.

Qualified Person

Disclosures of a scientific or technical nature in this news release have been reviewed and approved by David Broughton, Ivanplats' Executive Vice President of Exploration, who is a Qualified Person under the terms of National Instrument 43-101. Ivanplats has prepared NI 43-101-compliant technical reports for the Kamoa Project, the Platreef Project and the Kipushi Project, which are available under the Company's SEDAR profile at www.sedar.com. These technical reports include relevant information regarding the effective date and the assumptions, parameters and methods of the mineral resource estimates on the Kamoa 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 in respect of the Kamoa Project. The Kamoa development study by Hatch Ltd. will be prepared to a pre-feasibility level of confidence as defined by NI 43-101.

About Ivanplats

Ivanplats (TSX:IVP), with offices in Canada, the United Kingdom and South Africa, is advancing and developing its three principal projects:

- The Kamoa copper discovery in a previously unknown extension of the Central African Copperbelt in the DRC's Province of Katanga.
- The Platreef Discovery of platinum-group elements, nickel, copper and gold on the Northern Limb of the Bushveld Complex in South Africa.
- The historic, high-grade Kipushi zinc-copper mine, also on the Copperbelt in the DRC and now being dewatered and upgraded to support a future return to production of copper, zinc and other metals following a care-and-maintenance program conducted between 1993 and 2011.

Ivanplats also is evaluating other opportunities as part of its objective to become a broadly based international mining company.

Forward-looking statements

Statements in this release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed here and elsewhere in the company's periodic filings with Canadian securities regulators. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should" and similar expressions are forward-looking statements. Information provided in this document is necessarily summarized and may not contain all available material information.

Statements in this release that constitute forward-looking statements or information include, but are not limited to: potential mining rates; the goal to declare the first mineral reserves at Kamoa; completion and results of a development study; start of production, targeted production rate and grade of the copper resources; start of the excavation of the first decline; construction of a smelter; sale of copper concentrates; rehabilitation of the three hydro-electric power plants in the DRC and the quantity power the three plants are expected to provide to the grid; completion of other studies in support of the development study; and the formation of a significant strategic partnership to further develop the project.

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 (including estimated future production from the Kamoa Project, the anticipated tonnages and grades that will be mined and the estimated level of recovery that will be realized), 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: (i) fluctuations in copper or other mineral prices; (ii) results of drilling; (iii) metallurgical testing and other studies; (iv) proposed mining operations, including dilution; or (v) the evaluation of mine plans subsequent to the date of any estimates.

All such forward-looking information and statements are based on certain assumptions and analyses made by Ivanplats' management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes 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. Important factors that could cause actual results to differ from these forward-looking statements include those described under the heading "Risks and Uncertainties" in the company's most recently filed MD&A. Readers are cautioned not to place undue reliance on forward-looking information or statements.

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