

# **IVANHOE** MINES

January 8, 2024

**Ivanhoe Mines provides 2023 production results and 2024 production guidance for the Kamo-Kakula Copper Complex**

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**Kamo-Kakula produced 393,551 tonnes of copper in concentrate in 2023, within guidance**

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**Year-over-year copper production increased by 18%**

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**Kamo-Kakula sets 2024 production guidance at between 440,000 and 490,000 tonnes of copper, with Phase 3 concentrator ahead of schedule for completion in Q3 2024**

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**Daily milling record achieved of 31,084 tonnes by Phase 1 and 2 concentrators of ore on January 1, 2024**

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**Kamo-Kakula's 2024 cash cost and capital expenditure guidance will be included in 2023 year-end financial results on February 26, 2024**

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**Kamo Copper's outstanding growth profile aligns with first-class sustainability and social initiatives, as well as the goal of producing the world's 'greenest copper'**

RIYADH, SAUDI ARABIA – Ivanhoe Mines' (TSX: IVN; OTCQX: IVPAF) Executive Co-Chair Robert Friedland and President Marna Cloete announced today, ahead of the 2024 Future Minerals Forum at the King Abdulaziz International Conference Centre in Riyadh, Saudi Arabia, that the Kamo-Kakula Copper Complex in the Democratic Republic of the Congo (DRC) produced 393,551 tonnes of copper in concentrate in 2023, inside the 2023 production guidance range of 390,000 to 430,000 tonnes. Kamo-Kakula's 2023 production achievement represents a year-over-year increase of 18%.

The 2024 annual production guidance for Kamo-Kakula is estimated at between 440,000 to 490,000 tonnes of copper in concentrate, following the anticipated completion of the Phase 3 concentrator during the third quarter of 2024.

Watch the video showcasing Kamoakakula's 2023 operational highlights: <https://vimeo.com/900591734/dd488ea4b5>



## 2024 Production Guidance for the Kamoakakula Copper Complex

Kamoakakula's 2024 production guidance is based on several assumptions and estimates as of December 31, 2023, including among other things, assumptions about the timing for the completion and ramp-up of the new 5-million-tonne-per-annum Phase 3 concentrator. Guidance involves estimates of known and unknown risks, uncertainties and other factors that may cause the actual results to differ materially.

### Kamoakakula 2024 Guidance

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**Contained copper in concentrate (tonnes) 440,000 - 490,000**

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

Ivanhoe Mines will provide 2024 guidance ranges for C1 cash costs (C1) per pound of payable copper and capital expenditure in its year-end financial results, which will be released on February 26, 2024. Ivanhoe will provide further guidance on Kipushi and Platreef, which are expected to be commissioned in Q2 2024 and Q3 2024, respectively.

### Kamoakakula produced 393,551 tonnes of copper in 2023, an increase of 18% compared with 2022

Kamoakakula produced 393,551 tonnes of copper in 2023, achieving its production guidance of 390,000 to 430,000 tonnes. Guidance was achieved following the successful ramp-up of Kamoakakula's debottlenecking program, which was completed ahead of schedule on February 27, 2023.

During 2023, Kamoakakula Phase 1 and 2 concentrators milled approximately 8.5 million tonnes of ore at an average feed grade of 5.2% copper, producing 824,382 dry metric tonnes of copper concentrate. Copper flotation recoveries for

the year averaged 87.4%, above the Phase 1 and 2 concentrator design recovery rate of 86.0%.

During the fourth quarter, a total of 2.1 million ore tonnes were milled at an average feed grade of 4.9% copper, producing 92,215 tonnes of copper in concentrate. Quarterly production was impacted by intermittent grid instability, particularly in November where plant utilization was significantly hampered by unplanned outages.

As with previous quarters, ore is drawn as required from surface stockpiles to maximize copper production. Kamoakakula's high- and medium-grade ore surface stockpiles totaled approximately 4.13 million tonnes at an estimated, blended average grade of 3.5% copper. Contained copper in the stockpiles at the end of December totaled more than 143,000 tonnes.

After year-end, a daily milling record was achieved on January 1, 2024. 31,084 tonnes of ore were processed by the Phase 1 and 2 concentrators over 24 hours, which is equivalent to an annual milling rate of 10.4 million tonnes (after accounting for availability).

Dodo Mbay, Kamoakakula Copper, Executive, Concentrators, taking part in the 'Kuwa Salama' (Be Safe) campaign. The safety initiative requests that staff submit their top 4 reasons why they should be safe every day.



**Kamoa Copper has been working extensively with DRC's state-owned power company, La Société Nationale d'Electricité (SNEL), to identify the causes of the instability across the southern DRC's grid infrastructure and to identify long-lasting solutions.**

**In December 2023, SNEL and Ivanhoe Mines Energy DRC, a subsidiary of Kamoa Holding Limited, signed an amendment to the existing financing agreement to fund the identified infrastructure upgrades. The original financing agreement consisted of a loan of up to \$250 million to fund the refurbishment of 78 megawatts (MW) of generation capacity at the Mwadingusha dam and 178 MW of generation capacity from Turbine #5 at the Inga II dam. The refurbishment of the Mwadingusha facility was completed in September 2021, and the refurbishment of Turbine #5 at Inga II is on schedule to be completed in the fourth quarter of 2024.**

**The amendment to the financing agreement expands the loan up to a total of \$450 million. The funding will be assigned specifically to grid infrastructure upgrades, such as an increase in grid capacity between Inga and Kolwezi, a new harmonic filter at the Inga Converter Station, as well as a new static compensator at the Kolwezi Converter Station. As with the existing financing agreement, the \$200 million in additional funding by Ivanhoe Mines Energy to SNEL bears interest at the Secured Overnight Financing Rate (SOFR) plus 3% and will be repaid via a 40% discount on the tariff of grid energy consumed by Kamoa-Kakula. Mobilization of resources is underway, with project delivery expected to take place over the next 18 months.**

**In addition, Kamoa Copper's engineering team is 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 smelter in Q4 2024. An additional 30 MW of installed generation capacity is expected to be fully commissioned early in Q2 2024, with a further 50 MW commissioned by the end of the quarter. This will bring backup generation capacity to 128 MW, which is enough for the combined Phase 1, 2 and 3 concentrators to operate. The generator farm sites are being built adjacent to the Phase 1 and 2 concentrators, and smelter at Kakula as well as adjacent to the Phase 3 concentrator at Kamoa.**

**Negotiations to source up to an additional 30 MW of power from the Zambian grid interconnector are complete, with the delivery of power expected to commence imminently. In the longer term, power supplied via the Zambian interconnector is expected to increase up to 100 MW.**



**(L-R) Fabrice Lusinde Wa Lusangi Kabemba, Directeur Général, SNEL SA and Ben Munanga, Chairman, Kamo Copper SA, signing the second amendment to the 2014 Financing Agreement between SNEL and Ivanhoe Mines Energy DRC. The amendment funds an additional \$200 million of infrastructure upgrades focused on delivering long-term stability to the southern DRC grid.**





**A two-tonne copper concentrate bag ready for export. Kamoia-Kakula's concentrate is amongst the World's highest grade of any major mining copper operation, containing approximately 50% contained copper.**



**840 employees from T3 Projects, the Electrical Controls and Instrumentation (EC&I) engineering contractor for Kamoia-Kakula,**



celebrating the achievement of 1,500,000 lost time injury (LTI) free construction man-hours.

## **Ivanhoe Mines to issue 2023 financial results and host conference call for investors on February 26**

Ivanhoe Mines will report its Q4 and full-year 2023 financial results, and a detailed update on its operations, before the market opens on Monday, February 26, 2024.

The company plans to hold an investor conference call to discuss the full-year 2023 financial results on the same day. Details of the call will be shared closer to the date.

An audio webcast recording of the conference call, together with supporting presentation slides, will be available on Ivanhoe Mines' website at [www.ivanhoemines.com](http://www.ivanhoemines.com).

After issuance, the Financial Statements and Management's Discussion and Analysis will be available at [www.ivanhoemines.com](http://www.ivanhoemines.com) and [www.sedarplus.ca](http://www.sedarplus.ca).

### **Qualified Persons**

Disclosures of a scientific or technical nature at the Kamoakakula 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 Kamoakakula Project, which is available on the company's website and under the company's SEDAR profile at [www.sedarplus.ca](http://www.sedarplus.ca):

- Kamoakakula Integrated Development Plan 2023 Technical 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 Kamo-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 Kamo-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<sup>2</sup> of 80-100% owned exploration licences, as well as on the 247km<sup>2</sup> of newly acquired joint venture licences, in the Western Foreland located adjacent to the Kamo-Kakula Copper Complex in the DRC.

## **Information contact**

Follow Robert Friedland ([@robert\\_ivanhoe](https://twitter.com/robert_ivanhoe)) and Ivanhoe Mines ([@IvanhoeMines](https://twitter.com/IvanhoeMines)) on X.

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## **Forward-looking statements**

Certain statements in this news 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 using 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 news release.

Such statements include, without limitation: (i) statements regarding 2024 annual production guidance for Kamoakakula being estimated at between 440,000 to 490,000 tonnes of copper in concentrate; (ii) statements that the anticipated completion of the Phase 3 concentrator is expected during the third quarter of 2024; (iii) statements that Ivanhoe Mines will provide 2024 guidance ranges for C1 cash costs (C1) per pound of payable copper and capital expenditure in its year-end financial results, which will be released on February 26, 2024; (iv) statements that Ivanhoe will provide further guidance on Kipushi and Platreef, which are expected to be commissioned in Q2 2024 and Q3 2024 respectively; (v) statements that Kamoakakula has been working extensively with DRC's state-owned power company, La Société Nationale d'Electricité (SNEL), to identify the causes of the instability across the southern DRC's grid infrastructure and to identify long-lasting solutions; (vi) statements that the refurbishment of Turbine #5 at Inga II dam is on schedule to be completed in the fourth quarter of 2024; (vii) statements that the amendment to the SNEL-Ivanhoe Mines Energy financing agreement expands the loan up to a total of \$450 million, and that the funding will be assigned specifically to grid infrastructure upgrades, such as an increase in grid capacity between Inga and Kolwezi, a new harmonic filter at the Inga Converter Station, as well as a new static compensator at the Kolwezi Converter Station; (viii) statements that the delivery of grid infrastructure upgrades is expected over the next 18 months; (ix) statements that Kamoakakula's engineering team is 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; (x) statements that 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 smelter in Q4 2024; (xi) statements that an additional 30 MW of installed generation capacity is expected to be fully commissioned early in Q2 2024, with a further 50 MW commissioned by the end of the quarter; (xii) statements that backup generation capacity will increase to 128 MW, and that such capacity is enough for the combined Phase 1, 2 and 3 concentrators to operate; (xiii) statements that delivery of an additional 30 MW of power from the Zambian grid interconnector is expected to commence imminently; and (xiv) statements that longer term, power supplied via the Zambian interconnector is expected to increase up to 100 MW.

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. Many 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 nine months ended September 30, 2023, and its current annual information form, and elsewhere in this news 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 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.

The company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the factors outlined in the "Risk Factors" section and elsewhere in the company's MD&A for the three and nine months ended September 30, 2023, and its current annual information form.