

Condensed consolidated interim financial statements of

Ivanhoe Mines Ltd.

March 31, 2024
(Stated in U.S. dollars)
(Unaudited)

Ivanhoe Mines Ltd.

March 31, 2024

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Ivanhoe Mines Ltd.

Condensed consolidated interim statements of financial position as at March 31, 2024

(Stated in U.S. dollars)

(Unaudited)

	Notes	March 31, 2024	December 31, 2023	January 01 2023
		\$'000	Restated* \$'000	Restated* \$'000
ASSETS				
Non-current assets				
Investment in joint venture	4	2,618,107	2,517,551	2,047,040
Property, plant and equipment	5	1,251,823	1,146,354	630,295
Mineral properties	6	288,738	270,618	264,995
Deferred tax asset	7	231,012	223,631	208,356
Investments	10	83,259	84,465	9,652
Loans receivable	8	46,612	46,017	92,475
Other receivables	13	29,560	25,145	15,141
Promissory note receivable	9	26,800	26,800	26,756
Intangible assets		10,117	–	–
Right-of-use asset	11	6,088	6,604	7,540
Other assets		4,947	4,243	4,372
Total non-current assets		4,597,063	4,351,428	3,306,622
Current assets				
Cash and cash equivalents	12	411,133	574,294	597,451
Prepaid expenses	14	36,611	49,985	28,466
Other receivables	13	27,632	22,491	15,742
Consumable stores		3,210	1,521	1,011
Current tax assets		483	542	364
Loans receivable	8	–	–	19,629
Total current assets		479,069	648,833	662,663
Total assets		5,076,132	5,000,261	3,969,285
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	21	2,796,859	2,790,137	2,347,105
Share option reserve	21	149,968	147,862	141,541
Foreign currency translation reserve	22	(66,866)	(58,770)	(63,830)
Accumulated profit		753,697	819,249	509,801
Equity attributable to owners of the Company		3,633,658	3,698,478	2,934,617
Non-controlling interests	23	(122,260)	(117,532)	(93,486)
Total equity		3,511,398	3,580,946	2,841,131
Non-current liabilities				
Deferred revenue	16	327,629	328,096	310,725
Borrowings	17	56,600	56,340	40,823
Rehabilitation provision	18	14,766	14,636	1,093
Cash-settled share-based payment liability	19	11,089	9,704	9,023
Lease liability	11	10,507	10,765	10,761
Deferred tax liability	7	2,493	2,493	1,775
Advances payable		–	–	3,123
Total non-current liabilities		423,084	422,034	377,323
Current liabilities				
Convertible notes - host liability	15	507,644	495,970	465,323
Convertible notes - embedded derivative liability	15	445,832	306,561	221,300
Trade and other payables	20	101,947	108,935	61,637
Borrowings	17	83,745	83,671	–
Cash-settled share-based payment liability	19	1,807	1,469	2,025
Lease liability	11	675	675	546
Total current liabilities		1,141,650	997,281	750,831
Total liabilities		1,564,734	1,419,315	1,128,154
Total equity and liabilities		5,076,132	5,000,261	3,969,285

* The prior periods presented have been restated in accordance with the amendments to IAS 1.

See Note 3 for further information.

(Signed) Peter Meredith

Peter Meredith, Director

(Signed) Martie Janse van Rensburg

Martie Janse van Rensburg, Director

Ivanhoe Mines Ltd.

Condensed consolidated interim statements of comprehensive income for the three months ended March 31, 2024

(Stated in U.S. dollars)

(Unaudited)

	Notes	Three months ended March 31,	
		2024 \$'000	2023 \$'000
Operating income (expenses)			
Share of profit from joint venture net of tax	4	45,165	82,659
Share-based payments	24	(8,933)	(7,702)
Exploration and project evaluation expenditure		(8,901)	(3,381)
Foreign exchange loss		(6,487)	(1,314)
Salaries and benefits		(2,589)	(2,246)
Other expenditure		(2,310)	(1,986)
Travel costs		(1,901)	(1,660)
Legal fees		(363)	(1,041)
Professional fees		(351)	(324)
Profit from operating activities		13,330	63,005
Finance income	26	62,457	57,826
Other income	27	934	3,728
Loss on fair valuation of embedded derivative liability	15	(139,271)	(30,900)
Finance costs	25	(8,944)	(10,465)
Loss on fair valuation of financial asset	10	(1,075)	(1,595)
(Loss) profit before income taxes		(72,569)	81,599
Income tax (expense) recovery			
Current tax		(62)	(45)
Deferred tax		3,221	926
		3,159	881
(Loss) profit for the period		(69,410)	82,480
Loss (profit) attributable to:			
Owners of the Company		(65,552)	86,637
Non-controlling interests		(3,858)	(4,157)
		(69,410)	82,480
Other comprehensive loss			
Items that may subsequently be reclassified to (loss) profit:			
Exchange loss on translation of foreign operations, net of tax		(8,966)	(13,746)
Items that may subsequently be reclassified (loss) to profit		(8,966)	(13,746)
Total comprehensive (loss) income for the period		(78,376)	68,734
Total comprehensive (loss) income attributable to:			
Owners of the Company		(73,648)	74,154
Non-controlling interests	23	(4,728)	(5,420)
		(78,376)	68,734
Basic (loss) profit per share	28	(0.05)	0.07
Diluted (loss) profit per share	28	(0.05)	0.07

Ivanhoe Mines Ltd.

Condensed consolidated interim statements of changes in equity for the three months ended March 31, 2024

(Stated in U.S. dollars)

(Unaudited)

	Share capital		Share option reserve	Foreign currency translation reserve	Accumulated profit	Equity attributable to owners	Non- controlling interests	Total
	Number of shares	Amount \$'000						
Balance at January 1, 2023	1,216,754,579	2,347,105	141,541	(63,830)	509,801	2,934,617	(93,486)	2,841,131
Net profit (loss) for the period	–	–	–	–	86,637	86,637	(4,157)	82,480
Other comprehensive loss	–	–	–	(12,483)	–	(12,483)	(1,263)	(13,746)
Total comprehensive (loss) income	–	–	–	(12,483)	86,637	74,154	(5,420)	68,734
<i>Transactions with owners</i>								
Share-based payments charged to operations (Note 24)	–	–	6,400	–	–	6,400	–	6,400
Share unit awards vested (Note 21(c))	641,561	4,218	(4,218)	–	–	–	–	–
Options exercised (Note 21(b))	309,840	1,416	(381)	–	–	1,035	–	1,035
Balance at March 31, 2023	1,217,705,980	2,352,739	143,342	(76,313)	596,438	3,016,206	(98,906)	2,917,300
Balance at January 1, 2024	1,268,762,524	2,790,137	147,862	(58,770)	819,249	3,698,478	(117,532)	3,580,946
Net loss for the period	–	–	–	–	(65,552)	(65,552)	(3,858)	(69,410)
Other comprehensive loss	–	–	–	(8,096)	–	(8,096)	(870)	(8,966)
Total comprehensive loss	–	–	–	(8,096)	(65,552)	(73,648)	(4,728)	(78,376)
<i>Transactions with owners</i>								
Share-based payments charged to operations (Note 24)	–	–	7,210	–	–	7,210	–	7,210
Share unit awards vested (Note 21(c))	546,408	4,469	(4,469)	–	–	–	–	–
Options exercised (Note 21(b))	344,402	2,253	(635)	–	–	1,618	–	1,618
Balance at March 31, 2024	1,269,653,334	2,796,859	149,968	(66,866)	753,697	3,633,658	(122,260)	3,511,398

Ivanhoe Mines Ltd.

Condensed consolidated interim statements of cash flows for the three months ended March 31, 2024

(Stated in U.S. dollars)

(Unaudited)

	Notes	Three months ended March 31,	
		2024 \$'000	2023 \$'000
Cash flows from operating activities			
(Loss) profit before income taxes		(72,569)	81,599
Items not involving cash			
Loss on fair valuation of embedded derivative liability	15	139,271	30,900
Finance costs	25	8,944	10,465
Share-based payments	24	8,933	7,702
Unrealized foreign exchange loss		3,737	1,290
Decrease in fair valuation of financial asset	10	1,075	1,595
Depreciation		691	404
Transfer from other assets to working capital items		123	149
Depreciation on right-of-use asset		67	73
Finance income	26	(62,457)	(57,826)
Share of profit from joint venture net of tax	4	(45,165)	(82,659)
Gain on disposal of property, plant and equipment		(2)	(2,769)
Other taxes		–	(1)
		(17,352)	(9,078)
Change in working capital items	31	(4,861)	(22,298)
Interest paid		(2,070)	(56)
Income taxes paid		(20)	(47)
Interest received	26	6,471	7,299
Net cash used in operating activities		(17,832)	(24,180)
Cash flows from investing activities			
Property, plant and equipment acquired		(120,660)	(69,804)
Purchase of mineral properties	6	(18,120)	–
Other assets acquired		(611)	(441)
Proceeds from sale of property, plant and equipment		13	4,851
Cash paid on behalf of joint venturer	9	–	(10)
Net cash used in investing activities		(139,378)	(65,404)
Cash flows from financing activities			
Options exercised		1,618	1,035
Partial repayment of aircraft financing facility		(755)	–
Principal portion of lease liability repaid		(327)	(70)
Net cash generated from financing activities		536	965
Effect of foreign exchange rate changes on cash		(6,487)	(11,687)
Net cash outflow		(163,161)	(100,306)
Cash and cash equivalents, beginning of year		574,294	597,451
Cash and cash equivalents, end of period		411,133	497,145

Ivanhoe Mines Ltd.

Notes to the condensed consolidated interim financial statements

March 31, 2024

(Stated in U.S. dollars unless otherwise noted)

(Unaudited)

1. Basis of presentation and going concern assumption

Ivanhoe Mines Ltd. is a mining, development and exploration company incorporated in Canada which, together with its subsidiaries and joint venture, is focused on the mining, development and exploration of minerals and precious metals from its property interests located primarily in Africa.

The registered and records office of the Company is located at Suite 606-999 Canada Place, Vancouver, British Columbia, Canada V6C 3E1. The Company is listed on the Toronto Stock Exchange ("TSX") under the ticker symbol IVN. The shares of the Company are also traded on the OTCQX Best Market in the United States of America under the symbol IVPAF.

The Company's condensed consolidated interim financial statements have been prepared using accounting policies in accordance with IFRS Accounting Standards applicable to the preparation of interim financial statements, under International Accounting Standard 34, Interim Financial Reporting.

These condensed consolidated interim financial statements do not include all of the information and footnotes required by IFRS Accounting Standards for complete financial statements for year-end reporting purposes. Results for the three months ended March 31, 2024, are not necessarily indicative of future results.

These condensed consolidated interim financial statements have been prepared on the historical cost basis with the exception of certain financial instruments and share-based payments which are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial statements are also prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business.

The Company has an accumulated profit of \$753.7 million at March 31, 2024 (December 31, 2023: \$819.2 million). As at March 31, 2024, the Company's total assets exceeds its total liabilities by \$3,511.4 million (December 31, 2023: \$3,580.9 million) and current liabilities exceeds current assets by \$662.6 million (December 31, 2023: \$348.4 million).

2. Material accounting policies

The material accounting policies used in these condensed consolidated interim financial statements have been consistently applied to all periods presented, unless otherwise stated, and are as follows:

(a) Statement of compliance

The accounting policies applied by the Company in these condensed consolidated interim financial statements are the same as those applied by the Company in its most recent annual consolidated financial statements as at and for the year ended December 31, 2023 except for the application of new and revised accounting standards mentioned in Note 3.

These unaudited condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements as at and for the year ended December 31, 2023.

Ivanhoe Mines Ltd.

Notes to the condensed consolidated interim financial statements

March 31, 2024

(Stated in U.S. dollars unless otherwise noted)

(Unaudited)

2. Material accounting policies (continued)

(b) Significant accounting estimates and judgments

The preparation of condensed consolidated interim financial statements in conformity with IAS 34 requires the Company's management to make estimates and assumptions concerning the future. The resulting accounting estimates can, by definition, only approximate the actual results. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments.

Significant accounting estimates and judgments include, amongst other things, the recoverability of assets, the determination of the functional currency, technical feasibility and commercial viability of projects, the classification of Kamoa Holding Limited as a joint venture, the determination of inputs into lease accounting, the valuation of the embedded derivative liability associated with the convertible notes, deferred revenue, deferred tax, provisions for tax claims, the provisionally-priced revenue, remeasurement of contract receivables and bill-and-hold arrangements of the Kamoa Holding Limited joint venture.

(c) Future accounting changes

The following new standards, amendments to standards and interpretations have been issued but are not effective during the three months ended March 31, 2024. The Company has not yet adopted these new and amended standards.

- Amendment to IAS 21 - Lack of Exchangeability. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. (i)

The Company has considered the amendment and assessed that it will have no material impact on adoption.

- (i) Effective for annual periods beginning on or after January 1, 2025

3. Application of new and revised standards

The following standards became effective for annual periods beginning on or after January 1, 2024. The Company adopted these standards in the current period and they did not have a material impact on its condensed consolidated interim financial statements unless specifically mentioned below.

- Amendment to IFRS 16 – Leases on sale and leaseback. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
- Amendment to IAS 7 and IFRS 7 - Supplier finance. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

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Notes to the condensed consolidated interim financial statements

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(Stated in U.S. dollars unless otherwise noted)

(Unaudited)

3. Application of new and revised standards (continued)

- Amendment to IAS 1 – Non-current liabilities with covenants and Amendment to IAS 1 - Classification of Liabilities as Current or Non-current.

The adoption of the amendments to IAS 1 has a material effect on the Company's financial statements, particularly impacting the classification of the host liability and embedded derivative liability associated with the convertible notes.

These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions. Furthermore, the amendments clarify that a conversion option does not affect the Company's classification of the liability, but only if the option meets the fixed-for-fixed criteria and is classified and recognized as a separate equity component in accordance with IAS 32, Financial Instruments: Presentation. If a conversion option in a loan agreement does not satisfy the fixed-for-fixed criteria, the entity would classify the liability as current.

The conversion feature included in the Company's convertible notes fails the 'fixed for fixed' criteria and is therefore not classified as an equity instrument. Although the terms of the convertible notes allow for settlement in the Company's own equity instruments, that alternative is not classified as an equity instrument, the terms of the convertible feature are taken into account in the classification of the liability. The convertible senior notes issued by the Company can be called by the holder at any time in the next 12 months, barring the conditions disclosed in Note 15 are met.

The impact of the adoption of the amendments to IAS 1 on the Company's consolidated statements of financial position as at December 31, 2023 and January 1, 2023 is as follows:

	December 31, 2023	IAS 1 Amendment	December 31, 2023 (Restated)
	\$'000	\$'000	\$'000
Consolidated statements of financial position			
Non-current liabilities			
Convertible notes - host liability	492,937	(492,937)	–
Convertible notes - embedded derivative liability	306,561	(306,561)	–
Total non-current liabilities	1,221,532	(799,498)	422,034
Current liabilities			
Convertible notes - host liability	3,033	492,937	495,970
Convertible notes - embedded derivative liability	–	306,561	306,561
Total current liabilities	197,783	799,498	997,281

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(Unaudited)

3. Application of new and revised standards (continued)

- Amendment to IAS 1 – Non-current liabilities with covenants and Amendment to IAS 1 - Classification of Liabilities as Current or Non-current. (continued)

	December 31, 2022	IAS 1 Amendment	December 31, 2022 <i>(Restated)</i>
	\$'000	\$'000	\$'000
Consolidated statements of financial position			
Non-current liabilities			
Convertible notes - host liability	462,290	(462,290)	–
Convertible notes - embedded derivative liability	221,300	(221,300)	–
Total non-current liabilities	1,060,913	(683,590)	377,323
Current liabilities			
Convertible notes - host liability	3,033	462,290	465,323
Convertible notes - embedded derivative liability	–	221,300	221,300
Total current liabilities	67,241	683,590	750,831

Upon conversion, the convertible notes may be settled, at the Company's election, in cash, common shares or a combination thereof. Due to this election right and conversion feature the classification of the convertible notes (host liability and embedded derivative liability) as current liabilities does not impact the Company's liquidity.

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Notes to the condensed consolidated interim financial statements

March 31, 2024

(Stated in U.S. dollars unless otherwise noted)

(Unaudited)

4. Investment in joint venture

Kamoa Holding Limited (“Kamoa Holding”), a joint venture between the Company and Zijin Mining Group Co., Ltd. (“Zijin”), holds a direct 80% interest in the Kamoa-Kakula Copper Complex (“Kamoa-Kakula”). The Company holds an effective 39.6% interest in the project through its 49.5% shareholding in Kamoa Holding. Zijin holds 49.5% of Kamoa Holding while the remaining 1% share interest is held by privately-owned Crystal River Global Limited (“Crystal River”) (see Note 9).

The costs associated with mine development at Kamoa-Kakula’s Kansoko and Kakula sites were capitalized as property, plant and equipment in Kamoa Copper SA (a subsidiary of Kamoa Holding).

Kamoa-Kakula was deemed to have reached commercial production on July 1, 2021, after achieving a milling rate in excess of 80% of design capacity and recoveries in excess of 70% for a continuous period of seven days. 86,203 tonnes of copper in concentrate was produced during the three months ended March 31, 2024 (March 31, 2023: 93,603).

On March 21, 2014, a financing agreement was entered into between Ivanhoe Mines Energy DRC SARL (a subsidiary of Kamoa Holding) and La Société Nationale d’Électricité SARL (“SNEL”), relating to the first-stage upgrade of two existing hydroelectric power plants in the DRC to feed up to 113 MW into the national power supply grid and for the supply of electricity to the Kamoa-Kakula Project. All six new turbines at the Mwadingusha hydropower plant were synchronized to the national electrical grid in August 2021, with each generating unit producing approximately 13 megawatts (MW) of power, for a combined output of approximately 78 MW. In August 2021, Ivanhoe Mines Energy DRC SARL (“Ivanhoe Mines Energy”) signed an extension of the existing financing agreement with SNEL to upgrade turbine 5 at the Inga II hydropower complex. Turbine 5 is expected to produce 178 MW of renewable hydropower, providing the Kamoa-Kakula Copper Complex and the planned, associated smelter with sustainable electricity for future expansions.

In December 2023, SNEL and Ivanhoe Mines Energy DRC SARL 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. Under the agreements, Ivanhoe Mines Energy agreed to provide a loan relating to the power upgrade. The total loan advanced as at March 31, 2024 amounts to \$325.5 million (December 31, 2023: \$306.6 million) comprising of a capital amount of \$267.5 million (December 31, 2023: \$252.5 million) and interest of \$57.9 million (December 31, 2023: \$54.1 million) and is included in the net assets of the joint venture under the heading “Long-term loan receivable”.

The term for repayment of the principal amount, accrued interest and future costs is estimated to be 25 years, beginning after the expiry of a two-year grace period from the signing date of the agreement. The actual repayment period will ultimately depend on the amount actually financed and on the amounts deducted from electricity bills based on a fixed percentage of 40% of the actual bill as per the loan repayment terms. Interest was earned at a rate of 6-month Term SOFR plus 3%. The Kamoa-Kakula Project has a priority electricity right by which SNEL commits to make available as per an agreed power requirements schedule, sufficient energy from its grid to meet the energy needs of the project. The table below summarizes the long-term loan receivable:

	March 31, 2024	December 31, 2023
	\$'000	\$'000
Opening balance	306,594	252,523
Additional funding	21,512	62,945
Interest for the period	3,834	20,840
Derecognition loss	–	(9,061)
Repayments during the period	(6,472)	(20,653)
	325,468	306,594

Ivanhoe Mines Ltd.

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(Stated in U.S. dollars unless otherwise noted)

(Unaudited)

4. Investment in joint venture (continued)

Company's share of comprehensive income from joint venture

The following table summarizes the Company's share of Kamoia Holding's total comprehensive income for the periods ended March 31, 2024 and March 31, 2023.

	Three months ended, March 31,	
	2024	2023
	\$'000	\$'000
Revenue from contract receivables	612,496	659,529
Remeasurement of contract receivables	5,824	29,594
Revenue	618,320	689,123
Cost of sales	(282,341)	(239,577)
Gross profit	335,979	449,546
General and administrative costs	(47,028)	(30,646)
Amortization of mineral property	(2,765)	(2,596)
Profit from operations	286,186	416,304
Finance costs	(73,716)	(88,673)
Foreign exchange loss	(8,730)	(4,885)
Finance income and other	4,051	4,995
Profit before taxes	207,791	327,741
Current tax expense	(60,299)	(76,473)
Deferred tax expense	(14,332)	(39,617)
Profit after taxes	133,160	211,651
Non-controlling interest of Kamoia Holding (i)	(41,918)	(44,663)
Total comprehensive income for the period	91,242	166,988
Company's share of profit from joint venture (49.5%)	45,165	82,659

- (i) The DRC government holds a direct 20% interest in Kamoia-Kakula. A 5%, non-dilutable interest in the project was transferred to the DRC government on September 11, 2012 for no consideration, pursuant to the 2002 DRC mining code. Following the signing of an agreement in November 2016, an additional 15% interest in the project was transferred to the DRC government.

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(Stated in U.S. dollars unless otherwise noted)

(Unaudited)

4. Investment in joint venture (continued)

Net assets of the joint venture

The assets and liabilities of the joint venture were as follows:

	March 31, 2024		December 31, 2023	
	100%	49.5%	100%	49.5%
	\$'000	\$'000	\$'000	\$'000
Assets				
Property, plant and equipment	4,712,533	2,332,704	4,195,216	2,076,632
Mineral property	775,657	383,950	778,423	385,319
Indirect taxes receivable	452,156	223,817	419,779	207,791
Current inventory	416,751	206,292	435,212	215,430
Run of mine stockpile	348,591	172,553	304,261	150,609
Long-term loan receivable	325,468	161,107	306,594	151,764
Other receivables	275,019	136,134	320,143	158,471
Trade receivables	211,416	104,651	241,944	119,762
Cash and cash equivalents	126,070	62,405	72,486	35,881
Prepaid expenses	82,294	40,736	81,802	40,492
Right-of-use asset	55,441	27,443	56,966	28,198
Non-current deposits	1,872	927	1,872	927
Deferred tax asset	519	257	606	300
Liabilities				
Shareholder loans	(3,611,976)	(1,787,928)	(3,500,105)	(1,732,552)
Trade and other payables	(351,418)	(173,952)	(471,377)	(233,332)
Deferred tax liability	(336,458)	(166,547)	(322,194)	(159,486)
Income taxes payable	(258,405)	(127,910)	(217,028)	(107,429)
Long-term loan facilities	(297,877)	(147,449)	(111,193)	(55,041)
Overdraft facility	(100,151)	(49,575)	(177,775)	(87,999)
Advance payment facility	(402,784)	(199,378)	(150,449)	(74,472)
Rehabilitation provision	(95,081)	(47,065)	(95,081)	(47,065)
Lease liability	(51,050)	(25,270)	(51,913)	(25,697)
Provisional payment facility	(63,815)	(31,588)	(51,501)	(25,493)
Other provisions	(48,269)	(23,893)	(33,344)	(16,505)
Non-controlling interest	(488,868)	(241,990)	(446,950)	(221,240)
Net assets of the joint venture	1,677,635	830,430	1,586,394	785,265

Investment in joint venture

	March 31, 2024	December 31, 2023
	\$'000	\$'000
Company's share of net assets of the joint venture	830,430	785,265
Loan advanced to the joint venture	1,787,677	1,732,286
	2,618,107	2,517,551

The Company earns interest at 12-month Term SOFR plus 7.71% on the loan advanced to the joint venture (see Note 26). Prior to June 30, 2023, interest was calculated based on USD 12-month LIBOR plus 7%. If there is residual cash flow in Kamo Holding, such cash shall be required to be utilized for the repayment of the then outstanding loan amount of each lender, on a pro-rata basis. No repayment is required in the absence of residual cash flow.

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4. Investment in joint venture (continued)

Reconciliation of joint venture net asset value to carrying amount

	March 31, 2024	December 31, 2023
	\$'000	\$'000
<i>Company's share of net assets of the joint venture</i>		
Opening net assets of the joint venture	1,586,393	1,031,189
Total comprehensive income of the joint venture for the period	91,242	555,204
Closing net assets of the joint venture	1,677,635	1,586,393
Company's share of net assets (%)	49.5%	49.5%
Company's share of net assets of the joint venture	830,430	785,265
<i>Loan advanced to the joint venture</i>		
Opening balance	1,732,286	1,536,601
Interest on loan to the joint venture for the period	55,391	207,608
Derecognition loss	-	(11,923)
Closing balance	1,787,677	1,732,286
Investment in joint venture	2,618,107	2,517,551

Commitments and contingencies of the joint venture

From time to time, Kamo Holding becomes subject to claims, temporary measures, legal proceedings, financial sanctions or assessments made by tax or other authorities in the ordinary course of its business. Given the complexity and scope of Kamo Holding's business, such claims may involve complex legal, tax or accounting matters. Management assesses Kamo Holding's liabilities and contingencies for all tax years open to claims or assessment based upon the latest information available. Kamo Holding accrues for such claims, or makes provision, in its consolidated financial statements, when a liability resulting from the claim is both probable and the amount can be reasonably estimated. In order to assess such likelihood management reviews claims with the benefit of internal and external legal advice where appropriate.

Kamo Holding is currently subject to several such claims which have been determined by management, with the benefit of legal advice, to be without merit and justification and therefore not probable that a liability would arise therefrom. Such determinations are based on current information and advice, which is subject to change based on changed facts or circumstances. Accordingly, management may re-assess any prior determination regarding the likelihood of a probable liability at any time.

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(Unaudited)

5. Property, plant and equipment

	Land	Buildings	Office equipment	Motor vehicles	Plant and equipment	Mining infrastructure	Aircraft	Assets under construction	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
March 31, 2024									
Cost									
Beginning of the year	1,547	15,603	8,069	6,362	69,963	132,880	29,128	948,876	1,212,428
Additions	–	–	256	142	3,450	–	–	121,485	125,333
Borrowing costs capitalized	–	–	–	–	–	–	–	14,969	14,969
Disposals	–	–	(3)	(23)	–	–	–	–	(26)
Transfers	–	–	–	–	(1)	–	–	(10,117)	(10,118)
Foreign exchange translation	(48)	(56)	(167)	(26)	(536)	(4,080)	–	(15,989)	(20,902)
End of the period	1,499	15,547	8,155	6,455	72,876	128,800	29,128	1,059,224	1,321,684
Accumulated depreciation and impairment									
Beginning of the year	–	3,482	5,102	3,803	44,824	8,126	737	–	66,074
Depreciation	–	147	281	175	2,304	1,110	280	–	4,297
Disposals	–	–	(1)	(14)	–	–	–	–	(15)
Foreign exchange translation	–	(39)	(100)	(11)	(95)	(250)	–	–	(495)
End of the period	–	3,590	5,282	3,953	47,033	8,986	1,017	–	69,861
Carrying value									
Beginning of the year	1,547	12,121	2,967	2,559	25,139	124,754	28,391	948,876	1,146,354
End of the period	1,499	11,957	2,873	2,502	25,843	119,814	28,111	1,059,224	1,251,823

Assets under construction includes development costs capitalized as property, plant and equipment which are costs incurred to obtain access and to provide facilities for extracting, treating, gathering, transporting and storing the minerals. Costs incurred at the Platreef Project are deemed necessary to bring the Project to commercial production and are therefore capitalized. Until December 31, 2019, costs incurred at the Kipushi Project were also deemed necessary to bring the project to commercial production and were therefore capitalized. Between Q1 2020 and Q2 2022, the Kipushi Project was on reduced activities and incurred limited costs of a capital nature. All costs during this period were expensed as "Exploration and project evaluation expenditure" on the consolidated statements of comprehensive income (see Note 6). All costs incurred at the Kipushi Project from July 1, 2022 have been capitalized to property, plant and equipment.

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5. Property, plant and equipment (continued)

Borrowing costs are capitalized to the extent that they are attributable to the construction of qualifying assets and include the finance costs on the loan payable to ITC Platinum Development Limited, notional financing charge on the deferred revenue and a portion of the interest incurred on the convertible notes (see Note 25).

Assets pledged as security

Buildings with a carrying amount of \$8.7 million (December 31, 2023: \$8.8 million) have been pledged to secure borrowings of the Company (see Note 17 (iii)). The buildings have been pledged as security for bank loans under a mortgage. The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

	Land	Buildings	Office equipment	Motor vehicles	Plant and equipment	Mining infrastructure	Aircraft	Assets under construction	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
December 31, 2023									
Cost									
Beginning of the year	1,685	14,834	8,169	5,230	55,221	143,252	2,647	450,412	681,450
Additions	–	78	833	1,199	164	–	29,128	473,892	505,294
Borrowing costs capitalized	–	–	–	–	–	–	–	58,942	58,942
Disposals	(16)	(1)	(757)	(9)	(464)	–	(2,534)	–	(3,781)
Transfers	–	326	520	28	15,287	–	–	(16,161)	–
Foreign exchange translation	(122)	366	(696)	(86)	(245)	(10,372)	(113)	(18,209)	(29,477)
End of the year	1,547	15,603	8,069	6,362	69,963	132,880	29,128	948,876	1,212,428
Accumulated depreciation and impairment									
Beginning of the year	–	2,883	5,216	3,196	35,574	3,841	445	–	51,155
Depreciation	–	587	1,170	640	9,814	4,527	770	–	17,508
Disposals	–	–	(693)	(9)	(30)	–	(458)	–	(1,190)
Foreign exchange translation	–	12	(591)	(24)	(534)	(242)	(20)	–	(1,399)
End of the year	–	3,482	5,102	3,803	44,824	8,126	737	–	66,074
Carrying value									
Beginning of the year	1,685	11,951	2,953	2,034	19,647	139,411	2,202	450,412	630,295
End of the year	1,547	12,121	2,967	2,559	25,139	124,754	28,391	948,876	1,146,354

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(Unaudited)

6. Mineral properties and exploration and project evaluation expenditure

Mineral properties

The following table summarizes the carrying values of the Company's mineral property interests as described below:

	March 31, 2024	December 31, 2023
	\$'000	\$'000
Platreef property, South Africa (a)	6,940	6,940
Kipushi Properties, Democratic Republic of the Congo (b)	252,337	252,337
Exploration properties (c)	29,461	11,341
	288,738	270,618

Costs directly related to the acquisition of mineral properties are capitalized as mineral properties on a property-by-property basis, whereas development costs are capitalized as property, plant and equipment and are costs incurred to obtain access and to provide facilities for extracting, treating, gathering, transporting and storing the minerals. Development costs are capitalized to the extent that they are necessary to bring the property to commercial production.

(a) Platreef property

Construction of the planned Platreef mine is underway on the Company's discovery of palladium, platinum, rhodium, nickel, copper and gold on the Northern Limb of South Africa's Bushveld Igneous Complex approximately 8 km from Mokopane and 280 km northeast of Johannesburg, South Africa.

In November 2014, the mining right for the development and operation of the Platreef mining project was executed. The mining right authorizes the Company to mine and process platinum-group metals, nickel, copper, gold, silver, cobalt, iron, vanadium and chrome. The mining right was issued for an initial period of 30 years and may be renewed for further periods, each of which may not exceed 30 years at a time, in accordance with the terms of section 24 of the Mineral and Petroleum Resources Development Act of South Africa.

In February 2022, the Company announced the positive findings of an independent Platreef 2022 Feasibility Study for the tier one Platreef palladium, platinum, rhodium, nickel, copper and gold project in South Africa. The 2022 Feasibility Study provides the blueprint for the ongoing development of Platreef. Development activities have been ongoing at Platreef with Shaft 1, the initial access to the orebody, now in operation and hoisting development rock from underground. The Company has been focusing on construction activities to bring Phase 1 of Platreef into production.

A Japanese consortium comprising ITOCHU Corporation, Japan Oil, Gas and Metals National Corporation (JOGMEC); and Japan Gas Corporation holds an effective 10% interest in the Platreef Project. The Company transferred an additional 26% of Platreef to a broad-based black economic empowerment (B-BBEE) special purpose vehicle in compliance with South African ownership requirements.

(b) Kipushi properties

The Kipushi Project is a historic, high-grade underground copper-zinc-germanium-silver-lead mine in the Central African Copperbelt, in Haut-Katanga Province, Democratic Republic of the Congo ("DRC"). The Kipushi Project lies adjacent to the town of Kipushi and the border with Zambia, and about 30 km southwest of the provincial capital of Lubumbashi. Ivanhoe Mines and La Générale des Carrières et des Mines SARL ("Gécamines") own 62% and 38% of the Kipushi Project respectively, through their holdings in Kipushi Corporation SA ("Kipushi"), the mining rights holder.

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(Unaudited)

6. Mineral properties and exploration and project evaluation expenditure (continued)

Mineral properties (continued)

(b) Kipushi properties (continued)

Ivanhoe Mines' interest in Kipushi was acquired in November 2011 and comprises mining rights for zinc, copper and cobalt as well as the underground workings and related infrastructure, inclusive of a series of vertical mine shafts.

On December 15, 2023 the Company signed the new joint venture agreement with its partner Gécamines to restart the ultra-high-grade Kipushi zinc-copper-germanium-silver mine.

(c) Exploration properties

The Company's DRC exploration group is targeting Kamao-Kakula style copper mineralization through a regional drilling program on its 60%-100%-owned Western Foreland exploration licences, located to the north, south and west of the Kamao-Kakula Project, and elsewhere.

During Q4 2022, the Company was granted three new 100%-owned exploration rights on the Northern Limb of the Bushveld Complex in South Africa. These exploration rights cover 80 square kilometres forming a continuous block situated on the southwest border of the existing Platreef Project's mining rights.

During Q4 2023, the Company acquired joint venture licences in the Western Foreland. Under the terms of the joint venture that covers the 247 square kilometres of newly acquired licences, Ivanhoe has an initial interest of 10% with an earn-in right to increase its ownership by funding ongoing exploration activities.

During Q1 2024, the Company increased its interest in Kampemba Corporation, one of the joint venture license holders, from 10% to 60% due to the exercise of the earn-in right.

Exploration and project evaluation expenditure

Exploration and project evaluation expenditure is expensed in the period incurred, until such time as the Company determines that a property is technically feasible and commercially viable, whereafter costs associated with development are capitalized as property, plant and equipment in the assets under construction category (see Note 5).

Recoverability of assets

The Company has concluded that there is no impairment required to any of its projects. Significant judgments and assumptions are required in making estimates of determining the recoverable amount (the higher of fair value less cost of disposal and value in use). This is particularly so in the assessment of long-life assets. It should be noted that the valuations are subject to variability in key assumptions including, but not limited to, long-term commodity prices, capital expenditures, discount rates, transport costs and the cost of production and operating costs.

In assessing impairment, management have considered various external and internal factors such as but not limited to: (i) market value changes in commodity prices; (ii) any adverse economic or significant changes to the legal environment in which the asset/entity operates (iii) changes in the interest rate environment that might impact the discount rate used in calculating the asset's recoverable amount; (iv) any damage or potential obsolescence, (v) comparison of managements future net cash flows with previous budgets and forecasts and assessing if any significant decline has occurred.

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(Unaudited)

7. Deferred tax

The Company's deferred tax assets and liabilities are as follows:

	March 31, 2024	December 31, 2023
	\$'000	\$'000
<i>Deferred tax asset to be recovered after more than 12 months</i>		
Property, plant and equipment and mining capital expenditure	168,129	166,422
Unrealized foreign exchange losses	56,770	51,064
IFRS 16 leases	2,973	2,970
Tax losses carried forward	2,382	2,458
<i>Deferred tax asset to be recovered within 12 months</i>		
Provisions and prepayments	758	717
	231,012	223,631
<i>Deferred tax liability to be recovered after more than 12 months</i>		
Deferred interest on loans	2,493	2,493
Deferred tax liability	2,493	2,493

Deferred income tax assets are recognized for tax loss carry-forwards to the extent that the realization of the related tax benefit through future taxable profits is probable. Due to the conclusion of the stream-financing agreements and the announcement of the positive results of the independent 2022 Feasibility Study, the Company considers it highly probable that the Platreef Project will have future taxable profits that will be available against which the deductible temporary differences can be utilized.

The Company recognized the previously unrecognized deferred tax asset relating to the Kipushi Project on June 30, 2022. Due to the signing of a new agreement between the Company and Gécamines to return the Kipushi Project to commercial production, and the positive findings of the independent 2022 Feasibility Study, the Company considers it probable that the Kipushi Project will have future taxable profits that will be available against which the deductible temporary differences can be utilized.

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(Unaudited)

8. Loans receivable

	March 31, 2024	December 31, 2023
	\$'000	\$'000
Social development loan (i)	46,793	46,198
Loss allowance - Social development loan	(523)	(523)
Loan to Nzuri Exploration Holding Company Pty Ltd (ii)	327	327
Other loans receivable	15	15
	46,612	46,017
Non-current loans receivable	46,612	46,017
	46,612	46,017

- (i) A long-term loan receivable from Gécamines of \$10 million was ceded to the Company on completion of the purchase of Kipushi on November 28, 2011, by the seller. An additional \$20 million was requested and advanced to Gécamines during November 2012.

Repayment will be made by offsetting the loan against future royalties and dividends payable to Gécamines from future profits earned at Kipushi. The fair value of the receivable at acquisition date was estimated by the Company by calculating the present value of the future expected cash flows using an effective interest rate of 9.2%. The carrying value of the long-term loan receivable as at March 31, 2024 is \$46.3 million (December 31, 2023: \$45.7 million). Interest of \$0.6 million was earned during the three months ended March 31, 2024 (March 31, 2023: \$0.6 million) (see Note 26).

The Company has an accumulated expected credit loss allowance of \$0.5 million as at March 31, 2024 (December 31, 2023: \$0.5 million) in accordance with IFRS 9 for the social development loan.

- (ii) In September 2019, the Company, through its wholly-owned subsidiary, Ivanhoe DRC Holding Limited, extended a loan to Nzuri Exploration Holding Company Pty Ltd ("Nzuri"). The loan was advanced to fund exploration activities of a subsidiary of Nzuri in the DRC. The Company has a 10% equity investment in Nzuri (see Note 10).

9. Promissory note receivable

The Company has the following promissory note receivable:

	March 31, 2024	December 31, 2023
	\$'000	\$'000
Promissory note receivable from Crystal River	26,814	26,814
Loss allowance	(14)	(14)
	26,800	26,800

The promissory note receivable with a carrying value of \$26.8 million is a non-interest-bearing, 10-year promissory note, of which \$8.3 million is receivable by the Company as the purchase consideration for selling 1% of its share in Kamoia Holding to Crystal River (see Note 4). The remaining \$18.5 million is receivable for subsequent funding provided to Kamoia Holding on Crystal River's behalf. The promissory note is payable on the earlier of December 8, 2025 or the next business day following the completion of the sale, transfer or disposition of the shares held by Crystal River in Kamoia Holding.

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10. Investments

	March 31, 2024	December 31, 2023
	\$'000	\$'000
<i>Fair value through profit or loss</i>		
Investment in I-Pulse Inc. (i)	79,360	79,360
Investment in Renergen Ltd. (ii)	2,793	4,173
Investment in unlisted entities	655	655
Investment in other listed entities	451	277
	83,259	84,465

- (i) On June 30, 2023, the Company entered into an exchange agreement with I-Pulse Inc. ("I-Pulse"), wherein the Company replaced the outstanding secured loan balance owed to it by HPX with an equity investment in I-Pulse. Under the agreement, the Company transferred all of its rights, interest and benefits in, to and under the loan facility agreement with HPX to I-Pulse, in exchange for the issuance of shares in I-Pulse to the Company.

The Company's equity investment in I-Pulse comprises approximately 5% of the issued and outstanding share capital of I-Pulse. I-Pulse, the parent company of HPX, is a private American company and is a global leader and developer of pulsed-power technology with its research facilities based in Toulouse, France.

- (ii) On March 11, 2022, the Company made an equity investment in Renergen Ltd. ("Renergen"). Renergen is a public company, incorporated in South Africa and is listed on the Johannesburg Stock Exchange and the Australian Stock Exchange. Renergen is an emerging helium and domestic natural gas producer, which holds the rights to renewable natural gas fields with high helium concentrations, in particular the Virginia Gas Project located in the Free State province of South Africa.

Under the terms of the initial subscription agreement, the Company subscribed for 5,631,787 shares, representing an approximate 4.35% interest in Renergen's issued and outstanding shares. The Company paid a subscription price of R35.63 per share for a total consideration of R200.6 million (approximately \$13.3 million). The subscription price per share was equal to 95% of the volume-weighted average traded price of Renergen's shares on the Johannesburg Stock Exchange measured over the 30 trading days prior to March 11, 2022.

The trading value of the shares as at March 31, 2024 is R53.0 million (\$2.8 million). A loss of \$1.3 million on the fair valuation of the shares was recognized for the three months ended March 31, 2024 (March 31, 2023: loss of \$2.1 million). The movement in the fair value of the shares is shown in the table below:

	March 31, 2024	December 31, 2023
	\$'000	\$'000
Balance at the beginning of the year	4,173	7,947
Loss on fair valuation of shares	(1,252)	(2,196)
Loss on disposal of shares	-	(950)
Unrealized foreign currency losses	(128)	(628)
Balance at the end of the period	2,793	4,173

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11. Leases

Right-of-use asset

	March 31, 2024	December 31, 2023
	\$'000	\$'000
Rented surface infrastructure and equipment (Kipushi) (i)	5,104	5,520
Office building (ii)	984	1,084
	6,088	6,604

- (i) A right-of-use asset is recognized in terms of IFRS 16 for the use of the surface infrastructure and equipment at the Kipushi mine.
- (ii) The Company leases an office building in Sandton, South Africa. On November 1, 2022, the Company entered into a second lease agreement for additional office space at the Sandton building.

Lease liability

	March 31, 2024	December 31, 2023
	\$'000	\$'000
Rented surface infrastructure and equipment (Kipushi) (i)	9,566	9,733
Office building (ii)	941	1,032
Non-current lease liability	10,507	10,765
Office building (ii)	265	270
Rented surface infrastructure and equipment (Kipushi) (i)	410	405
Current lease liability	675	675

- (i) The lease liability was initially measured at the present value of the lease payments payable over the life of mine and has been discounted at an incremental borrowing rate of 8%. The lease payments have been determined in accordance with the contract, which allocates a fixed amount monthly and it has been estimated that the lease will continue for the duration of the life of mine.
- (ii) The Rand-denominated lease liability was initially measured at the present value of the lease payments payable over a lease term of six years and has been discounted at an incremental borrowing rate of between 10.25%-10.50% (December 31, 2023: 10.25%-10.50%). The lease payments have been determined in accordance with the contract which includes an escalation clause of 7.5% per annum.

Amounts recognized in the condensed consolidated interim statements of comprehensive income:

	Three months ended March 31,	
	2024	2023
	\$'000	\$'000
Depreciation charge on right-of-use assets (i)	(67)	(73)
Interest on lease liability (ii)	(32)	(39)
	(99)	(112)

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11. Leases (continued)

- (i) Included in other expenditure on the condensed consolidated interim statements of comprehensive income. The right-of-use assets are depreciated over the term of the lease on a straight-line basis, which is determined to be life of mine.
- (ii) Included as finance costs on the condensed consolidated interim statements of comprehensive income.

12. Cash and cash equivalents

	March 31, 2024	December 31, 2023
	\$'000	\$'000
Cash	359,897	524,943
Cash equivalents - call deposits	37,277	35,328
Cash - guarantee accounts (i)	13,959	14,023
	411,133	574,294

- (i) The cash and cash equivalents disclosed above include \$14.0 million of restricted cash held by Ivanplats (Pty) Ltd., the owner of the Platreef Project (December 31, 2023: \$14.0 million). These funds are held for guarantees issued.

13. Other receivables

	March 31, 2024	December 31, 2023
	\$'000	\$'000
Refundable taxes (i)	32,480	31,062
Accounts receivable	14,660	6,394
Receivables from joint venture (ii)	8,948	9,792
Other	1,105	389
Loss allowance	(1)	(1)
	57,192	47,636
Non-current other receivables	29,560	25,145
Current other receivables	27,632	22,491
	57,192	47,636

- (i) Refundable taxes are net of an impairment provision for value-added taxes receivable in foreign jurisdictions where recoverability of those taxes is deemed uncertain.
- (ii) Receivables from joint venture include amounts receivable from the Kamoā Holding Limited joint venture for administration consulting services rendered by the Company.

14. Prepaid expenses

	March 31, 2024	December 31, 2023
	\$'000	\$'000
Advance payments to suppliers	32,553	46,219
Other prepayments	1,885	1,982
Prepaid insurance	1,650	1,260
Deposits	523	524
	36,611	49,985

Prepaid expenses are amounts paid in advance which give the Company rights to receive future goods or services.

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15. Convertible notes

	March 31, 2024	December 31, 2023 <i>*Restated</i>
	\$'000	\$'000
<i>Convertible notes - host liability</i>		
Balance at the beginning of the year	495,970	465,323
Interest for the period	11,674	45,022
Repayments of interest during the period	-	(14,375)
Balance at the end of the period	507,644	495,970
<i>Convertible notes - embedded derivative liability</i>		
Balance at the beginning of the year	306,561	221,300
Loss on fair valuation of embedded derivative liability	139,271	85,261
Balance at the end of the period	445,832	306,561
Current host liability	507,644	495,970
	507,644	495,970
Current embedded derivative liability	445,832	306,561
	445,832	306,561

On March 17, 2021 the Company concluded a private placement offering of \$575 million of 2.50% convertible senior notes maturing in 2026. The notes will be convertible at the option of holders, prior to the close of business on the business day immediately preceding October 15, 2025, only under certain circumstances and during certain periods, and thereafter, at any time until the close of business on the second scheduled trading day immediately preceding the maturity date. Upon conversion, the convertible notes may be settled, at the Company's election, in cash, common shares or a combination thereof. Due to this election right and conversion feature, the convertible notes have an embedded derivative liability that is measured at fair value with changes in value being recorded in profit or loss, as well as the host loan that is accounted for at amortized cost.

*Refer to Note 3.

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15. Convertible notes (continued)

The convertible senior notes are senior unsecured obligations of the Company, which accrue interest payable semi-annually in arrears at a rate of 2.50% per annum. The notes will mature on April 15, 2026, unless earlier repurchased, redeemed or converted. The initial conversion rate of the notes is 134.5682 Class A common shares of the Company per \$1,000 principal amount of notes, or an initial conversion price of approximately \$7.43 (equivalent to approximately C\$9.31) per common share. The initial conversion price of the notes represents a premium of approximately 37.5% over the last reported sale price of the Company's common shares on the date of pricing being March 11, 2021, which was C\$6.77 per share as reported on the Toronto Stock Exchange.

The gross proceeds of \$575 million were apportioned between the host loan and the embedded derivative liability by first determining the fair value of the derivative, which was \$150.5 million on March 17, 2021. Transaction costs of \$10.5 million associated with the host loan were capitalized to the liability whereas transaction costs of \$3.7 million associated with the embedded derivative liability were expensed in the consolidated statements of comprehensive income.

The effective interest rate of the host liability was deemed to be 9.39%. The carrying value of the host liability was \$507.6 million as at March 31, 2024 (December 31, 2023: \$496.0 million). The fair value of the embedded derivative liability on March 31, 2024 was \$445.8 million (December 31, 2023: \$306.6 million).

A fair value loss of \$139.3 million (March 31, 2023: loss of \$30.9 million) was recognized in the condensed consolidated interim statements of comprehensive income, mainly due to an increase in the closing price of the Company's shares as reported on the Toronto Stock Exchange from the beginning of the year to March 31, 2024.

The following key inputs and assumptions were used in the binomial tree model when determining the fair value of the embedded derivative liability:

	March 17, 2021	December 31, 2022	December 31, 2023	March 31, 2024
Share price	C\$7.00	C\$10.70	C\$12.85	C\$16.16
Credit spread (basis points)	630	419	400	400
Volatility	42%	40%	43%	41%
Borrowing cost (basis points)	50	25	25	25
Fair value of derivative liability (\$' million)	\$150.5	\$221.3	\$306.6	\$445.8

16. Deferred revenue

	March 31, 2024	December 31, 2023
	\$'000	\$'000
Balance at the beginning of the year	328,096	310,725
Financing costs associated with the streaming facilities (Note 25)	9,609	39,551
Exchange gain on translation of foreign operations	(10,076)	(22,180)
Balance at the end of the period	327,629	328,096

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(Unaudited)

16. Deferred revenue (continued)

On December 8, 2021, the Company announced that Ivanplats (Pty) Ltd., its South African subsidiary and owner of the Platreef Project, had concluded stream-financing agreements with Orion Mine Finance ("Orion") and Nomad Royalty Company ("Nomad"), together the "Stream Purchasers", for a \$200 million gold-streaming facility and a \$100 million palladium and platinum-streaming facility.

Under the stream agreements, Orion provided a total of \$225 million in funding, and Nomad provided \$75 million in funding. The stream facilities are a prepaid forward sale of refined metals, with prepayments totalling \$300 million, available in two tranches. The first prepayment of \$75 million was received by the Company in December 2021, following the closing of the transaction. The remaining \$225 million was received in September 2022, after successfully fulfilling the conditions precedent.

Under the terms of the \$200 million gold stream agreement, the Stream Purchasers will receive an aggregate total of 80% of contained gold in concentrate until 350,000 ounces have been delivered, after which the stream will be reduced to 64% of contained gold in concentrate for the remaining life of the facility. The expected life of this facility will extend from the effective date of the stream agreement until the date when 685,280 ounces of gold have been delivered to the Stream Purchasers. The Stream Purchasers will purchase each ounce of gold at a price equal to the lower of the market price of gold or US\$100 per ounce.

Delivery of the gold under the stream agreement will be made by delivering gold credits to the Stream Purchasers' metal accounts.

Under the terms of the US\$100 million palladium and platinum stream agreement, Orion will receive an aggregate total of 4.2% of contained palladium and platinum in concentrate until 350,000 ounces have been delivered, after which the stream will be reduced to 2.4% for the remaining life of the facility. The expected life of this facility will extend from the effective date of the stream agreement until the date when 485,115 ounces of palladium and platinum have been delivered to the purchaser, which will pay for each ounce at a price equal to 30% of the market price of palladium and platinum. Delivery of the palladium and platinum under the stream agreement will be made by delivering palladium and platinum credits to the Stream Purchasers' metal accounts. The advance payment of \$300 million, net of transaction costs of \$6.5 million, is recognized as a contract liability (deferred revenue) under IFRS 15.

The stream-financing agreements are accounted for as deferred revenue as the Company has applied judgment in concluding that the contracts fall within the "own-use" exemption in IFRS 9. Therefore, the contracts are not accounted for under the requirements of IFRS 9, but were deemed to fall within the scope of IFRS 15 as the Company intends to settle the obligations through delivery of its own production from the Platreef mine once commissioned.

In accordance with IFRS 15, the Company has recognized a notional financing charge of \$9.6 million for the three months ended March 31, 2024 (March 31, 2023: \$10.1 million) due to the time between receiving the upfront streaming payments and the date that the related performance obligations will be satisfied. The Company has estimated that the ZAR-based nominal pre-tax rate is 15.37% under the gold stream agreement, and 14.81% under the palladium and platinum stream agreement.

Settlements on the stream-financing arrangements will start once the commissioning of the Platreef Project has been completed.

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(Unaudited)

17. Borrowings

	March 31, 2024	December 31, 2023
	\$'000	\$'000
<i>Secured - at amortized cost</i>		
Rawbank loan facility (i)	80,552	80,552
Aircraft financing facility (ii)	16,191	16,947
Loan from Citi bank (iii)	4,073	4,107
	100,816	101,606
<i>Unsecured - at amortized cost</i>		
Loan from ITC Platinum Development Limited (iv)	39,529	38,405
	39,529	38,405
Non-current borrowings	56,600	56,340
Current borrowings	83,745	83,671
	140,345	140,011

The movement in the borrowings for the three months ended March 31, 2024 is as follows:

	Rawbank \$'000	Aircraft \$'000	Citibank \$'000	ITC \$'000	Total \$'000
Opening balance	80,552	16,947	4,107	38,405	140,011
Accumulated interest	1,618	380	72	1,124	3,194
Foreign currency revaluations	–	–	(34)	–	(34)
Repayments - capital	–	(756)	–	–	(756)
Repayments - interest	(1,618)	(380)	(72)	–	(2,070)
Closing balance	80,552	16,191	4,073	39,529	140,345

- (i) On May 22, 2023, Kipushi Corporation SA (Kipushi), a subsidiary of the Company and the operator of the Kipushi Project, entered in a loan agreement with Rawbank SA (Rawbank), a financial institution in the Democratic Republic of the Congo.

Under the terms of the loan agreement, Rawbank provided an \$80 million loan, to be drawn down in two tranches of \$40 million each, to Kipushi to fund its working capital requirements. Both tranches were drawn down in 2023.

The loan incurs interest at 8% per year plus commission of 0.5% per quarter. Interest on the loan is repayable monthly in arrears and the loan balance is repayable on May 31, 2024. Current market rates on similar facilities with Rawbank offer the same interest rates available to the Company as the existing loan. Ivanhoe Mines Ltd. has provided a corporate guarantee under this loan agreement.

- (ii) On August 4, 2023, the Company entered into an \$18.2 million loan agreement with Investec Bank Limited, a South African financial institution, in respect of its acquisition of an aircraft (see Note 5). Interest on the loan is incurred at Overnight SOFR plus a margin of 3.65% per annum and is payable monthly in arrears. The principal amount is repayable monthly in sixty equal instalments. The Company repaid \$0.8 million of the principal amount and \$0.4 million in interest during the three months ended March 31, 2024.

- (iii) The Citibank loan of \$4.1 million (£3.2 million) is secured by the Rhenfield property (see Note 29). The loan is an interest-only term loan repayable on August 28, 2025, and incurs interest at a rate of 1-month Sterling Overnight Index Average (SONIA) plus 1.90% payable monthly in arrears. Interest of \$0.1 million was incurred for the three months ended March 31, 2024 (March 31, 2023: \$0.1 million).

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(Unaudited)

17. Borrowings (continued)

(iv) On June 6, 2013, the Company, through its subsidiary Ivanplats (Pty) Ltd, ("Ivanplats") the owner of the Platreef Project, became party to a \$28.0 million loan payable to ITC Platinum Development Limited. The loan is repayable only once Ivanplats has residual cashflow, which is defined in the loan agreement as gross revenue generated by Ivanplats, less all operating costs attributable thereto, including all mining development and operating costs. The loan incurs interest of USD 3-month Term SOFR plus 2.26% calculated monthly in arrears. Interest is not compounded. Interest of \$1.1 million (March 31, 2023: \$0.5 million) was recognized during the three months ended March 31, 2024 and was capitalized as borrowing costs. The carrying value of the loan as at March 31, 2024 is equal to the contractual amount due.

18. Rehabilitation provision

	<i>Platreef</i>	<i>Kipushi</i>
	\$'000	\$'000
Balance as at December 31, 2022	669	424
Unwinding of discount	189	–
Unwinding of discount capitalized	(189)	–
Additional provision recognised	–	13,591
Foreign exchange (loss) gain	(48)	–
Balance as at December 31, 2023	621	14,015
Unwinding of discount	14	135
Foreign exchange (loss) gain	(19)	–
Balance as at March 31, 2024	616	14,150

The Company makes provision for the future cost of rehabilitating mine sites and related production facilities on a discounted basis at the time of developing its mines and installing and using those facilities. The rehabilitation provision represents the present value of rehabilitation costs relating to mine sites, which are expected to be incurred up to 2054 for Platreef and 2038 for Kipushi, which is when the producing mine properties are expected to cease operations. The provision has been calculated based on an independent assessment. Assumptions based on the current economic and regulatory environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary rehabilitation works required that will reflect market conditions at the relevant time. Furthermore, the timing of rehabilitation is likely to depend on when the mine ceases to produce at economically viable rates. This will depend upon several factors which are inherently uncertain.

The undiscounted closure cost liability estimate balance as at March 31, 2024 was \$17.3 million for Platreef (December 31, 2023: \$17.3 million), and \$15.6 million for Kipushi (December 31, 2023: \$15.6 million). The real discount rate used in the calculation of the provision as at March 31, 2024 equalled 7.16% (December 31, 2023: 7.16%) for Platreef, and 0.74% (December 31, 2023: 0.74%) for Kipushi.

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(Unaudited)

19. Cash-settled share-based payment liability

	March 31, 2024	December 31, 2023
	\$'000	\$'000
B-BBEE share-based payment liability (i)	6,547	6,417
Deferred share unit liability	6,349	4,756
	12,896	11,173
Non-current cash-settled share-based payment liability	11,089	9,704
Current cash-settled share-based payment liability	1,807	1,469
	12,896	11,173

- (i) On June 26, 2014, the Company sold a 26% interest in the Company's Platreef mining project for which it has recognized a cash-settled share-based payment liability which is estimated to vest over 20 years. The liability is valued using an option pricing model taking into account the terms and conditions on which the right was granted (see Note 24).

20. Trade and other payables

	March 31, 2024	December 31, 2023
	\$'000	\$'000
Trade accruals	67,121	49,342
Trade payables	22,475	47,594
Other payables	10,029	6,140
Payroll tax and other statutory liabilities	2,322	5,859
	101,947	108,935

The Company has policies in place to ensure trade and other payables are paid within agreed terms.

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21. Share capital

(a) Shares issued

The Company is authorized to issue an unlimited number of Class A Shares.

As at March 31, 2024, 1,269,653,334 (December 31, 2023: 1,268,762,524) Class A Shares were issued and outstanding. All shares in issue have been fully paid.

(b) Options

The Company issues share options as a security-based compensation arrangement. Share options are granted at an exercise price equal to the volume weighted average price of the shares on the TSX for the five days immediately preceding the date of the grant. As at March 31, 2024, 83,598,160 share options have been granted and exercised, and 13,871,212 have been granted and are outstanding.

All outstanding share options granted before December 2019 vest in four equal parts, commencing on the one year anniversary of the date of grant and on each of the three anniversaries thereafter. All share options granted during and after December 2019 vest in three equal parts, commencing on the one year anniversary of the date of grant and on each of the two anniversaries thereafter. The maximum term of options awarded is seven years.

A summary of changes in the Company's outstanding share options is presented below. The changes for 2024 represent the period January 1, 2024 to March 31, 2024, while the changes for 2023 represent the period January 1, 2023 to December 31, 2023.

	2024		2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
		\$		\$
Balance at the beginning of year	13,078,667	4.30	13,264,957	3.78
Granted	1,152,161	10.08	1,292,265	8.93
Exercised	(344,402)	4.93	(1,458,847)	3.62
Forfeited	(15,214)	8.89	(19,708)	7.45
Balance at the end of the period	13,871,212	4.76	13,078,667	4.30

1,152,161 options were granted in 2024. The fair value of options granted is estimated on the date of grant using the Black-Scholes option pricing model. An expense of \$4.6 million will be amortized over the entire vesting period for the options granted during the three months ended March 31, 2024 (March 31, 2023: \$3.9 million), of which \$0.5 million (March 31, 2023: \$0.4 million) was recognized in the three months ended March 31, 2024. An additional expense of \$0.8 million was recognized in the three months ended March 31, 2024 (March 31, 2023: \$0.9 million) relating to options granted during prior years.

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(Unaudited)

21. Share capital (continued)

(b) Options (continued)

The following weighted average assumptions were used for the share option grants in the table above:

	2024	2023
Risk-free interest rate	4.07%	4.06%
Expected volatility ⁽ⁱ⁾	48.46%	51.19%
Expected life	3.50	3.50
Expected dividends	\$Nil	\$Nil

(i) Expected volatility was based on the historical volatility of a peer company analysis.

The following table summarizes information about share options outstanding and exercisable as at March 31, 2024:

Expiry date	Options outstanding		Options exercisable	
	Number of shares	Weighted average exercise price \$	Number of shares	Weighted average exercise price \$
May 29, 2024	34,269	7.05	34,269	7.05
December 4, 2025	2,000,000	1.98	2,000,000	1.98
January 12, 2026	1,000,000	1.90	1,000,000	1.90
December 5, 2026	2,000,000	2.59	2,000,000	2.59
January 13, 2027	3,402,160	3.02	3,402,160	3.02
August 17, 2027	70,000	3.85	70,000	3.85
November 1, 2027	33,334	3.84	33,334	3.84
January 22, 2028	659,296	5.52	659,296	5.52
March 31, 2028	82,131	5.18	82,131	5.18
June 30, 2028	61,597	6.92	41,064	6.92
August 10, 2028	879,169	7.49	586,112	7.49
September 30, 2028	66,096	6.47	44,064	6.47
December 31, 2028	53,700	7.89	35,800	7.89
January 27, 2029	794,565	8.86	496,162	8.86
March 31, 2029	66,688	9.35	22,229	9.35
June 30, 2029	103,322	5.90	34,440	5.90
September 30, 2029	100,414	6.04	33,471	6.04
December 31, 2029	77,525	7.79	25,841	7.79
January 20, 2030	950,274	8.90	298,215	8.90
March 31, 2030	73,959	8.60	24,653	8.60
June 30, 2030	66,982	9.35	–	–
September 30, 2030	75,545	8.49	–	–
December 31, 2030	68,025	9.80	–	–
January 14, 2031	1,093,192	9.99	–	–
March 31, 2031	58,969	11.74	–	–
	13,871,212	4.76	10,923,241	3.60

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21. Share capital (continued)

(b) Options (continued)

As at December 31, 2023, the Company had 13,078,667 share options outstanding at a weighted average exercise price of \$4.30. Of this amount, 10,323,368 share options were exercisable at a weighted average exercise price of \$3.27.

(c) Share unit awards

The Company issues restricted share units ("RSUs") and performance share units ("PSUs"), together known as share unit awards, as a security-based compensation arrangement. Each RSU and PSU represents the right of an eligible participant to receive one Class A Share.

RSUs and PSUs vest in three equal parts, commencing on the initial vesting date established at grant and on each of the two anniversaries thereafter, subject to the satisfaction of any performance conditions.

A summary of changes in the Company's RSUs and PSUs is presented below. The changes for 2024 represent the period January 1, 2024 to March 31, 2024, while the changes for 2023 represent the period January 1, 2023 to December 31, 2023.

	2024	2023
Balance at the beginning of the year	3,811,889	5,237,163
RSUs issued	908,315	658,031
PSUs issued	451,117	438,163
RSUs vested	(546,408)	(2,399,595)
RSUs cancelled	(100,912)	(115,431)
PSUs cancelled	(12,961)	(6,442)
Balance at the end of the period	4,511,040	3,811,889

An expense of \$12.5 million will be amortized over the vesting period for the share unit awards granted during the three months ended March 31, 2024 (March 31, 2023: \$8.6 million), using the fair value of a common share at time of grant. The weighted average fair value of a common share at the time that the share unit awards were granted in 2024 was \$9.99 (December 31, 2023: \$8.87). An expense of \$5.9 million (March 31, 2023: \$5.1 million) was recognized for the three months ended March 31, 2024 relating to share unit awards granted, of which \$0.9 million related to those granted in 2024 (see Note 24).

(d) Deferred share units

The Company issues deferred share units ("DSUs") as a security-based compensation arrangement to non-executive directors of the Company. Each DSU represents the right of an eligible participant to receive one Class A Share or the cash equivalent thereof. The debt component of the instrument represents the entire fair value of the award and is disclosed below.

A summary of changes in the Company's DSUs is presented below. The changes for 2024 represent the period January 1, 2024 to March 31, 2024, while the changes for 2023 represent the period January 1, 2023 to December 31, 2023.

	2024	2023
Balance at the beginning of the year	490,287	653,355
DSUs issued	145,257	221,764
DSUs settled in shares	—	(232,453)
DSUs settled in cash	—	(132,121)
DSUs cancelled	—	(20,258)
Balance at the end of the period	635,544	490,287

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(Unaudited)

21. Share capital (continued)

(d) Deferred share units (continued)

An expense of \$0.4 million (March 31, 2023: \$0.4 million) was recognized for the DSUs granted during the three months ended March 31, 2024. A loss of \$1.2 million (March 31, 2023: loss of \$0.8 million) was recognized for DSUs granted during prior years due to the increase in the Company's share price which resulted in an increase in the deferred share unit liability. In accordance with the DSU plan, directors may elect to receive settlement of their DSUs in cash or shares.

DSUs vest over the calendar year in which they are granted and are settled on December 31st of the calendar year that is three years following the award date of each respective DSU.

22. Foreign currency translation reserve

	March 31, 2024	December 31, 2023
	\$'000	\$'000
Balance at the beginning of the year	(58,770)	(63,830)
Transfer of additional ownership to non-controlling interest	–	16,410
Exchange loss arising on translation of foreign operations	(8,096)	(11,350)
Balance at the end of the period	(66,866)	(58,770)

Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency are recognized directly in other comprehensive loss and accumulated in the foreign currency translation reserve.

23. Non-controlling interests

The total non-controlling interest at March 31, 2024 is \$122.3 million (December 31, 2023: \$117.5 million), of which \$76.1 million (December 31, 2023: \$74.0 million) is attributed to Ivanplats (Pty) Ltd and \$55 million (December 31, 2023: \$50.0 million) is attributed to Kipushi Corporation SA. The remainder relates mainly to the non-controlling interest attributable to Ivanplats Holding SARL.

Set out below is the summarized statements of comprehensive income for each subsidiary that has non-controlling interests that are material to the Company. The amounts disclosed for each subsidiary are before intercompany eliminations.

Summarized statements of comprehensive income	Ivanplats (Pty) Ltd		Kipushi Corporation SA	
	Three months ended March 31,		Three months ended March 31,	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Loss for the period	(11,530)	(6,451)	(11,811)	(11,953)
Other comprehensive loss	(8,697)	(12,639)	–	–
Total comprehensive loss	(20,227)	(19,090)	(11,811)	(11,953)
Total comprehensive loss allocated to non-controlling interests	(2,023)	(1,909)	(4,488)	(3,825)

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(Unaudited)

24. Share-based payments

The share-based payment expense of the Company is summarized as follows:

	Three months ended March 31,	
	2024	2023
	\$'000	\$'000
<i>Equity-settled share-based payments</i>		
Share unit awards expense (Note 21(c))	(5,893)	(5,096)
Share options (Note 21(b))	(1,317)	(1,304)
	(7,210)	(6,400)
<i>Cash-settled share-based payments</i>		
Deferred share unit expense (Note 21(d))	(1,593)	(1,164)
B-BBEE transaction expense	(130)	(138)
	(8,933)	(7,702)

Of the share-based payment expense recognized for the three months ended March 31, 2024, \$0.1 million (March 31, 2023: \$0.1 million) related to the Platreef B-BBEE transaction (see Note 19(i)), with the remaining \$8.8 million (March 31, 2023: \$7.6 million) being the expense for share options, share unit awards and deferred share units which have been granted to employees and were recognized over the vesting period.

25. Finance costs

Finance costs are summarized as follows:

	Three months ended March 31,	
	2024	2023
	\$'000	\$'000
Interest on convertible notes (see Note 15)	(11,674)	(10,862)
Interest on convertible notes capitalized (see Note 5)	3,214	564
Interest on borrowings (see Note 17)	(2,598)	(555)
Interest on borrowings capitalized (see Note 5)	2,146	498
Finance costs on deferred revenue (see Note 16)	(9,609)	(10,145)
Finance costs on deferred revenue capitalized (see Note 16)	9,609	10,145
Lease liability unwinding (see Note 11)	(32)	(39)
Interest on advances payable	–	(73)
Other financing costs	–	2
	(8,944)	(10,465)

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(Unaudited)

26. Finance income

Finance income is summarized as follows:

	Three months ended March 31,	
	2024	2023
	\$'000	\$'000
Interest on loan to joint venture (i)	55,391	47,592
Interest on bank balances	6,471	7,299
Interest on long-term loan receivable - Gécamines (ii)	594	623
Other	1	4
Interest on long-term loan receivable - HPX	—	2,308
	62,457	57,826

- (i) Interest was calculated at a rate of USD 12-month LIBOR plus 7% until June 30, 2023. Following the cessation of publication of LIBOR rates, interest was calculated at a rate of 12-month Term SOFR plus 7.71% on the loan advanced to the Kamo Holding joint venture (see Note 4).
- (ii) The Company earns interest at a fixed rate of 6%, although an effective interest rate of 9.2% was applied from initial recognition.

27. Other income

Other income is summarized as follows:

	Three months ended March 31,	
	2024	2023
	\$'000	\$'000
Administration consulting income (i)	883	905
Other	49	54
Profit (loss) on disposal of property, plant and equipment (ii)	2	2,769
	934	3,728

- (i) Administration consulting income is fees charged by the Company to the Kamo Holding joint venture for administration, accounting and other services performed for the joint venture (see Note 4).
- (ii) Of the \$2.8 million profit on disposal of property, plant and equipment in the prior period, \$2.7 million relates to the sale of the Company's aircraft (see Note 5). The aircraft was sold for a consideration of \$4.8 million.

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(Unaudited)

28. (Loss) profit per share

The basic profit (loss) per share is computed by dividing the (loss) profit attributable to the owners of the Company by the weighted average number of common shares outstanding during the period. The diluted profit per share reflects the potential dilution of common share equivalents, such as outstanding stock options, share unit awards, deferred share units and the convertible notes in the weighted average number of common shares outstanding during the period, if dilutive. Due to the net loss attributable to the owners of the Company during the three months ended March 31, 2024, the inclusion of the outstanding stock options, share unit awards, deferred share units and the convertible notes as potential ordinary shares had an anti-dilutive effect on the loss per share and were therefore not taken into account in the current period calculation of diluted loss per share. The convertible notes were anti-dilutive for the three months ended March 31, 2024 and 2023.

	Three months ended March 31,	
	2024	2023
	\$'000	\$'000
Basic (loss) profit per share		
(Loss) profit attributable to owners of the Company	(65,552)	86,637
Weighted average number of basic shares outstanding	1,269,340,506	1,217,351,475
Basic (loss) profit per share	(0.05)	0.07
Diluted (loss) profit per share		
(Loss) profit attributable to owners of the Company	(65,552)	86,637
Weighted average number of diluted shares outstanding	1,269,340,506	1,230,677,036
Diluted (loss) profit per share	(0.05)	0.07

The weighted average number of shares for the purpose of diluted (loss) profit per share reconciles to the weighted average number of shares used in the calculation of basic (loss) profit per share as follows:

	Three months ended March 31,	
	2024	2023
Weighted average number of basic shares outstanding	1,269,340,506	1,217,351,475
Shares deemed to be issued for no consideration in respect of:		
- stock options	-	7,662,775
- restricted share units	-	5,662,786
Weighted average number of diluted shares outstanding	1,269,340,506	1,230,677,036

29. Joint operations

The Company has a 50% interest in Rhenfield Limited, a British Virgin Islands registered company. Rhenfield Limited purchased buildings in London, England which the Company uses for office space. The buildings have a carrying value of \$8.7 million (December 31, 2023: \$8.8 million) and are included in property, plant and equipment (see Note 5). The buildings have been pledged as security for bank loans under a mortgage (see Note 17 (iii)).

Ivanhoe Mines Ltd.

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(Unaudited)

30. Related party transactions

The financial statements include the financial results of Ivanhoe Mines Ltd., its subsidiaries, joint ventures and joint operations listed in the following table:

Name	Country of Incorporation	% equity interest as at	
		March 31, 2024	December 31, 2023
Direct Subsidiaries			
Ivanhoe Mines (Barbados) Limited	Barbados	100%	100% (i)
African Copperbelt Exploration Ltd.	Barbados	100%	100% (i)
Kengere Holding Limited	Barbados	100%	100% (i)
Ivanhoe Zambia Holdings Ltd.	British Virgin Islands	100%	100% (i)
Cereus Holding Ltd.	British Virgin Islands	100%	100% (i)
Cuando Holding Ltd.	British Virgin Islands	100%	100% (i)
GM Mining Services Ltd.	British Virgin Islands	100%	100% (i)
Ivanhoe Namibia Holdings Ltd.	British Virgin Islands	100%	100% (i)
Ivanhoe South Africa Holdings Ltd.	British Virgin Islands	100%	100% (i)
Australia Nickel & Platinum Holding Company Ltd.	British Virgin Islands	100%	100% (i)
Yunnan Mining Inc.	British Virgin Islands	100%	100% (i)
Gardner & Barnard Mining UK Limited	United Kingdom	100%	100% (i)
RKR Mining Limited	United Kingdom	100%	100% (i)
Ivanhoe Mines US LLC	United States of America	100%	100% (i)
Ivanhoe Mines UK Limited	United Kingdom	100%	100% (ii)
Ivanplats Holding SARL	Luxembourg	97%	97% (i)
Ivanhoe Mines Consulting Services (Beijing) Co., Ltd	China	100%	100% (vi)
Indirect Subsidiaries			
Ivanhoe DRC Holding Ltd.	Barbados	100%	100% (i)
Kipushi Holding Limited	Barbados	100%	100% (i)
Ivanhoe Exploration Holding Ltd.	Barbados	100%	100% (i)
Magharibi Holding Ltd.	Barbados	100%	100% (i)
Makoko Holding Ltd.	Barbados	100%	100% (i)
Mwangezi Holding Ltd.	Barbados	100%	100% (i)
Lubudi Holding Ltd.	Barbados	100%	100% (i)
Lueya Holding Ltd.	Barbados	100%	100% (i)
Ivanhoe Newriver Holding Ltd.	Barbados	100%	100% (i)
Ikekete Holding Ltd.	Barbados	100%	100% (i)
Kampemba Holding Ltd.	Barbados	100%	100% (i)
Mulomba Holding Ltd.	Barbados	100%	100% (i)
Ivanhoe Mines DRC SARL	DRC	100%	100% (ii)
Ivanhoe Mines Exploration DRC SARL	DRC	100%	100% (iii)
IME Services SASU	DRC	100%	100% (ii)

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30. Related party transactions (continued)

Name	Country of Incorporation	% equity interest as at	
		March 31, 2024	December 31, 2023
Indirect Subsidiaries (continued)			
Lufupa SASU	DRC	100%	100% (iii)
Magharibi Mining SA	DRC	90%	90% (iii)
Makoko SA	DRC	80%	80% (iii); (viii)
Kengere Mining SA	DRC	65%	65% (iii)
Kampemba Corporation SAS	DRC	60%	10% (iii); (ix)
Kipushi Corporation SA	DRC	62%	62% (iii); (x)
Namwana Exploration SA	DRC	90%	90% (iii)
Ivanhoe (Namibia) (Pty) Ltd.	Namibia	100%	100% (iii)
GB Mining & Exploration (SA) (Pty) Ltd.	South Africa	100%	100% (vii)
Ivanhoe Mines SA (Pty) Ltd.	South Africa	100%	100% (ii)
Ivanplats (Pty) Ltd.	South Africa	64%	64% (iii)
Kico Services (Pty) Ltd.	South Africa	100%	100% (ii)
Palrho Exploration (Pty) Ltd.	South Africa	100%	100% (iii)
Ivanhoe (Zambia) Ltd.	Zambia	100%	100% (iii)
Joint ventures			
Kamoa Holding Limited	Barbados	49.50%	49.50% (iv)
Joint operations			
Rhenfield Limited	British Virgin Islands	50%	50% (v)

- (i) This company acts as an intermediary holding company to other companies in the Group.
- (ii) This company provides administration, accounting and other services to the Group on a cost-recovery basis.
- (iii) This company is incorporated with the intention of engaging in exploration, development and mining activities.
- (iv) This company is a joint venture of the Group. See Note 4 for information regarding the shareholding of this company.
- (v) This company is a joint operation of the Group. See Note 29 for information on this company.
- (vi) This company provides administration, investor relations and marketing services to the Group in China.
- (vii) This company is an asset holding company.
- (viii) A 10% interest in these companies was transferred to the DRC government in 2023, pursuant to DRC mining regulations.
- (ix) A 50% interest in this company was acquired from another shareholder in 2024, due to the exercise of the earn-in right (see Note 6).
- (x) The Company has agreed to transfer 6% of its 68% ownership interest in this company to Gécamines on December 15, 2023, pursuant to the joint venture agreement to restart the Kipushi Mine. The conditions precedent to the agreement, although not yet complete, were deemed to have been completed in substance on December 15, 2023.

Ivanhoe Mines Ltd.

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30. Related party transactions (continued)

The following table summarizes related party expenses incurred and income earned by the Company, primarily on a cost-recovery basis, with companies related by way of directors or shareholders in common. Amounts in brackets denote expenses.

	Three months ended	
	March 31,	
	2024	2023
	\$'000	\$'000
Kamoa Holding Limited (a)	55,391	47,592
Kamoa Services (Pty) Ltd. (b)	1,222	1,151
Kamoa Copper SA (c)	333	287
Ivanhoe Mines Energy DRC SARL (d)	75	48
I-Pulse Inc. (e)	40	–
Ivanhoe Electric Inc. (f)	1	5
Ivanhoe Capital Aviation Ltd. (g)	(1,125)	(1,125)
Ivanhoe Capital Services Ltd. (h)	(111)	(95)
Citic Metal Africa Investments Limited (i)	(53)	(53)
Global Mining Management Corporation (j)	(52)	(68)
High Power Exploration Inc. (k)	–	2,307
	55,721	50,049
Finance income	55,391	49,899
Intergroup recharges and cost recovery	1,604	1,461
Travel	(1,087)	(1,122)
Salaries and benefits	(130)	(102)
Directors fees	(53)	(53)
Office and administration	(4)	(17)
Consulting	–	(17)
	55,721	50,049

As at March 31, 2024, trade and other payables included \$0.3 million (December 31, 2023: \$0.4 million) with regards to amounts due to parties related by way of director, officers or shareholder in common. These amounts are unsecured and non-interest bearing.

Amounts included in other receivables due from parties related by way of director, officers or shareholder in common as at March 31, 2024 amounted to \$9.5 million (December 31, 2023: \$10.1 million). Of this, \$9.0 million related to receivables from the joint venture (December 31, 2023: \$9.8 million).

Ivanhoe Mines Ltd.

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30. Related party transactions (continued)

- (a) Kamoia Holding Limited ("Kamoia Holding") is a company registered in Barbados. The Company has an effective 49.5% ownership in Kamoia Holding. The Company earns interest on the loans advanced to Kamoia Holding (see Note 4).
- (b) Kamoia Services (Pty) Ltd. ("Kamoia Services") is a company registered in South Africa. The Company has an effective 49.5% ownership in Kamoia Services (see Note 4). The Company provides administration, accounting and other services to Kamoia Services on a cost-recovery basis.
- (c) Kamoia Copper SA ("Kamoia Copper") is a company incorporated in the DRC. The Company has an effective 39.6% ownership in Kamoia Copper (see Note 4). The Company provides administration, accounting and other services to Kamoia Copper on a cost-recovery basis.
- (d) Ivanhoe Mines Energy DRC Sarl ("Energy") is a company incorporated in the DRC. The Company has an effective 49.5% ownership in Energy (see Note 4). The Company provides administration, accounting and other services to Energy on a cost-recovery basis.
- (e) I-Pulse Inc. ("I-Pulse") is a private company incorporated in the United States of America. The Company's Executive Co-Chairman is also the Chairman of I-Pulse (see Note 10 (i)). The Company also holds shares in I-Pulse, which were issued in exchange for its loan to HPX (see Note 8(iii) and Note 10(i)).
- (f) Ivanhoe Electric Inc. ("Ivanhoe Electric") is a company incorporated under the laws of Delaware, USA. A director of the Company is a director and member of executive management of Ivanhoe Electric. The Company provides services to Ivanhoe Electric on a cost-recovery basis.
- (g) Ivanhoe Capital Aviation Ltd. ("Aviation") is a private company owned indirectly by a director of the Company. Aviation operates an aircraft for which the Company contributes toward the running costs.
- (h) Ivanhoe Capital Services Ltd. ("Services") is a private company owned indirectly by a director of the Company. Services provides for salaries administration and other services to the Company in Singapore and Beijing on a cost-recovery basis.
- (i) Citic Metal Africa Investments Limited ("Citic Metal Africa") is a private company incorporated in Hong Kong. Citic Metal Africa is a shareholder in the Company and nominates two directors who serve on the Company's Board of Directors.
- (j) Global Mining Management Corporation ("Global") is a private company based in Vancouver, Canada. The Company and a director of the Company hold an indirect equity interest in Global. Global provides administration, accounting and other services to the Company on a cost-recovery basis.
- (k) High Power Exploration Inc. ("HPX") is a private company incorporated under the laws of Delaware, USA. A director of the Company is a director and member of executive management of HPX.

Ivanhoe Mines Ltd.

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31. Cash flow information

(a) Net change in working capital items:

	Three months ended March 31,	
	2024	2023
	\$'000	\$'000
Net decrease (increase) in		
Prepaid expenses	13,374	(6,571)
Other receivables	(9,557)	477
Consumable stores	(1,689)	74
Net increase (decrease) in		
Trade and other payables	(6,988)	(16,278)
	(4,860)	(22,298)

32. Financial instruments

(a) *Fair value of financial instruments*

The Company's financial assets and financial liabilities are categorized as follows:

Financial instrument	Level	March 31,	December 31,
		2024	2023
		\$'000	\$'000
Financial assets			
<i>Financial assets at fair value through profit or loss</i>			
Investment in I-Pulse Inc.	Level 3	79,360	79,360
Investment in Reenergy Ltd.	Level 1	2,793	4,173
Investment in unlisted entity	Level 3	655	655
Investment in other listed entities	Level 1	451	277
<i>Amortized cost</i>			
Loan advanced to joint venture	Level 3	1,787,677	1,732,286
Cash and cash equivalents (c)		411,133	574,294
Loans receivable	Level 3	46,612	46,017
Promissory note receivable	Level 3	26,800	26,800
Other receivables (a) (c)		24,712	16,574
Financial liabilities			
<i>Financial liabilities at fair value through profit or loss</i>			
Convertible notes - embedded derivative liability	Level 3	445,832	306,561
<i>Amortized cost</i>			
Convertible notes - host liability (d)	Level 3	507,644	495,970
Borrowings	Level 3	140,345	140,011
Trade and other payables (b) (c)		99,625	103,076

- (a) Other receivables in the above table excludes refundable taxes receivable.
- (b) Trade and other payables in the above table excludes payroll tax, other statutory liabilities, indirect taxes payable and other payables.
- (c) Cash and cash equivalents, other receivables and trade and other payables are not assigned a fair value hierarchy due to their short-term nature.
- (d) The estimated fair value is \$509.9 million (December 31, 2023: \$508.8 million) based on market-related period-end rates.

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Notes to the condensed consolidated interim financial statements

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(Unaudited)

32. Financial instruments (continued)

(a) Fair value of financial instruments (continued)

IFRS 13 - Fair value measurement, requires an explanation about how fair value is determined for assets and liabilities measured in the financial statements at fair value and establishes a hierarchy into which these assets and liabilities must be grouped based on whether inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions. The two types of inputs create the following fair value hierarchy:

- Level 1: observable inputs such as quoted prices in active markets;
- Level 2: inputs, other than the quoted market prices in active markets, which are observable, either directly and/or indirectly; and
- Level 3: unobservable inputs for the asset or liability in which little or no market data exists and therefore require an entity to develop its own assumptions.

Investment in listed entities

The fair value is the market value of the listed shares at the end of the period.

Investment in unlisted entity

The Company acquired these shares on September 12, 2019. No significant changes occurred between acquisition date and March 31, 2024 and the Company has therefore determined that the purchase price approximates the fair value.

Investment in I-Pulse Inc.

The Company acquired these shares on June 30, 2023. The purchase price approximates the fair value. Prior to the acquisition of the investment, a sum of the parts valuation of I-Pulse was performed, driven by the revenue generating business units of I-Pulse and underlying investments thereof. Additionally, historic equity financing of I-Pulse was considered in determining comparable valuations. This indicated that the purchase price of the investment approximated its fair value.

Loan advanced to the joint venture

Carrying amount is a reasonable approximation of fair value. The Company earned interest on the loan at USD 12-month LIBOR +7% until June 30, 2023. Following the cessation of publication of LIBOR rates, interest was calculated at a rate of 12-month Term SOFR plus 7.71% from July 1, 2023.

Long-term loans receivable (Social development loan)

Carrying amount is a reasonable approximation of fair value. The fair value of the receivable at acquisition date was estimated by the Company by calculating the present value of the future expected cash flows using an effective interest rate of 9.2%.

Promissory note receivable

Carrying amount is a reasonable approximation of fair value. The creditworthiness of the promissory note holder is considered to be high (see Note 32(b)(ii)). The promissory note is payable on the earlier of December 8, 2025 or the next business day following the completion of the sale, transfer or disposition of the shares held by Crystal River in Kamo Holding.

Other receivables

Carrying amount is a reasonable approximation of fair value due to the short-term nature of the receivable (less than 1 month).

Convertible notes (host liability)

The fair value of the liability on initial recognition was estimated by the Company by calculating the present value of the future expected cash flows using an effective interest rate of 9.39%. The fair value of the liability at period-end was estimated by the Company by calculating the present value of the contractual cash flows using a market related interest rate.

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32. Financial instruments (continued)

(a) Fair value of financial instruments (continued)

Convertible notes (embedded derivative liability)

The fair value of the liability is determined at the end of each reporting period and the fair value gain or loss is recognized in the condensed consolidated interim statements of comprehensive income.

Borrowings (Rawbank loan facility)

Carrying amount is a reasonable approximation of fair value. The loan incurs interest at 8% per year plus commission of 0.5% per quarter (see Note 17(i)).

Borrowings (Aircraft loan)

Carrying amount is a reasonable approximation of fair value. The loan incurs interest at SOFR plus a margin of 3.65% per annum (see Note 17(ii)).

Borrowings (Loan from Citibank)

Carrying amount is a reasonable approximation of fair value. The loan is an interest-only term loan repayable on August 28, 2025, and incurs interest at a rate of 1-month Sterling Overnight Index Average (SONIA) plus 1.90% payable monthly in arrears, which approximates the current market interest rate (see Note 17(iii)).

Borrowings (Loan from ITC Platinum Development Limited)

Carrying amount is a reasonable approximation of fair value. The fair value of the loan is determined using a discounted future cashflow analysis.

Trade and other payables

Carrying amount is a reasonable approximation of fair value due to the short-term nature of the payable (less than 1 month).

(b) Financial risk management objectives and policies

The risks associated with the Company's financial instruments and the policies to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

(i) Foreign exchange risk

The Company incurs certain of its expenses in currencies other than the U.S. dollar. The Company also has foreign currency denominated monetary assets and liabilities. The Company's key exposure to foreign exchange risk arises from the convertible notes, which is impacted by the Canadian Dollar when the prevailing share price is converted into Dollars. As such, the Company is subject to foreign exchange risk as a result of fluctuations in exchange rates. The Company has a policy to enter into derivative instruments to manage foreign exchange exposure as deemed appropriate. The carrying amount of the Company's foreign currency denominated monetary assets and liabilities at the respective statement of financial position dates are as follows:

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32. Financial instruments (continued)

(b) *Financial risk management objectives and policies (continued)*

(i) Foreign exchange risk (continued)

	March 31, 2024	December 31, 2023
	\$'000	\$'000
Assets		
South African rand	110,034	106,202
Canadian dollar	198,688	223,621
British pounds	8,496	7,548
Australian dollar	362	248
Liabilities		
South African rand	(38,980)	(41,913)
British pounds	(8,385)	(7,807)
Canadian dollar	(78)	(541)

Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 5% increase or decrease in the U.S. dollar against the foreign currencies presented. The sensitivity analysis includes only outstanding foreign currency denominated monetary items not denominated in the functional currency of the Company or the relevant subsidiary, and adjusts their translation at the end of the period for a 5% change in foreign currency rates. A positive number indicates a decrease in loss for the period where the foreign currencies strengthen against the U.S. dollar. The opposite number will result if the foreign currencies depreciate against the U.S. dollar.

	Three months ended March 31,	
	2024	2023
	\$'000	\$'000
Canadian dollar	9,930	244
Australian dollar	14	45
South African rand	(381)	(303)
British pounds	(23)	(2)

(ii) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Credit risk for the Company is primarily associated with the loan to the joint venture, promissory note receivable, long-term loans receivable, other receivables and cash and cash equivalents.

The Company reviews the recoverable amount of its financial assets at each statement of financial position date to ensure that adequate provision is made for expected credit losses on a timely basis. Current and future estimated macroeconomic factors, as well as relevant interest rates are considered as inputs into the provision calculation.

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32. Financial instruments (continued)

(b) Financial risk management objectives and policies (continued)

(ii) Credit risk (continued)

The Company classifies its financial assets at amortized cost in categories that reflect their credit risk as follows:

- Performing financial assets – Financial assets with a low risk of counterparty default. A 12-month expected credit losses are calculated for these financial assets.
- Underperforming financial assets – Financial assets with a significant increase in credit risk. Lifetime expected credit losses are calculated for these financial assets.
- Non-performing financial assets – Financial assets that are in default. Lifetime expected credit losses are calculated for these financial assets.
- Written off financial assets – Financial assets where the principal and/or interest will not be recovered, based on observable data. These financial assets are written off through profit or loss to the extent of the expected credit loss.

All of the Company's financial assets are deemed to be performing financial assets based on the above categorization. As such the general approach was applied to calculate the 12-month expected credit losses. There were no movements between the categorization during the current and comparative reporting periods as there has not been an increase in credit risk associated with these financial assets.

A significant increase in credit risk would include:

- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligations.
- An actual or expected significant change in the operating results of the borrower.
- Significant increases in credit risk on other financial instruments of the same borrower.
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the borrower that results in a significant change in the borrower's ability to meet its debt obligations.
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements, which are expected to reduce the borrower's economic incentive to make scheduled contractual payments or to otherwise have an effect on the probability of a default occurring.

None of the Company's financial assets are deemed to be in default, which is defined as the structural failure of a counterparty to perform under an agreement with the Company.

For all financial assets measured at amortized cost, the Company calculates the expected credit loss based on contractual payment terms of the asset. The exposure to credit risk is influenced by the individual characteristics and the long and short term nature of the counterparty.

The Company assesses whether an impairment is required on loan receivables. A range of cash flow scenarios are considered, taking into account forward-looking information which may impact recoverability of loan receivables.

The loan advanced to the joint venture will be repaid as and when there is residual cash flow in Kamo Holding. The expected credit loss is considered not material to the Company.

The promissory note receivable will be repaid using proceeds from the sale of Crystal River's 1% stake in Kamo Holding. The expected credit loss is considered not material to the Company (see Note 9).

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(Unaudited)

32. Financial instruments (continued)

(b) Financial risk management objectives and policies (continued)

(ii) Credit risk (continued)

Repayment of the long-term loan receivable from Gécamines will be made by offsetting the loan against future royalties and dividends payable to Gécamines which arise from future profits to be earned at Kipushi. The Company recorded an expected credit loss allowance of \$0.5 million as at March 31, 2024 in accordance with IFRS 9 (December 31, 2023 \$0.5 million) (see Note 8 (i)).

The credit risk on cash and cash equivalents is limited because the cash and cash equivalents are composed of deposits with major banks who have investment-grade credit ratings assigned by international credit ratings agencies and have low risk of default. Credit risk is managed through the application of funding approvals, liquidity analysis and monitoring procedures. The Company's treasury function provides credit risk management for the group-wide exposure in respect of a diversified banking portfolio. These are evaluated regularly for financial robustness especially within the context of the current global economic environment as well as the jurisdictions within which the Company operates. The majority of the Group's cash balance is held in Canadian and South African bank accounts. The Company continues to monitor its credit risk and assess expected credit losses. The identified impairment loss in 2024 is considered not material to the Company.

(iii) Liquidity risk

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations, including the commitments as disclosed in Note 34.

The following table details the Company's expected remaining contractual maturities for its financial liabilities. The table is based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to satisfy the liabilities.

	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years	Total un- discounted cash flows
	\$'000	\$'000	\$'000	\$'000	\$'000
As at March 31, 2024					
Convertible notes	14,383	596,535	–	–	610,918
Trade payables (a)	89,596	–	–	–	89,596
Rawbank loan facility	80,552	–	–	–	80,552
ITC loan	–	–	39,529	–	39,529
Aircraft financing facility	4,534	13,604	1,512	–	19,650
Lease liability	687	2,365	1,838	6,359	11,249
Loan from Citi bank	72	4,001	–	–	4,073
As at December 31, 2023					
Convertible notes	14,383	596,535	–	–	610,918
Trade payables (a)	96,936	–	–	–	96,936
Rawbank loan facility	80,552	–	–	–	80,552
ITC loan	–	–	38,405	–	38,405
Aircraft financing facility	4,534	13,604	2,645	–	20,783
Lease liability	664	2,460	1,814	6,473	11,411
Loan from Citi bank	262	3,845	–	–	4,107

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(Unaudited)

32. Financial instruments (continued)

(b) *Financial risk management objectives and policies (continued)*

(iii) Liquidity risk (continued)

(a) Trade payables in the above table excludes payroll tax, other statutory liabilities, other payables and indirect taxes payable.

(iv) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include the convertible notes, loan advanced to the joint venture and borrowings.

The Company measures the embedded derivative liability portion of the convertible notes at fair value at each reporting date, recognizing changes in the fair value in the statements of comprehensive income. This requirement to “mark-to-market” the derivative features could significantly affect the results in the statement of comprehensive income. If the Company’s share price had been C\$1.00 higher than it was on March 31, 2024, the fair value of the embedded derivative liability would have increased by \$53.0 million, which would have resulted in the Company recording a loss on the fair valuation of the embedded derivative liability of \$192.3 million instead of the loss of \$139.3 million. If the Company’s share price had been C\$1.00 lower than it was on March 31, 2024, the fair value of the embedded derivative liability would have decreased by \$51.2 million, which would have resulted in the Company recording a loss on the fair valuation of the embedded derivative liability of \$88.0 million instead of the loss of \$139.3 million.

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(Unaudited)

33. Capital risk management

The Company includes as capital its common shares and share option reserve. The Company's objectives are to safeguard its ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt and acquire or dispose of assets to satisfy cash requirements. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including capital deployment, results from the exploration and development of its properties and general industry conditions. The annual and updated budgets are approved by the Board of Directors.

In order to maximize ongoing development efforts, the Company does not pay dividends. The Company's investment policy is to invest its cash in highly liquid, short-term, interest-bearing investments, selected with regard to the expected timing of expenditures from operations.

As the Company has a number of development projects, it is largely equity funded.

34. Commitments and contingencies

From time to time, the Company becomes subject to claims, temporary measures, legal proceedings, financial sanctions or assessments made by tax or other authorities in the ordinary course of its business. Such claims may be made against the Company, or its subsidiaries and affiliates, or its joint ventures. Given the complexity, scope and multi-jurisdictional nature of the Company's business, such claims may arise in several jurisdictions and may involve complex legal, tax or accounting matters. Management assesses the Company's liabilities and contingencies for all tax years open to claims or assessment based upon the latest information available. The Company accrues for such claims, or makes a provision, in its financial statements, when a liability resulting from the claim is both probable and the amount can be reasonably estimated. In order to assess such likelihood management reviews claims with the benefit of internal and external legal advice where appropriate.

Some jurisdictions in which the Company operates have legislation empowering authorities to impose restrictions on the operation of the Company's bank accounts in those jurisdictions, or that have a similar effect, notably due to banks' practices, when receiving such instructions from authorities, pending the payment and/or resolution of such alleged claims, investigations, penalties, financial sanctions or assessments. These restrictions or instructions from authorities having a similar effect may be used routinely in such circumstances.

The Company is currently subject to several such claims which have been determined by management, with the benefit of legal advice, to be without merit and justification and therefore not probable that a liability would arise therefrom. Such determinations are based on current information and advice, which is subject to change based on changed facts or circumstances. Accordingly, management may re-assess any prior determination regarding the likelihood of a probable liability at any time.

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34. Commitments and contingencies (continued)

As at March 31, 2024, the Company's commitments that have not been disclosed elsewhere in the condensed consolidated interim financial statements are as follows:

	Less than 1 year	1 - 3 years	4 - 5 years	After 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at March 31, 2024					
Platreef project					
Underground mine development	39,505	51	–	–	39,556
Shaft 3 construction	5,752	17,256	–	–	23,008
Shaft 2 construction	6,960	16,036	–	–	22,996
Infrastructure	7,487	12,287	–	–	19,774
Concentrator	8,806	5,911	–	–	14,717
Project services and studies	5,096	6,360	–	–	11,456
Electric fleet	9,582	–	–	–	9,582
Surface facilities	7,100	1,513	–	–	8,613
Owners costs	6,435	–	–	–	6,435
Shaft 1 construction	3,509	–	–	–	3,509
Other	2,826	–	–	–	2,826
Engineering, procurement and construction management	1,970	–	–	–	1,970
Kipushi project					
Mining Contractor	62,220	123,750	20,625	–	206,595
Concentrator Plant	30,180	–	–	–	30,180
Raiseboring	9,828	5,370	2,983	–	18,181
Infrastructure Upgrades	7,440	–	–	–	7,440
Other	3,470	130	22	–	3,622
Ventilation Shaft	2,035	–	–	–	2,035
As at December 31, 2023					
Platreef project					
Shaft 2 construction	28,925	24,510	–	–	53,435
Underground mine development	40,757	–	–	–	40,757
Shaft 3 construction	5,934	17,803	–	–	23,737
Infrastructure	1,859	18,542	–	–	20,401
Concentrator	4,102	10,801	–	–	14,903
Electric fleet	9,885	–	–	–	9,885
Project services and studies	3,225	6,561	–	–	9,786
Surface facilities	7,215	1,561	–	–	8,776
Owners costs	6,918	–	–	–	6,918
Shaft 1 construction	3,673	–	–	–	3,673
Other	2,916	–	–	–	2,916
Engineering, procurement and construction management	2,032	–	–	–	2,032
Kipushi project					
Mining Contractor	45,822	150,918	9,509	–	206,249
Concentrator Plant	47,457	–	–	–	47,457
Raiseboring	3,864	7,767	1,225	–	12,856
Other	1,611	–	–	–	1,611
Infrastructure Upgrades	982	–	–	–	982

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35. Segmented information

At March 31, 2024, the Company has four reportable segments, being the Platreef property, Kamoia Holding joint venture, Kipushi properties and the Company's treasury offices.

An operating segment is defined as a component of the Company:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are reviewed regularly by the entity's chief operating decision maker; and
- for which discrete financial information is available.

For these four reportable segments, the Company receives discrete financial information that is used by the chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. The reportable segments are principally engaged in the development of mineral properties in South Africa (see Note 6); exploration and development of mineral properties through a joint venture in the DRC (see Note 4) and the upgrading of mining infrastructure and refurbishment of a mine in the DRC, respectively (see Note 6).

The following is an analysis of the non-current assets by geographical area and reconciled to the Company's financial statements:

	South Africa	DRC	Other	Total
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
As at March 31, 2024	863,715	3,563,507	169,841	4,597,063
As at December 31, 2023	813,535	3,326,898	210,995	4,351,428
			March 31,	December 31,
			2024	2023
			\$'000	\$'000
Segment assets				
Kamoia Holding joint venture		2,618,107		2,517,551
Kipushi properties		976,986		900,228
Platreef property		942,169		894,132
Treasury (ii)		457,730		646,855
All other segments (i)		81,140		41,495
Total		5,076,132		5,000,261
Segment liabilities				
Treasury (ii)		977,654		830,775
Platreef property		402,796		404,617
Kipushi properties		161,491		166,372
All other segments (i)		22,793		17,551
Total		1,564,734		1,419,315

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35. Segmented information (continued)

	Three months ended	
	March 31,	
	2024	2023
	\$'000	\$'000
Segment profits (losses)		
Kamoa Holding Limited joint venture	100,556	130,251
Platreef properties	1,464	3,564
Kipushi properties	1,088	172
All other segments (i)	(9,372)	(645)
Treasury (ii)	(163,146)	(50,862)
Total	(69,410)	82,480
Capital expenditures		
Kipushi properties	71,635	28,473
Platreef properties	53,470	45,181
All other segments (i)	228	103
Total	125,333	73,757
Exploration and project evaluation expenditure		
All other segments (i)	(8,901)	(3,381)
Total	(8,901)	(3,381)

- (i) The Company's other divisions that do not meet the quantitative thresholds of IFRS 8 Operating Segments. These include the exploration properties, corporate holding companies and service companies.
- (ii) Treasury includes mainly cash balances, the promissory note receivable, the investments, the convertible notes and the aircraft.

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35. Segmented information (continued)

The following tables contain disclosure of the condensed consolidated interim statements of comprehensive income for the three months ended March 31, 2024 categorized by segment. The disclosure in the comparative segment report has been updated to include the specific amounts which are included in the measure of segment profit or loss.

	Three months ended March 31, 2024					Total
	Kamoa Holding joint venture	Kipushi properties	Platreef properties	Treasury	All other segments	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating income (expenses)						
Share of profit from joint venture net of tax	45,165	–	–	–	–	45,165
Share-based payments	–	–	(130)	(8,803)	–	(8,933)
Exploration and project evaluation expenditure	–	–	–	–	(8,901)	(8,901)
Foreign exchange loss (gain)	–	(989)	(111)	(4,690)	(697)	(6,487)
General administrative expenditure*	–	(32)	(349)	(4,805)	(2,328)	(7,514)
Profit (loss) from operating activities	45,165	(1,021)	(590)	(18,298)	(11,926)	13,330
Finance income	55,391	594	608	5,745	119	62,457
Loss on fair valuation of embedded derivative liability	–	–	–	(139,271)	–	(139,271)
Other (expense) income	–	–	(39)	(1,407)	2,380	934
Finance costs	–	–	–	(8,840)	(104)	(8,944)
Loss on fair valuation of financial asset	–	–	–	(1,075)	–	(1,075)
Profit (loss) before income taxes	100,556	(427)	(21)	(163,146)	(9,531)	(72,569)
Current tax	–	1,515	–	–	(1,577)	(62)
Deferred tax	–	–	1,485	–	1,736	3,221
Profit (loss) for the period	100,556	1,088	1,464	(163,146)	(9,372)	(69,410)

*General administrative expenditure includes salaries and benefits, travel costs, other expenditure, legal fees and professional fees per the condensed consolidated interim statements of comprehensive income.

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(Unaudited)

35. Segmented information (continued)

	Three months ended March 31, 2023					
	Kamoa Holding joint venture	Kipushi properties	Platreef properties	Treasury	All other segments	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating income (expenses)						
Share of profit from joint venture net of tax	82,659	–	–	–	–	82,659
Share-based payments	–	–	(138)	(7,564)	–	(7,702)
Exploration and project evaluation expenditure	–	–	–	–	(3,381)	(3,381)
Foreign exchange loss	–	(265)	(330)	(569)	(150)	(1,314)
General administrative expenditure*	–	(92)	(185)	(4,291)	(2,689)	(7,257)
Profit (loss) from operating activities	82,659	(357)	(653)	(12,424)	(6,220)	63,005
Finance income	47,592	550	2,965	6,514	205	57,826
Loss on fair valuation of embedded derivative liability	–	–	–	(30,900)	–	(30,900)
Other (expense) income	–	–	30	(1,595)	5,293	3,728
Finance costs	–	–	–	(10,862)	397	(10,465)
Loss on fair valuation of financial asset	–	–	–	(1,595)	–	(1,595)
Profit (loss) before income taxes	130,251	193	2,342	(50,862)	(325)	81,599
Current tax	–	–	–	–	(45)	(45)
Deferred tax	–	(21)	1,222	–	(275)	926
'Profit (loss) for the period	130,251	172	3,564	(50,862)	(645)	82,480

*General administrative expenditure includes salaries and benefits, travel costs, other expenditure, legal fees and professional fees per the condensed consolidated interim statements of comprehensive income.

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(Unaudited)

36. Approval of the financial statements

The condensed consolidated interim financial statements of Ivanhoe Mines Ltd., for the three months ended March 31, 2024, were approved and authorized for issue by the Board of Directors on April 26, 2024.

37. Events after the reporting period

The directors are not aware of any other matters or circumstances arising since the end of the period and up to the date of these financial statements, not otherwise dealt with in this report.