Ivanhoe Mines Reports Record Quarterly Production of 103,947 Tonnes from Kamoa-Kakula Copper Complex for Q3 2023

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Kamoa-Kakula milled 2.24 million tonnes of ore during the quarter at an average grade of 5.55% copper

Kamoa-Kakula has produced 301,336 tonnes copper year-to-date, well on track to achieve 2023 guidance

Phase 3 concentrator, smelter and hydropower project on schedule for Q4 2024 start

Kamoa 1 and Kansoko underground access tunnels successfully connected for Phase 3 mining

Ivanhoe Mines to issue Q3 2023 financial results and host conference call for investors on November 6

Ivanhoe Mines launches redesigned corporate brand and website after market

Kolwezi, October 4, 2023 - Ivanhoe Mines (TSX: IVN) (OTCQX: IVPAF) Executive Co-Chair Robert Friedland and President Marna Cloete are pleased to announce that the Kamoa-Kakula Copper Complex in the Democratic Republic of Congo (DRC) produced a record 103,947 tonnes of copper in concentrate during the third quarter of 2023.

Kamoa-Kakula's Phase 1 and 2 concentrators have consistently operated at a steady-state throughput rate of 9.2 million tonnes per annum (Mtpa) following the ahead-of-schedule completion of the debottlenecking program during the first quarter, and have regularly surpassed this throughput rate during the second and third quarter. The Phase 1 and 2 concentrators produced 35,267 tonnes of copper in concentrate for August and produced 33,044 tonnes of copper during the shorter month of September.

Kamoa-Kakula's Phase 1 and 2 concentrators milled approximately 2.24 million tonnes of ore during the third quarter at an average feed grade of 5.55% copper. This included high-grade, run-of-mine ore from the Kakula Mine, supplemented with ore from the surface stockpiles to achieve throughput in excess of original design capacity. Strong copper recoveries continued for the quarter, averaging 87.2%.

The third quarter brings Kamoa-Kakula's year-to-date production to 301,336 tonnes of copper in concentrate, which includes the ramp-up of the debottlenecking initiatives since February 2023. The 2023 annual production guidance for Kamoa-Kakula is maintained at between 390,000 to 430,000 tonnes of copper in concentrate.

All figures are on a 100% project basis and metal reported in concentrate is before refining losses or deductions associated with smelter terms.

Watch a September 2023 Kamoa-Kakula highlight video:
https://vimeo.com/870791610/edd38b6db1?share=copy

Team members and contractors celebrate the lifting of the ball mill shells for Kamoa-Kakula's Phase 3 concentrator plant expansion, which will boost annual throughput to approximately 14.2 Mtpa by Q4 2024.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/3396/182889_67d7bb862464eadb_002full.jpg

Ivanhoe Mines Founder and Executive Co-Chair Robert Friedland commented:

"Kamoa-Kakula continues to set records and outperform our expectations, with continued strong performance in terms of throughput, grade and recovery at the Phase 1 and Phase 2 plants. This has all been achieved despite ongoing challenges presented by electrical grid instability, where we now have a plan in place with the Congolese national utility to materially improve reliability across the network for all users over the next year. Meanwhile, the successful connection of the Kamoa 1 and Kansoko underground declines marks a major milestone for the Phase 3 expansion. This achievement demonstrates our commitment to operational excellence and is a testament to our strong partnership with Zijin Mining and the DRC Government. Construction remains on budget and schedule for commissioning by the fourth quarter of 2024, further solidifying our track record of success.

"Ivanhoe Mines is on the cusp of a major turning point in the company's journey, with the conclusion of the Phase 3 expansion expected to mark the commencement of major cash flow and profit for the company. This is an extremely exciting time for Ivanhoe's stakeholders and shareholders as we move forward with our vision of building the world's next major, diversified mining company. We would like to again commend Kamoa Copper's team for continuing to deliver industry-leading results across the operation."

Kamoa-Kakula reports record quarterly production of 103,947 tonnes of copper during the third quarter of 2023

Ivanhoe Mines announced the completion of Kamoa-Kakula's $50 million Phase 1 and Phase 2 debottlenecking program ahead of schedule on February 27, 2023. The debottlenecking program increased the nameplate ore processing capacity by 22% from 7.6 to 9.2 million tonnes of ore per annum, increasing production capacity up to approximately 450,000 tonnes per annum of copper in concentrate. For comparison, Kamoa-Kakula produced 333,497 tonnes of copper in concentrate in 2022.

Following the completion of the debottlenecking, the Kamoa-Kakula Phase 1 and Phase 2 concentrators continued to perform strongly in the third quarter, including the quarterly production of 103,947 tonnes of copper in concentrate. On July 2, 2023, a record daily milling rate of 29,968 dry metric tonnes was achieved, which is equivalent to an annual milling rate of 10 million tonnes per annum (after accounting for availability).

Figure 1: A chart of Kamoa-Kakula's quarterly copper in concentrate production since first production in May 2021. Record quarterly production was achieved in the third quarter despite maintenance shutdowns and grid instability.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/3396/182889_ivanhoe_fig1.png

Kamoa-Kakula milled 2.24 million tonnes of ore during the third quarter at an average grade of 5.55% copper. While the ongoing expansion of underground infrastructure at the Kakula Mine continues, ore is drawn as required from surface stockpiles to maximize copper production.

Kamoa-Kakula's high- and medium-grade ore surface stockpiles totaled approximately 4.1 million tonnes at an estimated grade of 3.55% copper as of the end of September 2023. The operation mined 2.18 million tonnes of ore grading 5.31% copper in Q3 2023, which was comprised of 2.00 million tonnes grading 5.57% copper from the Kakula mine, including 1.00 million tonnes grading 7.10% copper from the mine's high-grade centre.

The quarterly production record at Kamoa-Kakula was achieved despite continued intermittent grid instability.

Since 2023, Kamoa Copper has been working alongside DRC's state-owned power company, La Société Nationale d'Electricité (SNEL), to identify the causes of instability across the southern DRC's grid infrastructure and to assist with delivering long-lasting solutions. Kamoa Copper has identified a series of upgrades and has agreed on a project plan with SNEL to deliver the improvements. Mobilization of resources is ongoing, with vendor selection and equipment procurement having commenced.

In addition, Kamoa Copper's engineering team are currently expanding the on-site backup generation capacity to ensure there is full on-site redundancy for the current Phase 1 and 2 operations, as well as future Phase 3 operations. On-site backup-power generation capacity is set to increase, via a phased roll-out, from the current 48 MW to a total of over 200 MW in time for the completion of the Phase 3 expansion in Q4 2024.

Concurrently, negotiations to source up to, initially, an additional 30 MW of power from the Zambian grid interconnector are nearing completion.

Kamoa Copper's Maximin Kazadi (L), miner, and Mays Tshala Kayombu (R), Scooptram (LHD) operator, underground at the new Kamoa 1 mine, which will provide initial ore for the Phase 3 concentrator plant.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/3396/182889_67d7bb862464eadb_004full.jpg

Kamoa-Kakula's geological team gathers at camp following a day in the field. Our geologists have developed an extensive database of the geology of Kamoa-Kakula, as well as the expansive regional potential of the DRC Copperbelt.

To view an enhanced version of this graphic, please visit:
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Ball mill components for Kamoa-Kakula's Phase 3 concentrator delivered to site; concentrator execution is now 56% complete and well on track for commissioning in Q4 2024

Kamoa-Kakula's Phase 3 expansion, consisting of two new underground mines known as Kamoa 1 and Kamoa 2 and a new, 5-Mtpa concentrator plant, is well on track for first production in the fourth quarter of 2024. The expansion also includes the integration of Africa's largest direct-to-blister flash smelter, which will have a capacity of 500,000 tonnes of copper per annum and will be constructed on-site at Kakula, adjacent to the existing Phase 1 and Phase 2 concentrator plants.

Associated power and surface infrastructure constructed for Phase 3 expansion will be designed to support future expansions of the Kamoa-Kakula Copper Complex. Underground mining activities are expected to commence at Kamoa 1 in late 2023 and Kamoa 2 in 2025. Both new underground mines will use the same mechanized mining methods employed at the current Kakula mine. In addition, the Phase 3 concentrator will use the same, upscaled process design as that used by the Phase 1 and 2 concentrators.

Installation of the first of the two ball mills has commenced at the Phase 3 concentrator site, which is on track for commissioning in Q4 2024.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/3396/182889_67d7bb862464eadb_006full.jpg

Overall project progress of the Phase 3 concentrator is now approximately 56% complete. Production is well

on schedule for the fourth quarter of 2024.

Detailed engineering design and procurement activities are essentially complete, with fabrication activities well advanced. The rate of equipment deliveries to site is steadily increasing. A total of 1,484 of the forecasted 1,950 truck deliveries have already arrived on site.

Civil works are now effectively complete, with nearly 30,000 cubic metres of concrete poured to date. The steel, mechanical, piping and plate work (SMPP) contract was awarded during the second quarter, and delivery of structural steel commenced. Over 6,300 tonnes of the required 7,400 tonnes of structural steel and plate work have been shipped to site.

The last lot of the 1,830-tonne primary and secondary ball mill equipment package from CITIC Heavy Industries of Henan province, China, has arrived at site except for the secondary mill feed chute, which is expected in the fourth quarter.

Installation of the flotation cells at Kamoa-Kakula's Phase 3 concentrator is progressing well and advancing on schedule.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/3396/182889_67d7bb862464eadb_007full.jpg

Installation of the first of the two ball mills has commenced at the Phase 3 concentrator site, with flotation cell installation also underway. The first lots of cone crushers, flotation cells, vibrating screens, concentrate filters, cyclone cluster, compressor and pump mechanical equipment packages are now on site or expected to be delivered to site imminently.

The main access tunnels (drives) between the Kamoa 1 and Kansoko declines for the Phase 3 development now are connected (holed) in the centre of the deposit, a major achievement and milestone for the project team and the underground mining crews as it opens the mine's footprint for ventilation and marks entry into higher-grade ore from both sides of the deposit.

Kamoa's senior management congratulates the mining team on the successful underground connection (holing) of the Kamoa 1 and Kansoko mines.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/3396/182889_67d7bb862464eadb_008full.jpg

Smelter project over 50% complete and on target for commissioning in the fourth quarter of 2024

The smelter project is now approximately 58% complete and is on target for commissioning in the fourth quarter of 2024.

Civil construction work is well advanced, with all major foundations for equipment and buildings completed. Most of the structural steel and equipment are now being manufactured. The main mechanical and electrical construction contractors are mobilized. Mechanical erection has started for the direct-to-blister flash furnace and electric slag-cleaning furnace and gas cleaning system. Approximately, 2,000 construction workers are now working at the smelter site and this is expected to peak at 3,000 in December this year.

The Kamoa-Kakula smelter is designed to utilize direct-to-blister flash smelting technology supplied by Metso Outotec of Espoo, Finland, and to meet the world-leading International Finance Corporation's (IFC) emissions standards.

Kamoa-Kakula's Phase 3 expansion includes the refurbishment of turbine #5 at the Inga 2 hydroelectric power station. The turbine will supply an additional 178 megawatts of clean hydroelectric power to the national grid, which is sufficient to meet the power requirements of the Phase 3 concentrator, the DBF flash smelter, as well as provide spare capacity for future expansions. The 99.7% pure blister anode copper produced from Kamoa-Kakula's smelter is expected to be one of the lowest carbon dioxide emitters in the world per tonne of copper produced.

Steel erection of Kamoa-Kakula's direct-to-blister flash furnace and the electric slag cleaning furnace. The 500,000 tonnes-per-annum copper smelter, will be the largest in Africa and one of the largest in the world.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/3396/182889_67d7bb862464eadb_009full.jpg

Aerial image of ongoing construction of the direct-to-blister smelter complex, with Kamoa-Kakula's Phase 1 and Phase 2 concentrator facilities in the background.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/3396/182889_67d7bb862464eadb_010full.jpg

The smelter will have a processing capacity of approximately 1.2 million tonnes per annum of dry concentrate feed and is designed to run on a blend of concentrate produced from the Kakula (Phase 1 and 2) and Kamoa (Phase 3 and future Phase 4) concentrators. Under the Kamoa-Kakula 2023 Integrated Development Plan, the smelter is projected to accommodate approximately 80% of Kamoa-Kakula's total concentrate production. Kamoa-Kakula will also continue to toll-treat concentrates under a 10-year agreement with the Lualaba Copper Smelter (LCS), located approximately 50 kilometres from Kamoa-Kakula, near the town of Kolwezi. Deliveries to LCS are expected to account for approximately 150,000 tonnes of copper concentrate annually.

As a by-product, the smelter will also produce in the region of 650,000 to 800,000 tonnes per year of high-strength sulphuric acid. There is a strong demand for sulphuric acid in the DRC, as it is used to recover copper from oxide ores via the SX-EW (solvent extraction and electrowinning) process.

Foundations and civil construction for the Phase 3 smelter high-strength acid storage and dispatch also are advancing on schedule. All major foundations for the equipment and buildings are complete.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/3396/182889_67d7bb862464eadb_011full.jpg

Upon commencement of Phase 3 production, the Kamoa-Kakula Copper Complex will have a processing capacity of 14.2 million tonnes per annum. As a result, the copper production capacity will increase to approximately 650,000 tonnes per annum. This production rate will position the Kamoa-Kakula Copper Complex as the third-largest copper mining operation in the world.

Team Kansoko celebrated their victory at the Kamoa Copper Football Finals in September after winning a close match.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/3396/182889_67d7bb862464eadb_012full.jpg

Ivanhoe Mines to issue Q3 2023 financial results and host conference call for investors on November 6, 2023

Ivanhoe Mines will report its Q3 2023 financial results, and a detailed update on its operations, before market open on November 6, 2023.

The company will hold an investor conference call to discuss the Q3 2023 financial results at 10:30 a.m. Eastern time / 7:30 a.m. Pacific time / 4:30 p.m. Johannesburg on the same day. The conference call will conclude with a question-and-answer (Q&A) session. Media are invited to attend on a listen-only basis.

To view the webcast, use the following: https://edge.media-server.com/mmc/p/u8g4fpa4

Analysts are invited to join by phone for the Q&A using the following link: https://register.vevent.com/register/BI2f4b12f6a4054637be40addfc4467dad

An audio webcast recording of the conference call, together with supporting presentation slides, will be available on Ivanhoe Mines' website at www.ivanhoemines.com.

After issuance, the Financial Statements and Management's Discussion and Analysis will be available at www.ivanhoemines.com and www.sedar.com.

Qualified Persons

Disclosures of a scientific or technical nature at the Kamoa-Kakula Copper Complex 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 Ivanhoe Mines' Executive Vice President, Projects. Mr. Amos has verified the technical data disclosed in this news release.

Other disclosures of a scientific or technical nature regarding the stockpiles in this news release have been reviewed and approved by George Gilchrist, who is considered, by virtue of his education, experience and professional association, a Qualified Person under the terms of NI 43-101. Mr. Gilchrist is not considered independent under NI 43-101 as he is the Vice President, Resources of Ivanhoe Mines. Mr. Gilchrist has verified the other technical data regarding the surface stockpiles disclosed in this news release.

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

- Kamoa-Kakula Integrated Development Plan 2023Technical Report dated March 6, 2023, prepared by OreWin Pty Ltd.; China Nerin Engineering Co. Ltd.; DRA Global; Epoch Resources; Golder Associates Africa; Metso Outotec Oyj; Paterson and Cooke; SRK Consulting Ltd.; and The MSA Group.

The technical report includes relevant information regarding the assumptions, parameters and methods of the mineral resource estimates on the Kamoa-Kakula Copper Complex 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 projects in Southern Africa; the expansion of the Kamoa-Kakula Copper Complex in the DRC, the construction of the tier-one Platreef palladium-nickel-platinum-rhodium-copper-gold project in South Africa; and the restart of the historic ultra-high-grade Kipushi zinc-copper-germanium-silver mine, also in the DRC.

Ivanhoe Mines also is exploring for new copper discoveries across its circa 2,400km^2 of licences in the Western Foreland, located adjacent to, or in close proximity to, the Kamoa-Kakula Copper Complex in the DRC.

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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: (i) statements that the 2023 annual production guidance for Kamoa-Kakula is maintained at between 390,000 to 430,000 tonnes of copper in concentrate; (ii) statements that on-site backup-power generation capacity at Kamoa-Kakula will increase via a phased roll-out and that the delivery of a further 32 MW in back-up generation capacity, sufficient to power Kamoa-Kakula's entire Phase 1 and 2 operations in the event of grid disruptions, will commence later this year; (iii) statements that a total of 200 MW of back-up generation capacity is expected to be installed by the end of 2024, in time for the completion of the Phase 3 concentrator and smelter that are currently under construction and scheduled for production for the fourth quarter of 2024; (iv) statements that discussions are advancing to secure up to 100 MW of additional power via the Zambian grid interconnector, the initial phase of which is expected to ready in the third quarter; (v) statements that Kamoa-Kakula's Phase 3 concentrator plant expansion will boost annual throughput to approximately 14.2 Mtpa by Q4 2024, and that such expansion is expected to mark the commencement of major cash flow and profit for the company; (vi) statements that the new Kamoa 1 underground mine will provide initial ore for the Phase 3 concentrator plant and smelter; (vii) statements that Phase 3 expansion includes construction of Africa's largest direct-to-blister flash smelter, which will be the largest in Africa and one of the largest in the world, and that is well on schedule for first production in the fourth quarter of 2024 and will have a capacity of 500,000 tonnes of copper per annum; (viii) statements that underground mining activities are expected to commence at Kamoa 1 in late 2023 and Kamoa 2 in 2025, that both new underground mines will use the same mechanized mining methods employed at the current Kakula mine and that the Phase 3 concentrator will use the same, upscaled process design as that used by the Phase 1 and 2 concentrators; (ix) statements that the secondary mill feed chute for the ball mill equipment is expected in the forth quarter of 2023; (x) statements that the Kamoa-Kakula smelter is designed to utilize direct-to-blister flash smelting technology supplied by Metso Outotec of Espoo, Finland, and to meet the world-leading IFC emissions standards (xi) statements that the number of construction workers working at the smelter site is expected to peak at 3,000 in December this year; (xii); (xiii) statements that Kamoa-Kakula's Phase 3 expansion includes the refurbishment of turbine #5 at the Inga 2 hydroelectric power station, that the turbine will supply an additional megawatts of clean hydroelectric power to the national grid, which is sufficient to meet the power requirements of the Phase 3 concentrator, the DBF flash smelter, as well as provide spare capacity for future expansions; (xiv) statements that the 99.7% pure blister anode copper produced from Kamoa-Kakula's smelter is expected to be one of the lowest carbon dioxide emitters in the world per tonne of copper produced; (xv) statements that the smelter will have a processing

capacity of approximately 1.2 million tonnes per annum of dry concentrate feed and is designed to run on a blend of concentrate produced from the Kakula (Phase 1 and 2) and Kamoa (Phase 3 and future Phase 4) concentrators; (xvi) statements that Kamoa-Kakula will also continue to toll-treat concentrates under a 10-year agreement with the LCS, and that deliveries to LCS are expected to account for approximately 150,000 tonnes of copper concentrate annually; (xvii) statements that the smelter will also produce in the region of 650,000 to 800,000 tonnes per year of high-strength sulphuric acid and that there is strong demand for sulphuric acid in the DRC; (xviii) statements that upon commencement of Phase 3 production, the Kamoa-Kakula Copper Complex will have a processing capacity in excess of 14 million tonnes per annum; and (xix) statements that in the first five years of Phase 3 (2025 to 2029), copper production is expected to average approximately 650,000 tonnes per annum, at a cash cost (C1) below $1.20/lb and that this production rate will position the Kamoa-Kakula Copper Complex as the third-largest copper mining operation in the world.

All of the results of the 2023 Pre-Feasibility Study and 2023 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 operation and development of the Kamoa-Kakula Copper Complex, 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; and (xvii) political factors.

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 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 above and under the "Risk Factors" section in the company's MD&A for the three and six months ended June 30, 2023, and its Annual Information Form, 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 because of the factors set forth in the "Risk Factors" section in the company's MD&A for the three and six months ended June 30, 2023, and its current annual information form.

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