

April 6, 2016

## **Ivanhoe Mines announces an accelerated infill drilling program at the Kamoa copper project's Kakula Discovery in the D.R. Congo**

SANTIAGO, CHILE – Robert Friedland, Executive Chairman of Ivanhoe Mines (TSX: IVN), announced today that Ivanhoe and its joint-venture partner Zijin Mining are preparing to accelerate a planned infill drilling program on the Kakula Discovery area at their Kamoa copper project, in the Democratic Republic of Congo (DRC), beginning in May 2016.

Speaking at the 15th World Copper Conference in Santiago, Mr. Friedland said the Kamoa exploration team's goal is to complete approximately 25,000 metres of additional drilling in the Kakula Discovery area in 2016. The company is upgrading access and drill roads in the Kakula Discovery area to support the additional diamond drill rigs that will be mobilized to the site in early May.

"Our accelerated infill drilling program will target thick, flat-lying, shallow resources at grades materially higher than the average grades at Kamoa that potentially could be incorporated into our Phase One feasibility study, which could enhance the already robust economics that were reported in our independent pre-feasibility study on February 23 and help to ensure that Kamoa becomes one of the highest grade, new copper mines in the world," Mr. Friedland added.

The accelerated 2016 drill program initially will focus on a 12-square-kilometre area along the projected trend of mineralization intersected in holes DD996 and DD997 that were completed in 2015. The drill program now also includes follow-up infill drilling aimed at defining Indicated Resources in areas where the continuity of materially higher grade is confirmed. The 2016 drilling area and the initial drill sections are shown in figures 1 and 2.

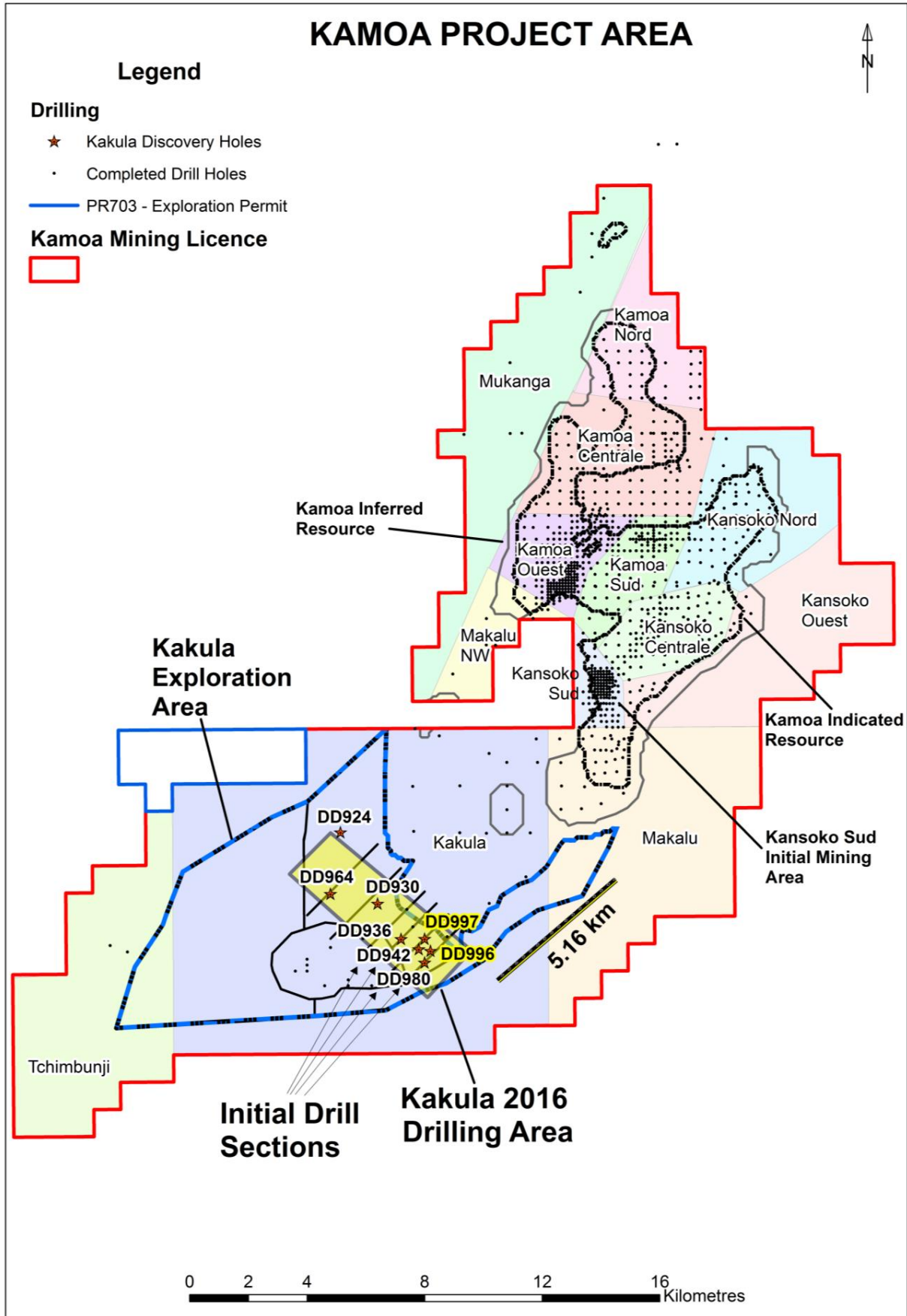
The 2015 holes DD996 and DD997 rank among the highest-grade and highest-grade-thickness intersections drilled to date within the Kamoa Mining Licence area.

Hole DD996 intersected 24.16 metres (24.13 metres true width) of 3.48% copper, at a 1% copper cut-off. At a higher cut-off of 2% copper, the DD996 intersection was 13.16 metres (13.14 metres true width) of 5.26% copper. Hole DD997 intersected 18.75 metres (18.47 metres true width) of 4.64% copper at a 1% copper cut-off and 15.17 metres (14.94 metres true width) of 5.33% copper at a 2% copper cut-off.

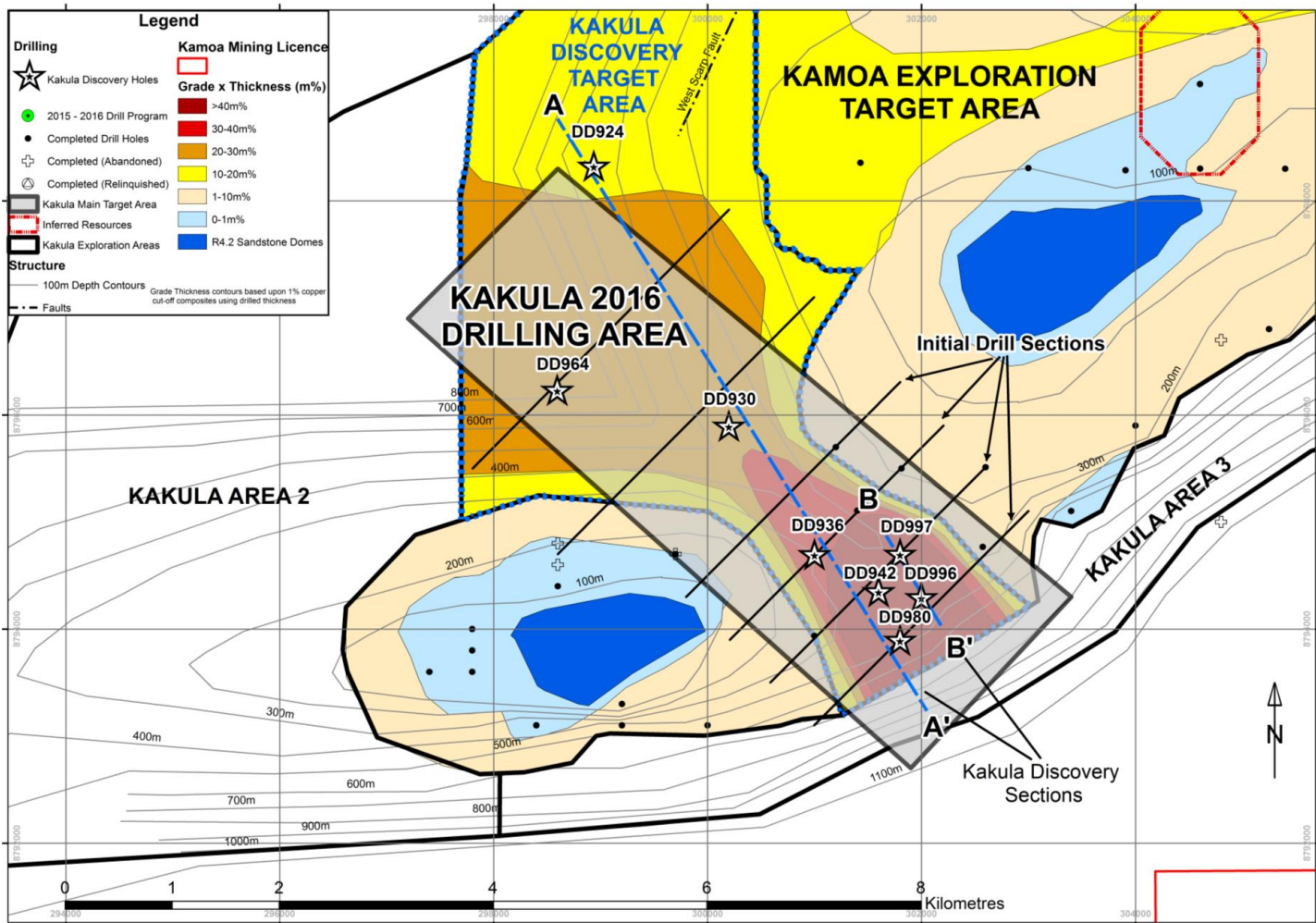
Ivanhoe Mines reported on January 25, 2016, that the Kamoa exploration team had made a new tier-one, high-grade, shallow and flat-lying stratiform copper discovery, ideally situated for low-cost mechanized mining, in the Kakula Discovery area, approximately five kilometres southwest of the currently defined resources at the Kamoa copper deposit. The Kakula Discovery is situated within the 400-square-kilometre Kamoa Mining Licence area and represents a major extension of the Kamoa copper deposit, which the company discovered in 2008.

Mr. Friedland said in the January announcement that the Kamoa copper deposit already is distinguished as the world's largest, undeveloped, high-grade copper discovery. "The Kakula Discovery has the combination of significant thickness, high grades and strike length that holds promise for significant and rapid expansion of the Kamoa copper deposit."

Figure 1: Kamoia plan map showing Kakula exploration area, discovery drill holes and 2016 drilling area.



**Figure 2: Kamoia discovery drill holes and Kakula 2016 drilling area.**



Holes DD996 and DD997 were drilled into an area of thick, high-grade copper mineralization first identified in 2014 – now called the Kakula Discovery area – within the large, 60-square-kilometre Kakula exploration area. The two holes represent 400-metre step-outs north and east from the high-grade copper intersected in drill hole DD942 that recorded 13.50 metres (13.49 metres true width) of 4.15% copper, at a 2% copper cut-off.

Mineralization at Kakula appears to be consistent in nature with downward vertical zonation from chalcopyrite to bornite to chalcocite in every hole. Mineralization is consistently bottom-loaded, with grades increasing downhole toward the contact between the host Grand Conglomerate and the underlying Mwashia sandstone. The highest copper grades are associated with a siltstone/sandstone unit and the base of an overlying diamictite unit. These units overlie a less mineralized, thin, sandy clast-rich diamictite above the Mwashia sandstone contact. (See Figure 3 for a section across the Kakula Discovery Area)

The bottom-loaded nature of Kakula mineralization could support the definition of selective mineralized zones at cut-offs well above the 1% copper cut-off used to define resources at Kamoia. For example, the lower portion of the mineralized intercepts in drill holes DD996 and DD997 intersected 5.59 metres grading 9.16% copper and 7.06 metres grading 8.50% copper, respectively, both at a 3% copper cut-off. (See Figure 4 for a drill log of DD997).

**Figure 3: Sections across the Kakula Discovery Area**

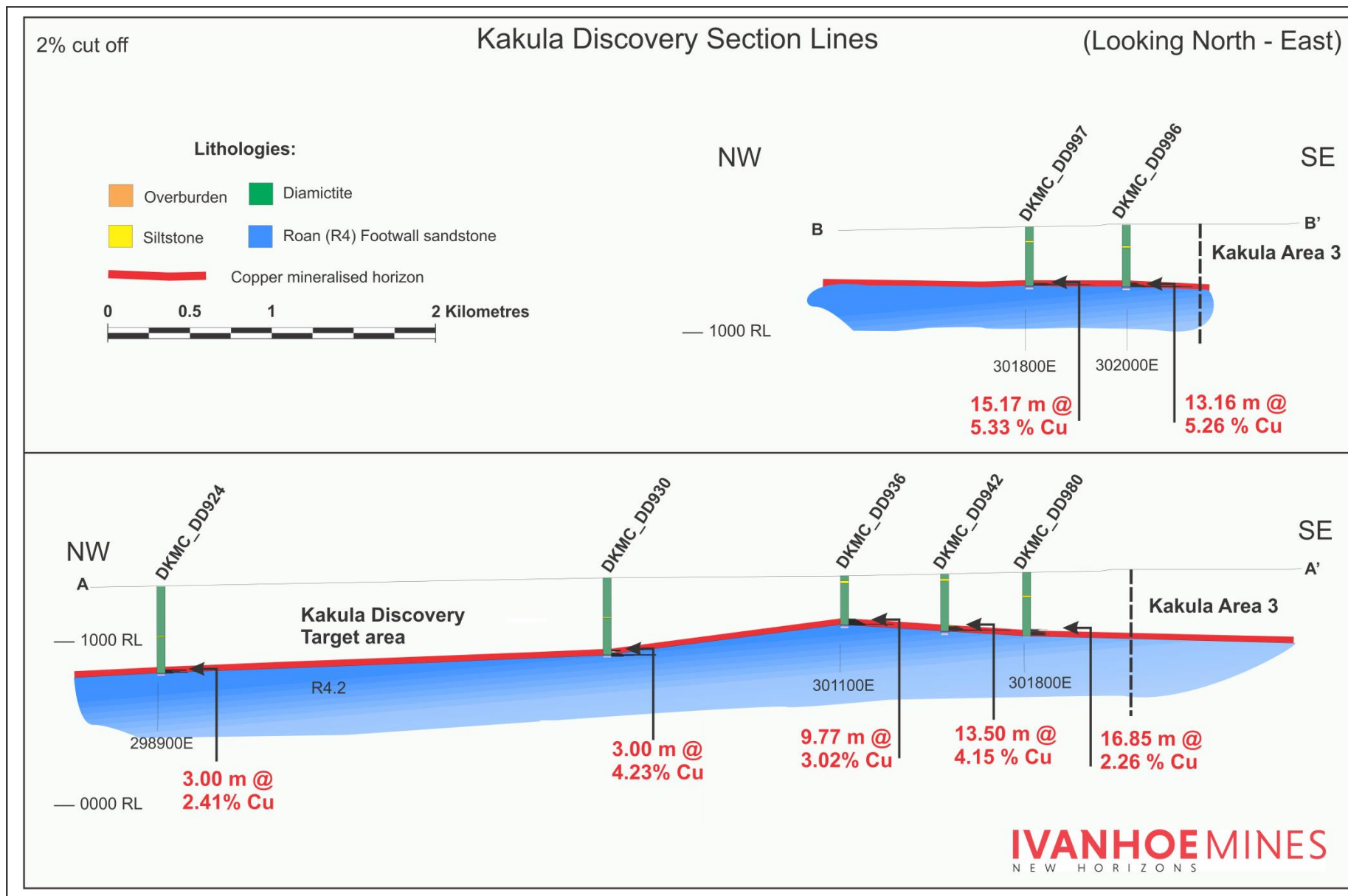
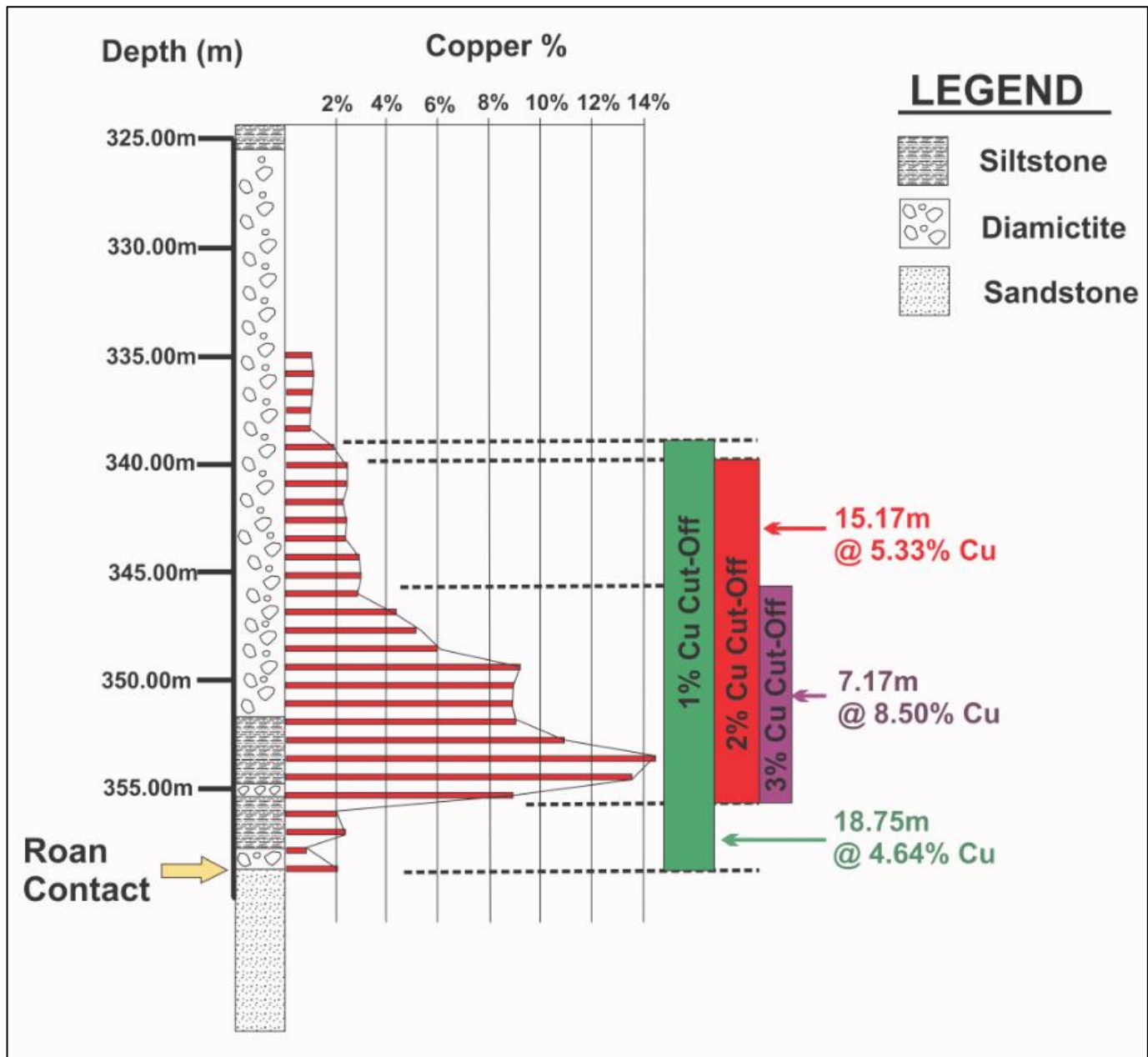


Figure 4: DKMC\_DD997 strip log showing bottom-loaded distribution of copper mineralization at 1%, 2% and 3% copper cut-offs.



### Kamoa Copper Project description

The Kamoa Copper Project, a joint venture between Ivanhoe Mines and Zijin Mining Group Co., Ltd., 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 Lubumbashi. Ivanhoe sold a 49.5% share interest in Kamoa Holding Limited (Kamoa Holding), the company that presently owns 95% of the Kamoa Project on an indirect basis, to Zijin Mining for an aggregate cash consideration of \$412 million. In addition, Ivanhoe sold a 1% share interest in Kamoa Holding to privately-owned Crystal River Global Limited for \$8.32 million – which Crystal River will pay through a non-interest-bearing, 10-year promissory note.

A 5%, non-dilutable interest in the Kamoa Project was transferred to the DRC government on September 11, 2012, for no consideration, pursuant to the DRC Mining Code. Ivanhoe also has offered to transfer an additional 15% interest to the DRC government on terms to be negotiated. Constructive and cordial negotiations over the offer are continuing between Ivanhoe Mines, Zijin and senior DRC government officials. Subsequent to the sale to Zijin and Crystal River, Ivanhoe owns an effective 47% of the Kamoa Project, which will decrease to an effective 40% should the additional 15% interest be transferred to the DRC government.

Kamoa is the world's largest, undeveloped, high-grade copper deposit. On February 23, 2016, an updated Mineral Resource estimate was issued for the Kamoa Project, with an effective date of May 5, 2014. Kamoa's Indicated Mineral Resources total 752 million tonnes grading 2.67% copper and containing 44.3 billion pounds of copper at a 1% copper cut-off grade and minimum thickness of three metres. In addition to the Indicated Resources, the updated estimate included Inferred Mineral Resources of 185 million tonnes grading 2.08% copper and containing 8.5 billion pounds of copper, also at a 1.0% copper cut-off grade and a minimum thickness of three metres.

### **Qualified Person and Quality Control and Assurance**

The scientific and technical information in this 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 has verified the technical data disclosed in this news release.

Ivanhoe Mines maintains a comprehensive chain of custody and QA-QC program on assays from its Kamoa Project. Half-sawn core is processed at its on site preparation laboratory in Kamoa, 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 current technical report on the Kamoa Copper Project on the SEDAR profile of Ivanhoe Mines at [www.sedar.com](http://www.sedar.com).

### **About Ivanhoe Mines**

Ivanhoe Mines is advancing and developing its three principal projects in Sub-Saharan Africa: the Platreef platinum-palladium-gold-nickel-copper discovery in South Africa; and the Kamoa copper discovery and the high-grade Kipushi zinc-copper-lead-germanium mine in the DRC. (For news and details, visit [www.ivanhoemines.com](http://www.ivanhoemines.com))

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## 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: (i) statements regarding plans to accelerate an infill drilling program at the Kakula Discovery area in May 2016 and statements regarding the intention to target thick, flat-lying, shallow resources at grades materially higher than the average grades at Kamoa that potentially could be incorporated into the company’s Phase One feasibility study; (ii) statements regarding the development of Kamoa into one of the highest grade, new copper mines in the world; (iii) statements regarding the potential to enhance the economics reported in the company’s independent pre-feasibility study; (iv) the timing and terms of transfer of an additional 15% interest in the Kamoa Project to the DRC government; and (v) statements regarding the completion of approximately 25,000 metres of additional drilling in the Kakula Discovery area in 2016. 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.

As well, the results of the pre-feasibility study of the Kamoa Project constitute forward-looking information, including 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, and estimates of capital and operating costs. Furthermore, with respect to this specific forward-looking information concerning the development of the Kamoa Project, the company has based its assumptions and analysis on certain factors that are inherently uncertain. Uncertainties include among others: (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 laws or regulations; (xii) the availability and productivity of skilled labour; (xiii) the regulation of the mining industry by various governmental agencies; and (xiv) political factors.

This 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 (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 price; (ii) results of drilling, (iii) metallurgical testing and other studies; (iv) proposed mining operations, including dilution; (v) the evaluation of mine plans subsequent to the date of any estimates; and (vi) the possible failure to receive required permits, approvals and licenses.

Forward-looking statements 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, including, but not limited to, the factors discussed here, 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, political or labour unrest; changes in commodity prices; limitations and availability of capital; and the failure of exploration programs or studies to deliver anticipated results (including the actual results of drilling and exploration activities,) 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 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](http://www.sedar.com).