



IVANPLATS LIMITED

Annual Information Form

For the year ended December 31, 2012

March 28, 2013

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FORWARD LOOKING STATEMENTS

Certain statements in this annual information form (“**AIF**”) constitute “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws. Such statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Ivanplats Limited (“**Ivanplats**” or the “**Company**”), or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as “may”, “would”, “could”, “will”, “intend”, “expect”, “believe”, “plan”, “anticipate”, “estimate”, “scheduled”, “forecast”, “predict” and other similar terminology, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. These statements reflect the Company’s current expectations regarding future events, performance and results and speak only as of the date of this AIF.

Statements in this AIF that constitute forward-looking statements or information include, but are not limited to: (i) the completion of an updated Preliminary Economic Assessment of the Kamoia Project during the first half of 2013; (ii) the completion of a Pre-Feasibility Study at the Kamoia Project during the fourth quarter of 2013; (iii) the commencement of an exploration shaft at the Platreef Project during the second quarter of 2013; (iv) the submission of an application for a mining right at the Platreef Project during the second quarter of 2013; (v) the refurbishment of existing mine shaft infrastructure at the Kipushi Project by the third quarter of 2013; (vi) the de-watering of the Kipushi mine to the 1250 mL by the third quarter of 2013; (vii) statements regarding commodity price expectations; (viii) the commencement of development and/or mining operations at any Project; (ix) mine production rates, mine life, and future estimated cash flow at the Kamoia Project; (x) the degree of success of any future exploration program, including the potential addition of Mineral Resources; (xi) the prospective receipt of permits, licences or approvals at any Project, including those necessary to commence development or mining operations; (xii) expected activities or results at any Project; and (xiii) compliance with applicable laws, rules and regulations.

With respect to forward-looking statements or information contained in this AIF, in making such statements or providing such information, the Company has made assumptions regarding, among other things: (i) the accuracy of the estimation of Mineral Resources; (ii) that exploration activities and studies will provide results that support anticipated development and extraction activities; (iii) that the Company will be able to obtain additional financing on satisfactory terms; (iv) that infrastructure anticipated to be developed or operated by third parties, including electrical generation and transmission capacity, will be developed and/or operated as currently anticipated; (v) that laws, rules and regulations are fairly and impartially observed and enforced; (vi) that the market prices for relevant commodities remain at levels that justify development and/or operation of a Project; (vii) that the Company is successful in applying for a mining right under the MPRDA for its Platreef Project; (viii) that the Company will be able to successfully negotiate land access with holders of surface rights; (ix) that the Company will be able to obtain, maintain, renew or extend required permits; and (x) that war, civil strife and/or insurrection do not impact the Company’s exploration activities or development plans.

With respect to specific forward looking information concerning the development of the Kamoia Project, the Company has based its assumptions and analyses on certain factors which are inherently uncertain. Uncertainties include among others: (i) the adequacy of infrastructure; (ii) geological characteristics; (iii) metallurgical characteristics of the mineralization; (iv) the ability to develop adequate processing and smelting capacity; (v) the price of copper; (vi) the availability of equipment and facilities necessary to complete development, (vii) the cost of consumables and mining and processing equipment; (viii) unforeseen technological and engineering problems; (ix) accidents or acts of sabotage or terrorism; (x)

currency fluctuations; (xi) changes in regulations; (xii) the availability and productivity of skilled labour; (xiii) the regulation of the mining industry by various governmental agencies; and (xiv) political factors.

This AIF also contains references to estimates of Mineral Resources. The estimation of Mineral Resources is inherently uncertain and involves subjective judgements about many relevant factors. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The accuracy of any such estimates is a function of the quantity and quality of available data, and of the assumptions made and judgements used in engineering and geological interpretation (including estimated future production from the Projects, the anticipated tonnages and grades that will be mined and the estimated level of recovery that will be realized), which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. Mineral Resource Estimates may have to be re-estimated based on: (i) fluctuations in copper, nickel, PGE, gold, zinc or other mineral prices; (ii) results of drilling; (iii) metallurgical testing and other studies; (iv) proposed mining operations, including dilution; (v) the evaluation of mine plans subsequent to the date of any estimates; and (vi) the possible failure to receive required permits, approvals and licences.

Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indicators of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed below and under “*General Development of the Business - Risk Factors*”, as well as unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts with the Company to perform as agreed; social or labour unrest; changes in commodity prices; and the failure of exploration programs or studies to deliver anticipated results or results that would justify and support continued exploration, studies, development or operations.

Although the forward-looking statements contained in this AIF are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. The Company’s actual results could differ materially from those anticipated in these forward-looking statements, as a result of, amongst others, those factors noted above and those listed under the heading “*Description of the Business - Risk Factors*”. These forward-looking statements are made as of the date of this AIF and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company assumes no obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this AIF.

DEFINITIONS AND OTHER INFORMATION

Currency

All references to “\$” or “dollars” in this AIF mean U.S. dollars, unless otherwise indicated. References to “C\$” mean Canadian dollars.

Definitions

Attached at Schedule “A” to this AIF are tables setting out defined terms and a *Glossary of Mining Terms and Abbreviations*.

Scientific and Technical Information

The scientific and technical information with respect to the Projects contained in this AIF is derived from the Kamoia Technical Report, the Platreef Technical Report and the Kipushi Technical Report (collectively, the “**Technical Reports**”). The technical information in this AIF has been updated with current information where applicable. The full text of the Technical Reports have been filed with Canadian securities regulatory authorities pursuant to NI 43-101 and are available for review under the Company’s SEDAR profile at www.sedar.com. For definitions of certain technical terms used in this AIF, see “*Glossary of Mining Terms*” in Appendix A.

Stephen Torr, P. Geo., an employee of Ivanplats, has reviewed and approved the scientific and technical information in respect of the Projects contained in this AIF. Mr. Torr is considered, by virtue of his education, experience and professional association, to be a qualified person for the purposes of NI 43-101.

CORPORATE STRUCTURE OF THE COMPANY

Name, Address and Incorporation

The Company was originally incorporated under the Company Act (British Columbia) on April 29, 1993 under the name KBK No. 7 Ventures Ltd. The Company changed its name to African Gold Corp. on April 28, 1994, and on November 9, 1994, it again changed its name to African Minerals Corp. The Company continued under the Business Corporations Act (Yukon) on May 5, 1995. On May 20, 1998, the Company amalgamated with China Industrial Minerals Company Ltd., a Yukon corporation and changed its name to become African Minerals Limited. On March 25, 2004, the Company changed its name to Ivanhoe Nickel & Platinum Ltd. On May 6, 2011 the shareholders of the Company approved the Reorganization which was thereafter completed in a series of steps between June 2011 and September 2012 as further described below.

The Common Shares were listed for trading on the TSX on October 23, 2012 under the symbol “IVP”.

The Company’s head office and registered office are located at 654 – 999 Canada Place, Vancouver, British Columbia, V6C 3E1.

Reorganization

The Reorganization involved four amendments to the corporate organization of Ivanplats. It was implemented in a series of stages, as follows:

- (a) on June 2, 2011, the Company changed its name from “Ivanhoe Nickel & Platinum Ltd.” to “Ivanplats Limited”;
- (b) on August 10, 2011, the Company completed a five-for-one stock split of the Original Common Shares;
- (c) on September 11, 2012, the Company completed: (i) a reclassification of each outstanding Original Common Share as a Class B Common Share; and (ii) the creation of a new class of common shares, being the Common Shares; and
- (d) Ivanplats completed the final step of the Reorganization, continuing from the *Business Corporations Act* (Yukon) to the BCBCA, effective September 11, 2012.

One of the principal purposes of the Reorganization was to establish a lock-up of existing shareholders and certain convertible security holders of the Company. The lock-up arrangements were structured by first separating the share capital of the Company between existing shareholders, by designating their shares, the Original Common Shares, as Class B Common Shares, and creating a new class of shares, Common Shares, which were offered in the IPO. The reclassification preserves existing shareholders’ rights to vote, to receive dividends and to an equal share of the Company’s assets upon winding up or dissolution, but imposes a restriction on transfer that inhibits liquidity until such time as the Class B Common Shares are converted to Common Shares. Such conversion occurs automatically 39 months after the IPO Date.

Holders of Class B Common Shares have a conditional right of early conversion into Common Shares. The right of early conversion may be exercised at any time, but is conditional upon the holders of Class B Common Shares signing a Conversion Lock-up Agreement. Holders of Class B Common Shares who sign the Conversion Lock-up Agreement and convert their Class B Common Shares to Common Shares

will then have such Common Shares released from the restrictions on Disposition as per the terms of the Conversion Lock-up Agreement, which are as follows:

- **Quarterly Releases.** Commencing six months following the IPO Date, each Lock-up Shareholder’s Common Shares will be released from the restrictions on Disposition as follows:

Date of Release	Percentage Released	Cumulative Percentage Released ⁽¹⁾	Date of Release	Percentage Released	Cumulative Percentage Released ⁽¹⁾
April 23, 2013	8%	8%	October 23, 2014	8%	56%
July 23, 2013	8%	16%	January 23, 2015	8%	64%
October 23, 2013	8%	24%	April 23, 2015	9%	73%
January 23, 2014	8%	32%	July 23, 2015	9%	82%
April 23, 2014	8%	40%	October 23, 2015	9%	91%
July 23, 2014	8%	48%	January 23, 2016	9%	100%

Notes:

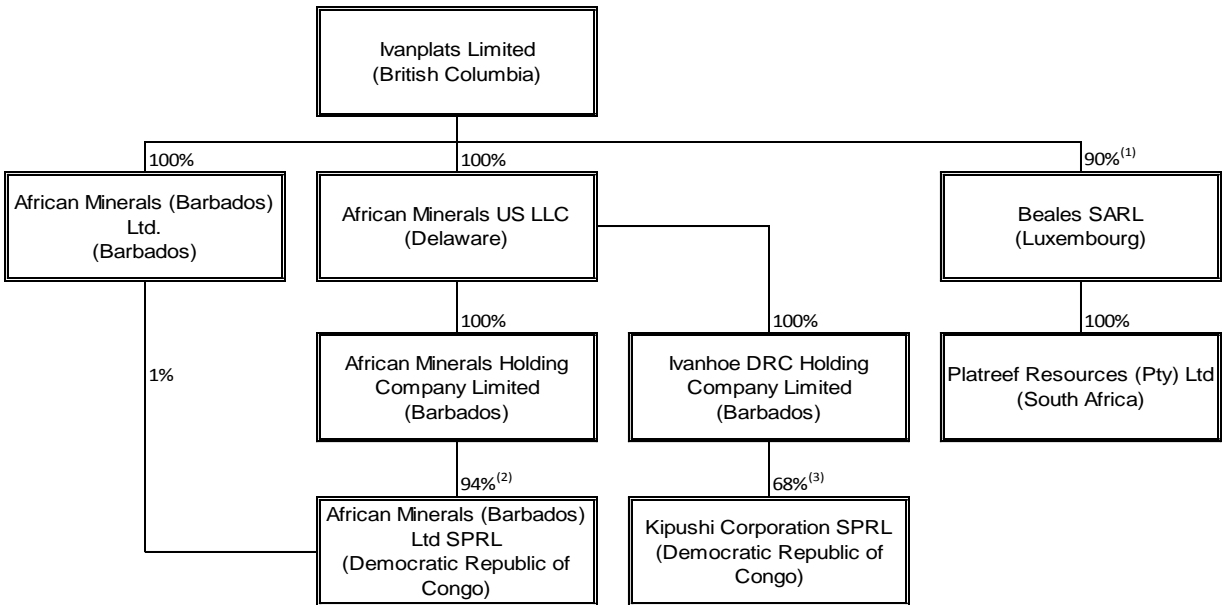
⁽¹⁾ The aggregate quarterly release percentages are based on the Class B Common Shares held by such Lock-up Shareholder as at the date of conversion into Common Shares pursuant to such Lock-up Shareholder’s Conversion Lock-up Agreement and will not be adjusted to reflect shares released in Board-directed releases. As such, it is possible that all Common Shares will be released prior to termination of the Lock-up Period.

- **Small Holding Release.** All shareholders that enter into a Conversion Lock-up Agreement who own, of record or beneficially, an aggregate of 100,000 or fewer Common Shares and Class B Common Shares on the date of such Conversion Lock-up Agreement will, on April 22, 2013, have all their Common Shares released from the Conversion Lock-up Agreement restrictions on Disposition.
- **Board-directed Release.** The Board has the discretion to convert all of the Class B Common Shares and all or a *pro rata* portion of all Common Shares subject to a Conversion Lock-up Agreement into Common Shares at any time (subject to the Underwriters’ consent for the first 180 days).

As a result, Lock-up Shareholders will have all their Common Shares released from the lock-up a maximum of 39 months after the IPO Date, with the majority of those shares released before that time. Existing shareholders who do not convert will continue to hold Class B Common Shares which will automatically convert into Common Shares on January 23, 2016, or on such earlier date as may arise pursuant to the provisions of the Class B Shares. See “*Description of Capital Stock – Class B Common Shares*”.

Intercorporate Relationships

References in this AIF to the business of the Company include the business conducted by its material subsidiaries. The following sets forth the name and jurisdiction of incorporation of the Company and its material subsidiaries, as at March 27, 2013.



Notes:

- (1) Itochu, together with ITC Platinum, holds an effective 10% equity interest in Beales Ltd. See “*Material Contracts - Itochu Investment*”.
- (2) The remaining 5% is held by the DRC state in accordance with the DRC Mining Code. The Company has offered to sell a further 15% interest to the DRC on commercial terms to be negotiated. See “*Description of the Business - Kamoa Project*”.
- (3) The remaining 32% in KICO is held by Gécamines. See “*Material Contracts - Kipushi Acquisition Agreement*”.

GENERAL DEVELOPMENT OF THE BUSINESS

Overview

Ivanplats is a mineral exploration and development company, whose principal properties are located in Africa. The Company, and its founder Robert Friedland, have been active in South Africa since 1994 and in the DRC since 1996, focusing on exploration within the Central African Copperbelt and the Bushveld Complex. The Company currently has three key assets:

- *The Kamoia Project*, a large high-grade copper deposit discovered by the Company beyond the previously known western limit of the Central African Copperbelt, in Katanga Province, DRC.
- *The Platreef Project*, where the Company recently discovered a high grade-thickness PGE, gold, nickel and copper deposit on the northern limb of the Bushveld Complex, in South Africa.
- *The Kipushi Project*, a past-producing high-grade underground zinc and copper mine in the Central African Copperbelt, in Katanga Province, DRC.

The Company also holds interests in prospective mineral properties in the DRC, South Africa, Gabon, and Australia, including a land package of ~9,000 km² in the Central African Copperbelt with drill-ready grass-roots prospects.

Three Year History

2010

Drilling in the northern part of the Turfspruit Farm at the Platreef Project resulted in the discovery of the Flatreef, a new zone of high-grade, underground mineralization.

Ivanplats completed the sale of a 2% participating interest in the Platreef Project to Itochu for \$10 million in September 2010. See “*Material Contracts - Itochu Investment*”.

In November 2010, Ivanplats raised \$11 million pursuant to a private placement of an aggregate 916,667 units at a price of \$12.00 per unit. Each unit consisted of one Original Common Share, one half warrant to purchase an Original Common Share and one liquidity right in each case before taking account of the five-for-one stock split.

2011

In January 2011, Ivanplats raised approximately \$23 million under a private placement of 1,500,000 units at a price of \$15.00 per unit. Each unit consisted of one Original Common Share, one half of one warrant to purchase an Original Common Share and one liquidity right in each case before taking account of the five-for-one stock split.

In June 2011, Ivanplats closed the Joint Operation and Investment Agreement pursuant to which Ivanplats sold an effective 8% participating interest in the Platreef Project to Itochu and other Japanese investors for approximately \$280 million. See “*Material Contracts - Itochu Investment*”.

In November 2011, Ivanplats issued \$115 million principal amount of convertible senior unsecured bonds (the “**2011 Pre-IPO Bonds**”).

In November 2011, Ivanplats acquired 68% of the issued share capital of KICO from Kipushi Vendor for initial consideration of \$45 million, pursuant to a share purchase and sale agreement among Ivanhoe DRC, FPL, Ivanplats and Kipushi Vendor (the “**Kipushi Acquisition Agreement**”). See “*Material Agreements – Kipushi Acquisition Agreement*”.

2012

In March 2012, Ivanplats issued an additional \$50 million principal amount of convertible senior unsecured bonds (the “**2012 Pre-IPO Bonds**” and together with the 2011 Pre-IPO Bonds, the “**Pre-IPO Bonds**”).

In August 2012, the government of the DRC approved Ivanplats’ application to convert three existing exploration permits at its Kamoia Project into exploitation permits (the “**Kamoia Exploitation Licences**”). See “*Description of the Business - Kamoia Project*”.

In September 2012, Ivanplats transferred, for no consideration, a 5% non-dilutable interest in the share capital of African Minerals, the subsidiary that holds the Company’s interest in the Kamoia Project, to the DRC state pursuant to the DRC Mining Code.

In October 2012, the Company successfully closed its IPO. A total of 63,327,000 Common Shares were issued from treasury at a price of C\$4.75 per share resulting in approximately C\$300 million in gross proceeds to the Company. In connection with the IPO, the Pre-IPO Bonds, representing an aggregate indebtedness of C\$193 million (consisting of the principal amount plus accrued interest) were converted into 40,716,333 Common Shares, in full satisfaction of the indebtedness represented thereby.

In November 2012, the Company issued 1,031,000 Common Shares at a price of C\$4.75 pursuant to the partial exercise by the Underwriters of the over-allotment option granted by the Company to the Underwriters in the Underwriting Agreement for the IPO.

2013 to date

In January 2013, the Company updated the Mineral Resource Estimate at the Kamoia Project, reporting Indicated Mineral Resources of 739 Mt grading 2.67% Cu, containing 43.5 billion pounds of copper and Inferred Mineral Resources of 227 Mt grading 1.96% Cu, containing 9.8 billion pounds of copper, in each case at a 1% Cu cut-off grade and a minimum vertical thickness of three metres.

In February 2013, the Company completed a new Mineral Resource Estimate on its Platreef Project, which was subsequently confirmed and updated by AMEC E&C Services in March 2013. The new Mineral Resource Estimate covers the “Flatreef” portion of the property, and includes 214 Mt of Indicated Mineral Resources grading 4.1 g/t 4PE, 0.34% Ni and 0.17% Cu and 415 Mt Inferred Mineral Resources grading 3.5 g/t 4PE, 0.33% Ni and 0.16% Cu. The 2 g/t grade shells used during construction of the 3D block model showed an average thickness of 24.3 m in the area comprising the Indicated Mineral Resource Estimate and 18.0 m in the area comprising the Inferred Mineral Resource Estimate.

DESCRIPTION OF THE BUSINESS

General

The Company's strategy is to build a global, commodity-diversified mining and exploration company. Ivanplats' principal properties are located in Africa. The Company has focused on exploration within the Central African Copperbelt and the Bushveld Complex.

The Company currently has three key assets: (i) the Kamoia Project; (ii) the Platreef Project, and (iii) the Kipushi Project. In addition, the Company holds interests in prospective mineral properties in the DRC, South Africa, Gabon, and Australia, including a land package of ~9,000km² in the Central African Copperbelt with drill-ready grass-roots prospects. Advancing the Kamoia and Platreef Projects from discovery to production is a key near-term objective, which, in the case of the Platreef Project, includes conversion of its exploration permits into exploitation permits and establishing resource mineability via underground access. At the Kipushi Project, underground access is being refurbished to facilitate conversion of historical resource estimates to current Mineral Resource Estimates, and for near-mine exploration. Exploration will continue to play a key role in the Company's business strategy through the evaluation of land positions derived from both grass-roots efforts and acquisitions. The Company also plans to advance its various exploration properties, primarily in the DRC, and add to its portfolio of mineral properties.

KAMOA PROJECT

Project Description and Location

The Kamoia Project comprises a newly discovered, very large stratiform copper deposit with adjacent prospective exploration areas, located within the Central African Copperbelt in Katanga Province, DRC. The Kamoia Project lies approximately 25 km west of the town of Kolwezi, and about 270 km west of the provincial capital of Lubumbashi. Ivanplats owns a 95% interest in the Kamoia Project. Furthermore, the Company has offered to sell an additional 15% interest to the DRC on commercial terms to be negotiated.

The Kamoia Project consists of the Kamoia Exploitation Licences (exploitation permits 12873, 13025 and 13026) and one exploration permit, 705. The Kamoia Exploitation Licences cover an area of 397.4 km², and the exploration permit covers 1.7 km² for a total project area of 399.1 km². The Kamoia Exploitation Licences, approved August 20, 2012, grant Ivanplats the right to explore for, develop and exploit copper and other minerals, for an initial 30 year term, expiring August 19, 2042. The permits can then be extended for 15 year periods, until the end of the mine's life.

Title to the Kamoia Project resides with African Minerals, a subsidiary of Ivanplats, which is the holder of the Kamoia Exploitation Licences.

Those portions of the original exploration permits 702, 703 and 705 not covered by the Kamoia Exploitation Licences remain as exploration permits. The current exploration permits are in good standing and will expire on May 10, 2015. Under the DRC Mining Code, Ivanplats is entitled to one further renewal for a five year term, subject to surrendering 50% of the area of each exploration permit concurrent with the renewal.

A number of payments are required to keep each of the Kamoia Exploitation Licences and the remaining exploration permits in good standing. With respect to the Kamoia Exploitation Licences, an annual levy on the total surface area of each licence is payable on a per hectare basis, increasing on a sliding scale for each year until 2016, after which the rate remains constant. An additional duty, payable annually to the

Cadastre Minier (a public entity supervised by the Minister of Mines and the Minister of Finance), is levied on the number of quadrangles held. With respect to the remaining exploration permits, two fees levied annually are based on the number of quadrangles held by permit type (surface rights fee) and on the surface area held under permits (land tax), as set out in the DRC Mining Code. Ivanplats is also required to submit an annual exploration report outlining where exploration will take place for the ensuing year. Ivanplats paid all fees and filed its annual report in December 2012, which addresses planned exploration activities in 2013.

All work undertaken on the Kamoia Project to date has been performed under work permits. A mitigation and rehabilitation plan was prepared in accordance with the requirements of the DRC Mining Code. Sample site, drill site, and campsite rehabilitation work is carried out progressively during exploration programs, and at program completion. Current environmental liabilities relating to Ivanplats' exploration work are minor and restricted to the vicinity of the exploration camp.

The Kamoia Project area is sparsely inhabited. The Company has identified a single holder of formal surface rights within the Kamoia Project area. Negotiations are currently underway to finalise the transfer of these rights to Ivanplats. Compensation related to land access for the exploration programs completed to date has been successfully negotiated and has not amounted to a material cost to the Company.

The actual number and type of ancillary permits required will be identified during advanced studies on the development of the Kamoia Project. Such permits could include provision for disposal of waste, fuel and reagent transport and storage, zoning applications, water supply, and use and storage of explosive materials.

Pursuant to the DRC Mining Code, the grant of the Kamoia Exploitation Licences on August 20, 2012 triggered an obligation on the part of Ivanplats to transfer to a DRC state-owned nominee, for no consideration, a non-dilutable 5% interest in African Minerals within 30 working days. On September 11, 2012, the Company satisfied this obligation by transferring 5% of the share capital of African Minerals to the DRC state.

In addition, during the application process for the grant of the Kamoia Exploitation Licences, Ivanplats engaged in discussions with the DRC government regarding the nature of the DRC's participation in the Kamoia Project. These discussions culminated in correspondence by Ivanplats in which the Company offered to sell a further 15% interest in African Minerals to the DRC on commercial terms. Such commercial terms are subject to future negotiation between Ivanplats and the DRC government. Ivanplats has also indicated its willingness to participate, in conjunction with the DRC government, DRC state-owned utilities, other mining companies and interested parties in the region, in the enhancement of rail and power infrastructure in Katanga Province.

Mineral Resource Estimation

The Mineral Resources are estimated based on drilling up to December 10, 2012, and are supported by 555 drill holes (543 drill holes are in the Domain1 area, where Indicated and Inferred Mineral Resources are estimated, and an additional 12 are in Domain2 area, where the Exploration Target is estimated). Areas outlined by core drilling at 800 m spacing with a maximum extrapolation distance of 600 m between drill sections, and which show continuity of grade at 1% Cu, geological continuity, and continuity of structure (broad anticline with local discontinuities that are likely faults) were classified as Inferred Mineral Resources over an area of ~20.5 km². Mineral Resources within an area of 50.5 km² drilled on 400 m spacing and which display grade and geological continuity were classified as Indicated Mineral Resources. The total area of the Kamoia Project is ~400 km².

The Kamoia Project Mineral Resources are as follows:

Kamoia Project Mineral Resources

(1% Cu Cut-off Grade)

Category	Tonnage (Mt)	Area (km ²)	True Thickness (m)	Copper (% Cu)	Contained Copper	
					(kt)	(Billion lbs)
Indicated	739	50.5	5.20	2.67	19,700	43.5
Inferred	227	20.5	3.84	1.96	4,460	9.8

Notes:

- (1) Mineral Resources have an effective date of December 10, 2012. Harry M. Parker and Gordon Seibel, both SME Registered Members, are the Qualified Persons responsible for the Mineral Resource Estimates. The Mineral Resource Estimate was prepared by Mr. Seibel.
- (2) Mineral Resources are reported using a total Cu cut-off grade of 1% Cu and a minimum assumed thickness of 3 m. A 1% Cu cut-off grade is typical of analogue deposits in Zambia. There are reasonable prospects for economic extraction under assumptions of a copper price of \$3.00/lb; sulphuric acid credits of \$300/t of acid produced; employment of underground mechanized room-and-pillar mining methods; and that copper concentrates will be produced and smelted.
- (3) Reported Mineral Resources contain no allowances for hanging wall or footwall contact boundary loss and dilution. No mining recovery has been applied.
- (4) The Mineral Resources include the mineralization above a 1% total Cu cut-off that is potentially amenable to open pit mining.
- (5) Tonnage and grade measurements are in metric units. Contained copper tonnes are reported using metric units; contained copper pounds use imperial units.
- (6) True thickness ranges from 2.4 metres to 17.6 metres for Indicated Mineral Resources and 2.8 metres to 8.4 metres for Inferred Mineral Resources.
- (7) Depth of mineralization below the surface ranges from 10 metres to 1,320 metres for Indicated Mineral Resources and 20 metres to 1,560 metres for Inferred Mineral Resources.
- (8) Tonnages are rounded to the nearest million tonnes; grades are rounded to two decimal places.
- (9) Rounding as required by reporting guidelines may result in apparent summation differences between tonnes, grade and contained metal content.
- (10) Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

Furthermore, Kamoia Project mineralization defined by a 2.0% Cu cut-off applied to resource model blocks is generally contiguous, with only a few isolated areas of lower grade material. This high-grade sensitivity case has Indicated Mineral Resources of 550 Mt at 3.04% Cu and Inferred Mineral Resources of 93 Mt at 2.64% Cu.

Targets for Resource Expansion

There are a number of identified exploration targets and exploration prospects within the Kamoia Project that have been identified for further exploration with a view to expanding the area of known mineralization. In the opinion of AMEC, the exploration potential for expanding the area of known mineralization with more drilling is excellent.

In particular, there is an area inside the model perimeter surrounding the Indicated Mineral Resources and Inferred Mineral Resources that has been designated an Exploration Target. This target, based on limited drilling and which can only be expressed as a range of tonnage and grade (estimated by constructing an inverse distance model to the fifth power for the area and applying a $\pm 20\%$ variance to the tonnages and grades), could contain an aggregate of 520 to 790 Mt grading 1.6% to 2.5% Cu.

This exploration target is conceptual in nature and there has been insufficient exploration to define such exploration target as Mineral Resources. It is uncertain if further exploration will result in this exploration target being delineated as a Mineral Resource.

In addition to the exploration target, additional exploration prospects exist:

- the ~10 km long, eastern boundary of the Mineral Resources is defined solely by the current limit of drilling, at depths ranging from 600 m to 1,560 m. Some of the best grade-widths of mineralization occur here, and high-grade bornite -dominant mineralization is common. Beyond

these drill holes the mineralization and the deposit are untested and open to expansion, even beyond the exploration target group defined above; and

- along strike to the south of the Mineral Resources where there are additional copper-in-soil anomalies.

Currently, there is insufficient information to project a range of tonnage and grade for these exploration prospects, although some of the area that has been drill-tested (four drill holes) has intersected thick mineralization with similar stratigraphy to that found around the Makalu dome. There is untested potential to find additional resources over large areas of the Kamoia Exploitation Licences. Drilling is planned through 2014 on these areas.

Preliminary Economics

In September 2012, Ivanplats issued a Preliminary Economic Assessment of the Kamoia Project, with reference to the Mineral Resource Estimates available at that time. The mine plan analyses a single production scenario, an initial 5 Mtpa mine production rate without expansions over a 61 year mine life.

The mine plan is for the construction and operation of an underground mine, together with an integrated concentrator processing facility and smelter operation. The mining rate and concentrator feed capacity is 5 Mtpa, producing 143,000 tpa of copper on average in the first 10 years of operation. The Company also contemplates operating a limited term open-pit mining operation in the first four years while underground mine production is ramping up.

The Preliminary Economic Assessment envisions a three year development period from the completion of a Feasibility Study (which would provide a basis for a mine development decision). In AMEC's opinion, the drilling is likely to be at a sufficiently close spacing by the end of 2013 to support completion of a Feasibility Study.

Assuming a long term copper price of \$2.85/lb, the economic analysis returns a net present value at a 10% discount rate of \$1.16 billion (after tax). The after tax internal rate of return is 17% and provides a payback period of 5.3 years. The average total cash cost after credits in the first 10 years of production is \$0.95/lb of copper. Economics improve to a net present value of \$2.07 billion (after tax, at a 10% discount rate) when a long term copper price of \$3.50/lb is assumed.

Readers are cautioned that this Preliminary Economic Assessment is preliminary in nature as it includes Inferred Mineral Resources which are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is no certainty that the projected results will be realized. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

The Kamoia Project's returns are set out below at long-term copper prices of \$2.85/lb and \$3.50/lb.

	Long Term Cu Price	
	\$2.85/lb	\$3.50/lb
Net Present Value (10% discount rate, \$ millions)	1,164	2,071
Internal Rate of Return (%)	17.0%	21.5%

The following table sets out the mining, processing, production and operating cost estimates:

	<u>Total LOM</u>	<u>First 10 Years Average</u>
Plant Feed Mined ('000 t)	299,391	4,731
Plant Feed Treated ('000 t)	299,388	4,900
Copper Feed Grade (%)	3.14%	3.50%
Copper Recovery (%)	84.8%	85.3%
Concentrate Produced ('000 t)	24,384	450
Copper Concentrate Grade (%)	32.7%	32.6%
Contained Copper in Concentrate ('000 t)	7,984	147
	<u>Payable Copper</u>	
Copper ('000t)	7,801	143
Copper (Mlb)	17,198	316
	<u>\$/lb Payable Copper</u>	
Total Cash Costs Before Credits	1.34	1.19
Total Cash Costs After Credits	1.10 ⁽¹⁾	0.95 ⁽¹⁾

Note:

⁽¹⁾ Assumes a sulphuric acid credit of \$0.24/lb of copper.

The new Mineral Resource Estimate will form the basis of an updated preliminary economic assessment due for completion in the first half of 2013. The base case of the updated preliminary economic assessment is expected to consider an initial mine production rate of 7.5 Mtpa. Given the Kamoia Project's significant estimated Mineral Resource tonnage and its large lateral extent, potential mining rates of up to 20 Mtpa may be possible through operating in multiple mining areas and through a series of production expansions to maximize extraction of the Mineral Resources.

Mining Operations

Open-pit Mining

Open-pit mine operations would occur by developing four small pits. Mining operations would commence one year prior to commissioning of the processing plant, and continue for four years while the underground operations increase to full production. The open-pit mining will be a conventional truck-and-shovel operation, in which the Company would mine a total of 4.5 Mt of the estimated Mineral Resource as plant feed.

Underground Mining

For purposes of determining underground mining methods and planning, and based on initial, more favourable metallurgical results and higher grades than available for supergene mineralization, Ivanplats decided to focus the mine plan primarily on the extraction of hypogene, rather than supergene, resources at a cut-off grade of 2% Cu. The Company also adopted a minimum 3.5 m mining thickness. The mine plan contemplates development of each of five mineralized zones, with the largest zone located at Kansoko Centrale, followed by Kansoko Sud and Kansoko Nord.

Underground mining operations would start at 1.5 Mtpa and ramp up to 5 Mtpa in year 4, and would operate thereafter until year 60 at that rate. The Company would initially access the Kansoko Centrale section, while developing additional accesses to the Kansoko Sud, Kansoko Nord and Kamoia Nord sections. Access to Kamoia Sud is through the accesses developed for Kansoko Centrale. Each underground operation would have a main access decline and a conveyor decline, as well as additional supporting infrastructure.

Given the Mineral Resources' favourable characteristics, including its relatively undeformed, continuous mineralization, local continuity demonstrated by close-spaced drilling and flat to moderate dips, it is considered amenable to large-scale, room-and-pillar mechanized mining, as well as drift-and-fill mining. The principal mining method is room-and-pillar for Mineral Resources to 800 m below surface and drift-and-fill for Mineral Resources below that level.

Processing

All mined material will be delivered from underground to a surface primary crushing facility by conveyor. After three crushing stages the material will be stockpiled ahead of the concentrator. The concentrator includes primary and secondary ball milling, a rougher flotation circuit and concentrate production operations such as rougher concentrate regrind milling, cleaner flotation circuits and a concentrate thickening and filtration circuit. Metallurgical recovery rates for concentrate production are estimated at a life of mine average of 84.8% with an average copper concentrate grade of 32.7%.

The concentrate would then be smelted on site to produce blister copper. A mixture of damp concentrate and limestone flux would be conveyed to a drying facility, followed by a flash smelting process. Smelting will be conducted in a direct to blister furnace that consists of a feed system, a concentrate burner, a horizontal settler chamber and gas offtake facilities. Slag from the flash smelter will be processed in additional electric furnaces to recover more blister copper and, potentially in an additional stage, cobalt. The final stage in the process is fire refining and anode casting, which will consist of an anode furnace and an anode casting wheel.

This smelting process also includes a sulphuric acid plant that is designed to treat sulphur dioxide gas. The blister and anode furnaces generate sulphur dioxide gas, and the sulphuric acid plant will treat this gas and produce a sulphuric acid by-product for commercial sale. The estimated product quality is 98.5% sulphuric acid. The operating cost of the sulphuric acid plant is included in the smelting process so there is no incremental cost associated with this production. Therefore, the sulphuric acid by-product sold becomes a credit against the cost of copper smelting.

Infrastructure, Capital and Operating Costs

Infrastructure

As the Kamoanga Project is a greenfield project, it will require the development of new infrastructure to conduct mining and processing operations. In addition to mine development and processing infrastructure, Ivanplats contemplates developing power, transportation, water, housing and other ancillary infrastructure.

Ivanplats is in the process of securing sources of power through a joint development with La Société Nationale d'Électricité ("SNEL"), the state power company of the DRC. In June 2011, Ivanplats and SNEL executed a memorandum of understanding (the "MOU") by which the parties agreed to rehabilitate two existing hydropower plants, Mwadingusha and Koni, that have an aggregate generation capacity of 113 MW. The cost of the rehabilitation will be financed by Ivanplats through a loan to SNEL although the projects will be jointly developed by SNEL and Ivanplats. The loan will be repaid by SNEL through a deduction from the Company's monthly power bills incurred over the life of the mine. The MOU contemplates that following such an upgrade, Ivanplats would have an entitlement of up to 100 MW from those facilities, which the Company believes to be sufficient for the infrastructure contemplated in the current mine plan. The MOU led to the signing of a pre-financing agreement with SNEL in June 2012 for rehabilitation works on the Mwadingusha power plant. This pre-financing agreement stipulates the Company's exclusivity to conduct full rehabilitation on both the Mwadingusha and Koni plants. An administration agreement was also signed with SNEL in August 2012. A feasibility

study started in November 2012 and is expected to be finalized in August 2013. Financing, operation and maintenance agreements for the full scope of rehabilitation have been settled but are currently being finalized. Finally, transmission lines run within 10 km of the Kamoia Project, which could be extended to the Kamoia Project.

Ivanplats will need to secure other long-term sources of power for any expanded mine plans. Ivanplats continues to investigate potential sites for greenfield power projects, although there is still the possibility to rehabilitate additional existing power plants.

Ivanplats will also need to consider logistics and transportation infrastructure. Ivanplats has recently completed a transport study which evaluates both road and rail options via all potential transportation corridors. At present, the mine plan is based on delivery by road to a coastal port, with Durban in South Africa currently considered the most likely destination.

Water is abundant in the area and Ivanplats anticipates that it will be able to secure a nearby water source for its operations as part of further mine development planning. Preliminary water studies have identified both underground and surface water sources which the Company has begun to secure.

Ivanplats contemplates constructing office and administrative facilities, an employee village with housing, recreation and other amenities, including a medical facility and other associated infrastructure.

Capital Costs and Operating Costs

Ivanplats estimates that capital costs for initial development of mining operations, concentrator, smelting and other ancillary on-site facilities, including a 25% contingency (except for power, which is 35%), will amount to approximately \$2 billion.

Initial Capital Investment Summary

Subject	\$ Million ⁽¹⁾
Mining	
Open-pit Mining	63
Underground Mining	173
Subtotal	235
Power & Smelter	
Smelter	313
Power	141
Subtotal	455
Concentrate & Tailings	
Concentrator	270
Tailings	42
Subtotal	312
Infrastructure	
Site Facilities and Temporary Works	234
Off-Site Infrastructure	24
Subtotal	257
Indirects	
Construction Indirects (Engineering, Procurement, and Construction Management)	155
Subtotal	155
Owners Cost (Including Drilling and Studies)	
Owners Cost	205
Subtotal	205
Capital Expenditure before Contingency	1,621
Contingency	368
Capital Expenditure after Contingency	1,989

Notes:

⁽¹⁾ Total may not sum due to rounding.

Sustaining capital expenditure, including underground mining development, is estimated to amount to an additional \$2.56 billion spread over the 61 year mine life, inclusive of a contingency of 25%.

Operating costs include estimates for open-pit mining, underground mining, processing, smelting, general and administrative expenses, transport, refining and other realization costs. The total cash cost is estimated to be \$1.19 per pound of copper on average during the first 10 years, and \$1.34 per pound of copper on average over the life of the mine, reducing to \$0.95 per pound of copper on average during the first 10 years and \$1.10 per pound of copper on average over the life of the mine after accounting for sulphuric acid by-product credits.

Sensitivity Analysis

The Kamoā Project base case 5 Mtpa mine plan returns a net present value of \$1.16 billion (after tax), assuming a long term copper price of \$2.85/lb and a long term acid by-product price of \$250/t, at a 10% discount rate. The after tax internal rate of return is 17% and the payback period is 5.3 years. Set forth below is a summary of these amounts:

	Discount Rate	Before Taxation	After Taxation
Net Present Value (\$ millions)	Undiscounted	25,430	17,640
	8.0%	3,091	1,929
	10.0%	2,002	1,164
	12.0%	1,286	663
IRR		20.5%	17.0%
Project Payback (years)		4.6	5.3

Cash flow sensitivity to copper price variation is shown in the table below, for copper prices from \$2.00/lb Cu to \$4.00/lb Cu. The cash flow includes revenue from acid that would be produced in the smelter.

Copper Price Sensitivity

Net Present Value (\$ millions)	Copper Price (\$/lb)				
	2.00	2.50	2.85	3.50	4.00
Discount Rates					
8.0%	322	1,271	1,929	3,149	4,086
10.0%	-34	674	1,164	2,071	2,766
12.0%	-260	287	663	1,360	1,893
IRR	9.8%	14.3%	17.0%	21.5%	24.6%

The credit from sulphuric acid revenue represents 8% of gross revenue. If a long term acid by-product price of \$400/t were achieved from sales then the after tax net present value at a 10% discount rate would be increased by 18%.

Sulphuric Acid Price Sensitivity

Acid Price (\$/t)	-	100	150	250	400
NPV ₁₀ (\$ millions)	823	959	1,027	1,164	1,368
% Change	-29%	-18%	-12%	0%	18%

The sensitivity of after tax net present value at a 10% discount rate to initial capital cost, direct operating costs and copper feed grade is shown below.

Additional Sensitivities

Variable	Units	Base	Change from Base Case ⁽¹⁾ NPV ₁₀ (\$ millions)		
			-10%	+10%	+25%
Initial Capital	\$ millions	1,989	141	(141)	(353)
Direct Operating Costs ⁽²⁾	\$/t	35	265	(291)	(778)
Cu Feed Grade	%Cu	3.14	(402)	402	988

⁽¹⁾ Base Case After Tax NPV is \$1,164 million.

⁽²⁾ Life of mine open pit and underground mining cost per tonne milled.

Markets and Contracts

To date Ivanplats has not advanced contract and market studies, apart from an initial analysis of blister copper, sulphuric acid and the potential sale of concentrate to Zambian smelters as an alternative to the construction of a smelter.

The Katangan section of the Central African Copperbelt is a net acid consuming area. The majority of the copper in the area is in the form of copper oxides and a leach SxEw process is utilized to produce the final product. This process is acid consuming and a number of copper producers in the region operate sulphur burning acid plants to produce sulphuric acid, while others purchase acid from Zambia or from overseas. The sulphuric acid price is rather volatile. Copper producers in the DRC are reported as currently paying \$250/t to \$480/t for sulphuric acid delivered from Zambia, and some report the cost from Namibia as over \$600/t. A recent published long term operating cost for sulphuric acid produced from an on-site acid plant in the DRC is \$206/t. For the purposes of the Preliminary Economic Assessment, a long term sulphuric acid credit of \$250/t has been assumed.

Environmental, Social and Community

The Company conducted an environmental baseline study that analysed environmental, biological, social and cultural heritage issues. As the Kamoia Project is a sparsely inhabited greenfields project, Ivanplats has not to date identified any significant environmental, social or community risks.

Taxes, Customs and Levies

Holders of mining rights are subject to taxes, customs and levies defined in the DRC Mining Code for all its mining activities carried out in the DRC:

- *Income Tax*

Mining companies are subject to tax on rental income, on movable income and corporate income. Tax on movable income is levied at a rate of 20% and includes interest on loans, dividends to shareholders, allowances to directors and royalty and licence fees. Some exemptions to, and reductions in the applicable 20% rate are available including: (i) an exemption for interest paid on a loan in a foreign currency; and (ii) a reduction to 10% in the rate payable on dividends. Corporate tax is levied at 30% of income, increasing to 40% if the product is refined or smelted offshore.

Losses from operational activities may be carried forward for 5 years upon receipt of prior approval from the tax authorities.

Non-mining assets are depreciated in accordance with the common law. Specific mining assets dedicated to mining operations with useful lives of between 4 and 20 years are depreciated as follows:

- a) first year: 60% depreciation based on the cost of the asset; and
- b) for subsequent years: a declining-balance depreciation method is applied based on the tax years remaining over the life of the mine.

Depreciable items which are normally utilized for a period of less than 4 years or a period of more than 20 years will not qualify to use the declining balance method and will be subject to the common law provisions. The common law provides different depreciation rates for various assets. Depreciation arising in loss yielding tax periods is considered to be “deferred” and may only be set off against taxable income in future years. The deferral is not subject to any time limitation.

- *Capital Taxes*

Real taxes consist of vehicle, real estate, mining and hydrocarbon concession areas taxes and are payable to the tax authority of the province where the owner of mining rights carries out its mining activities. Vehicle tax is levied on all vehicles not used exclusively in the mining project area and land tax is levied on all immovable assets that fall outside of the mining or hydrocarbon concession area tax. The mining and hydrocarbon concession area taxes are calculated based on the surface area covered by the exploitation permit.

- *Employee's Tax*

There are two types of employment tax: (i) a graduated withholding tax on all forms of employee income which varies from 3% to 50% (provided that the aggregate income tax payable by an employee, having regard to each class of remuneration, cannot exceed 30% of the total) is payable on income earned by any employee, expatriate or national; and (ii) an additional 10% tax on expatriate employees payable by the employer.

- *Value Added Tax (VAT)*

In 2012 the DRC adopted a VAT regime; the standard VAT rate is 16% levied on all supplies of goods and services rendered and is not levied on any capital asset movements. The DRC's move to adopt a VAT is part of a continuous effort to modernize its fiscal system, with the assistance of the International Monetary Fund.

- *Import Duties*

Mining companies are subject to import duties on all goods and products imported in accordance with a preferential customs regime. In order to benefit from this regime, the company must submit a list of the number and value of movable assets, equipment, vehicles, mineral substances and certain other items that they intend to import. The preferential rate levied is 2% and 5% of the value of the goods, respectively prior to and from the commencement of the effective exploitation of the mine, while a rate of 3% is applied to fuels, lubricants, reagents and consumables for the duration of the project. The items that are not on the preferential list are taxed at varying rates.

- *Exchange Control*

The DRC Mining Code authorizes companies engaged in mining activities to transfer to non-residents, after payment of taxes due, amounts in respect of income and capital, including payments: (i) for goods and services to foreign suppliers; (ii) for commissions and legal fees; and (iii) in satisfaction of advances by shareholders. Expatriate employees of mining companies, who reside in the DRC are entitled to repatriate all or part of amounts due to them from the mining company without payment of fees or taxes on export.

There are no restrictions or limitations on the import of funds or on the use of proceeds from the export or sale of minerals, except for certain requirements to report transactions to the DRC government. However, mining companies are required to repatriate 40% of their export revenue to the DRC. This 40% need not be converted into DRC currency, and can be used to: (i) buy or lease imported equipment; (ii) pay for goods and services from abroad if these cannot be procured locally in identical conditions, price, quality and quantity; (iii) reimburse shareholders short-term advances provided the debt-to-equity ratio does not exceed 3:1; or (iv) pay dividends to foreign shareholders.

- *Consumption Fees and Taxes*

Mining companies are subject to consumption and excise fees and taxes in accordance with applicable law, except for on mineral oils (i.e. fuels) for which they are exempted. The rates vary from 3% to 40%.

- *Provincial Taxes*

Katanga Province has imposed a provincial tax on mining concentrate products destined for export, of up to \$60 per tonne. This tax is in violation of the DRC Mining Code which aims to provide an exhaustive fiscal regime which exempts mining companies of any form of taxation in connection with their mining activities which could be instituted by any authority except for the federal DRC government.

Royalties, Levies, Charges and Other Rights Due to the State

DRC legislation imposes several levies from both the central administration and devolved entities such as the provinces. This includes an exchange control duty levied by the DRC Central Bank equal to 0.2% on any payment to or from the DRC, except: (i) the repatriation of revenues; or (ii) transfers for the service of foreign debt.

Government royalties amount to 2% of the production of non-ferrous metals. The mining royalty is calculated on the value of sales realized, less transport, assay, insurance and marketing costs.

Exploration and Development

Exploration

The database was closed for estimation of the updated Mineral Resources on December 10, 2012. As of March 11, 2013, Ivanplats had completed and received assays for 10 additional core holes (2,722 m drilled, 311.6m assayed) within the resource model area. In addition, assay results are pending for 74 holes (5,850 m drilled, 2,630.5 m sampled) and 2 holes (417.5 m) had been abandoned. One of the abandoned holes had been partially sampled.

Ivanplats proposes to undertake a drill program consisting of exploration, infill, metallurgical, hydrogeological and geotechnical drilling for the balance of 2013 through the end of the first quarter of 2014 amounting to approximately 85,000 m. While much of this program includes infill drilling of Inferred Mineral Resources and exploration targets identified to date, particular emphasis will be placed on investigating the expansion of known mineralized zones. The eastern boundary of the Mineral Resource, along a strike length of ~10 km, is defined solely by the current limit of drilling. Some of the best grade-widths of mineralization occur here, and high-grade bornite and chalcocite-dominant mineralization is common. Beyond these drill holes the mineralization and the deposit are untested and open to expansion.

Other exploration targets exist along strike to the south, where additional, untested copper-in-soil anomalies have been identified. While there is insufficient information to project a range of tonnage and grade for these exploration prospects, some of the area has been drill tested (4 holes) identifying thick, low-grade mineralization with similar stratigraphy to that around the Makulu dome. Ivanplats also plans to drill several deep boreholes in the next two years to test for multiple redox horizons and associated stratiform copper zones. There is still potential over a large area, but it will require drilling to properly test these targets.

In the opinion of AMEC, the exploration potential for expanding the area of known mineralization with more drilling is excellent.

Development

Development planning will include efforts to optimize all aspects of the mine plan, including production capacity, capital expenditure, mining and processing.

The Preliminary Economic Assessment examines an initial 5 Mtpa mine production rate without expansions over the mine life. Given the significant Mineral Resource tonnage estimated and its large lateral extent, potential mining rates could range from 5 Mtpa to 20 Mtpa. Furthermore, mine planning work has suggested that mining rates of 7.5 Mtpa, 10 Mtpa, 15 Mtpa and 20 Mtpa may be possible at the Kamoia Project through operating in multiple mining areas and a series of production expansions to maximize extraction of the Mineral Resources.

The power consumption assumed in the Preliminary Economic Assessment for the 5 Mtpa mine production rate does not require the full generating capacity that would result from the estimated capital expenditure. Furthermore, the smelter included in the mine plan is assumed to have a copper concentrate smelting capacity of 660 Ktpa, while life of mine average copper concentrate is 400 Ktpa. Preliminary work indicates that a concentrator capacity of 7.5 Mtpa may allow a more efficient use of the assumed capital (for both the power and the smelter), and selection of a revised initial production rate better suited to the available power capacity may help to maximize the financial returns from the project. Ivanplats has initiated a study to examine an increase in the initial mine production and concentrator capacity rates above 5 Mtpa. An updated preliminary economic assessment incorporating this revised initial production rate is due for completion during the first half of 2013.

The key mine production criterion used for production scheduling in the Preliminary Economic Assessment was the concentrate feed rate and this resulted in variable concentrate production. Further optimization work is required to better match the mine scheduling and resulting concentrate production to smelter capacity, thereby allowing a more efficient use of the smelter capital.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access to the Kamoia Project area from Kolwezi is via unsealed roads. The road network throughout the Kamoia Project has been upgraded to provide reliable year-round drill and logistical access. The closest public airfields are at Lubumbashi (international) and at Kolwezi (domestic). Kolwezi is connected by road to Likasi and Lubumbashi. Travel time by car from Kolwezi to Lubumbashi is currently five to six hours on a combination of tarred and gravel roads, which have recently been refurbished and are in reasonable condition.

A small stretch of the 1,500 km long Benguela-Katanga railway line and an electric power line from Lubumbashi to the Angolan port town of Lobito passes through the northern part of the Kamoia Project area, approximately 12 km from the centre of the area containing the Mineral Resources. This railway line is not in a state that would permit its use by the Company without significant refurbishment. Portions of the rail line in Angola have been refurbished, and other portions may be upgraded in the future.

The Kolwezi area has distinct dry (May to October) and wet (November to April) seasons. Temperatures are generally mild and vary between 17°C and 26°C, but can drop to as low as 5°C during the night in July and August. Commonly, exploration activity is halted once the wet season is underway. However, mining activities in the established mining areas at Kolwezi are operated year-round, and it would be expected that any future mining activities at the Kamoia Project would also be able to be operated on a year-round basis.

Kolwezi is a historical mining centre, which after a period of decline is being revitalized by private sector investment in the re-establishment of formerly operating mines. The workforce for any future mining

activity could be sourced locally from Kolwezi. Due to its location west of Kolwezi, any future exploitation of the Kamoia Project would be a greenfields project with attendant infrastructure development requirements. Processing infrastructure exists in the Kolwezi mining district, but it is unknown whether this could be utilized by the Kamoia Project.

The topography of the Kamoia Project area is gently undulating with a few highlands, and with vegetation characterized by broadleaf deciduous woodland and savannas interspersed with grassland, wetlands and riparian forests. The Kamoia Project area lies at an altitude of approximately 1,430 m above sea level. There is sufficient area within the defined Kamoia Project to accommodate any future mining-related infrastructure such as plant, mine, tailings and waste rock facilities.

History

The Kamoia Project represents the first discovery of a major copper deposit or district in Katanga Province since the early 1900s, and indicates the prospectivity of the Katangan section of the Central African Copperbelt for discovery of additional copper deposits.

Twentieth century exploration in the Katangan section of the Central African Copperbelt concentrated on discovery of weathered carbonate deposits that cropped out as resistant silicified hills and ridges, and which were commonly covered with yellow and lavender flowers that are specific to copper and cobalt deposits. Much of the surface expression of the DRC was mapped during the period, and deposits which cropped out at surface displaying such copper mineralization were readily recognized. Mapping had occurred by 1908 in the Kamoia area, however the area lacked these indicators typical at other deposits in the Katangan section of the Central African Copperbelt.

During the period 1971-1975, the Tenke Fungurume Consortium, operating as the Société Internationale Des Mines du Zaïre, undertook grassroots exploration over an area that extended southwest from Kolwezi toward the Zambian border. A helicopter supported regional stream-sediment sampling program was completed in 1971. No sample location information is available for any sampling that may have occurred within the confines of the Kamoia Project.

Subsequent to the new DRC Mining Code coming into effect in 2002, Ivanplats acquired the exploration permits that comprise the Kamoia Project in 2003, and in 2004 Ivanplats commenced exploration activities.

The Kamoia deposit was discovered by systematic application of conventional stream sediment and soil geochemical surveys, airborne magnetic-radiometric surveys and drilling. Initial stream sediment anomalies generated in 2004 were followed up with soil sampling in 2005, which defined copper-in-soil anomalies that were drill-tested with RC drilling in 2006. After a hiatus in 2007, the encouraging RC results were followed up with core drilling in 2008, which led to the recognition of laterally extensive stratiform copper mineralization similar in style to the Polish Kupferschiefer and Zambian Ore Shale deposits. This is the first discovery of significant copper mineralization west of the Kolwezi District, which was previously thought to represent the western limit of the Katangan section of the Central African Copperbelt.

The Kamoia Project represents the first documented occurrence of a Zambian/Polish Kupferschiefer-style sediment-hosted copper deposit west of the Katangan section of the Central African Copperbelt. The discovery indicates the prospectivity of the region for discovery of additional copper deposits.

Geological Setting

Regional Geology

The metallogenic province of the Central African Copperbelt is hosted in metasedimentary rocks of the Neoproterozoic Katanga Supergroup, which overlie an older, composite, Proterozoic metamorphic-igneous basement. Katangan strata occur on both sides of the DRC-Zambian border and define a northerly-directed, thin-skinned thrust-and-fold orogenic system, the Lufilian Arc, which resulted from the convergence of the Congo and Kalahari cratons. The metallogenic province is divided into two distinct districts, the Zambian and Congolese (or Katangan) Copperbelts. Copper mineralization occurs at a number of stratigraphic levels within the Katangan Supergroup. In the Katangan section of the Central African Copperbelt, copper and copper-cobalt orebodies typically occur within the Mines Subgroup, a subunit of the lowermost part of the Katangan Supergroup. The orebodies are characteristically deformed and disrupted into “megafragments” up to kilometres in size. The Kolwezi and Tenke-Fungurume districts are typical examples of these types of orebodies.

Local and Project Geology

The Kamoia Project lies at the western edge of the Katangan section of the Central African Copperbelt, west of the Kolwezi and Tenke-Fungurume districts. In the Kamoia Project area, the basement comprises metasedimentary rocks of Kibaran (Middle Proterozoic) age, and the Mines Subgroup units hosting mineralization at Kolwezi and Tenke-Fungurume are absent. Instead, copper mineralization is hosted within the basal portion of the Grand Conglomerat, a regionally extensive, gently dipping diamictite that underlies the majority of the Kamoia Project and surrounding area. Mineralizing fluids migrated through the permeable Roan sandstones, and copper minerals were deposited where the fluids came into contact with the carbonaceous Grand Conglomerat.

Mineralization

Mineralization at the Kamoia Project has been defined over an irregularly-shaped area of 20 km x 15 km. Mineralization is typically stratiform, and vertically zoned from the base upward with chalcocite (Cu_2S), bornite (Cu_5FeS_4) and chalcopyrite (CuFeS_2). There is significant pyrite mineralization above the mineralized horizon that could possibly be exploited to produce pyrite concentrates for sulphuric acid production (needed at oxide copper mines in the DRC).

The dip of the mineralized body ranges from 0° to 10° near-surface above the Kamoia dome, to 15° to 25° on the flanks of the dome. Mineralization thicknesses at a 1.0% Cu cut-off grade range from 2.4 m to 17.6 m. The deposit has been tested locally from below surface to depths of more than 1,560 m, and remains open to the east and south.

At the current level of exploration-stage work, mineralization is expected to be laterally continuous, based on drilling to date and on Polish Kupferschiefer and Zambian Copperbelt analogues. Grade differences between drill holes at the Kamoia Project are comparable to those seen in other Copperbelt deposits, such as Konkola, Zambia, where there is a mosaic of areas several square kilometres in extent with near-constant grade, and rapid change in grade at their boundaries over a few hundred metres.

Exploration

From commencement of exploration work in 2004 through to the autumn of 2011, Ivanplats' DRC exploration was managed and performed by an independent firm, African Mining Consultants, under the supervision of Ivanplats. Ivanplats subsequently assumed management and operational control of the Kamoia Project.

Activities commenced with geological and geophysical data interpretation, using Landsat ETM imagery and known mineral occurrences, to define areas of interest for exploration. Geological mapping was performed at 1:150,000, 1:100,000 and 1:5,000 scales. Geochemical sampling, consisting of stream sediment and soil sampling was used to identify copper anomalies. A geophysical survey, flown in 2004, which covered an area of 7,900 km², was used as a structural and stratigraphic mapping tool. In 2011 downhole geophysical surveys were conducted on three holes to aid geological and geotechnical studies. A ground magnetic survey has also been completed over the Kamoa area and the data have been compiled to help with geology and structure mapping.

AMEC determined that the exploration programs completed to date are appropriate for the Kamoa Project.

Drilling

Ivanplats has conducted aircore, rotary air blast, RC, and diamond-drill core drilling campaigns at the Kamoa Project since May 2006. Through to March 11, 2013, the inventory of drill holes comprise 316 aircore (7,410 m), 47 rotary air blast (8,934 m), 45 RC (4,704 m), two RC water bore (208 m), 15 RC pre-collar with core tail holes (8,820 m) and 827 diamond drill core holes (199,480 m).

As at March 11, 2013, there were 842 core holes within the Kamoa Project area boundaries (including five close-spaced wedged deflections and six twin holes drilled by a potential joint venture partner as part of their due diligence) that were drilled at a sufficiently close spacing (spacing less than approximately 800 m) to allow Mineral Resource estimation. At the time of the completion of the Preliminary Economic Assessment, a total of 720 core holes lay within the boundaries of the defined Kamoa Project; 330 core holes (including five close-spaced wedged deflections and two twin holes drilled by a potential joint venture partner) are spaced close enough together (spacing less than approximately 800 m) to allow Mineral Resource estimation.

Core drilling was completed by contract drill crews, typically supervised by African Mining Consultants. Hole depths ranged from a minimum of 52 m to a maximum of 1,706 m, averaging about 250 m. Core size typically commenced at a PQ size (85 mm), reducing to HQ size (63.5 mm), and where required by ground conditions reducing to NQ size (47.6 mm). Most holes were vertical or subvertical, with collar inclinations that range from -40° to vertical.

AMEC considers the core recovery to be excellent, averaging 95% in the mineralized units. Down-hole surveys were performed at approximately 30 m intervals in 2009 and at 50 m intervals from 2010 to 2012 recording dip, azimuth, temperature and magnetic susceptibility at each survey depth. African Mining Consultants established standard logging and sampling conventions and codes for the Kamoa Project; drill hole logging was undertaken primarily by African Mining Consultants personnel and since late-2010, by Ivanplats personnel. Drilling is ongoing at the Kamoa Project.

Sampling and Analysis

A variety of different sampling analyses have been performed throughout the exploration program. Starting in 2010, Ivanplats' analysis included a multi-element analysis using 4 gram subsamples of the pulp in an aqua regia digest, analysis for acid-soluble copper using a 5% sulphuric acid leach method and other procedures.

Ivanplats has established separate sampling programs for its geochemical samples, aircore samples, RC samples and core samples. Ivanplats is also obligated to collect "witness samples", which are mainly reference pulp samples that must be delivered to the DRC government before a sample can be exported from the DRC for analysis.

The most important sampling program relates to core holes. Prior to 2008, Ivanplats used quarter core samples. Since that time half core samples have been used. Prior to February 2010, determination of the sample intervals took into account lithological and alteration boundaries. The entire length of core from 4 m (or one core-tray length, whichever is convenient) above the first presence of mineralization and/or the mineralized zone was sampled on nominal whole 1 m intervals to the end of the hole. Most intervals with visual estimates of greater than 0.1% Cu were sampled at 1.5 m intervals or less.

Since February 2010, the mineralized zones were sampled on 1 m intervals (dependent on geological controls). In addition, since March 2011, Ivanplats has collected 9 m composite samples in the hanging wall, and these samples were analysed using a Niton analyser.

Prior to November 2010, sample preparation was undertaken in Kolwezi at a mobile sample preparation facility housed in two shipping containers; the facility was operated by African Mining Consultants personnel. Following November 2010, sample preparation has been conducted in a facility at the Kamoia Project site operated by African Mining Consultants personnel until the autumn of 2011, and subsequently by Ivanplats personnel. Core samples are delivered from the core shed to the sample preparation facility by truck. Core is cut in half for sampling using a standard diamond saw. One-half core samples not sent for preparation are placed in metal trays and stored at the Kamoia Project core shed (official core storage facility). The core storage facility consists of three lockable buildings with 24 hour security personnel in place.

Since June 2005, all analyses, including drill samples, have been performed by Ultra Trace Geoanalytical Laboratory, with Genalysis acting as the check laboratory from 2005 to 2009. Commencing in 2010, ALS Chemex Laboratories (Vancouver) took over as the check laboratory. AMEC checked the database used to support the Mineral Resource Estimate for data integrity and concluded that the drillhole surveys, assays and geological data were verified to within acceptable error rates and are suitable to support the Mineral Resource estimation.

A QA/QC program comprising blank, certified reference materials, and duplicate samples was used on the Kamoia Project. AMEC determined that QA/QC methods are acceptable and consistent with industry standards.

Security of Samples

Sample security includes a chain-of-custody procedure that consists of filling out sample submittal forms that are sent to the laboratory with sample shipments to make certain that all samples are received by the laboratory. All diamond-drill core samples were processed by the Kolwezi facility, or the onsite Kamoia Project facility. Core samples were delivered from the core logging facility to the sample preparation facility by truck. Prepared samples are shipped to the analytical laboratory in sealed sacks that are accompanied by appropriate paperwork, including the original sample preparation request numbers and chain-of-custody forms. On arrival at the sample preparation facility, samples are checked, and then sample forms signed. Sacks are not opened until sample preparation commences. Paper records are kept for all assay and QA/QC data, geological logging and specific gravity information, and down-hole and collar coordinate surveys.

Metallurgical Testwork

In 2010, metallurgical samples were taken from available drill cores and subjected to comminution and flotation tests at MINTEK Laboratories (“**Mintek**”) in Johannesburg. Although this testwork was preliminary, a circuit consisting of rougher, cleaner and scavenger flotation stages, and including targeted regrinding of intermediate streams was developed.

The Mintek work generated a 27% copper re-cleaner concentrate with a copper recovery of 79% on the master composite sample. The master composite head grade was 3.0% Cu, approximately in line with mine plan expectations at the time and close to the projected life of mine average grade of 3.24% Cu. This flowsheet was used as the starting point for a more comprehensive flotation test program that is continuing to be conducted at the Xstrata Process Support (“XPS”) flotation laboratory in Sudbury, Ontario.

Flotation testwork on more representative mineralized samples (based on mining expectations as described in the Preliminary Economic Assessment) was carried out at XPS on composites from four drill holes. The metallurgical test program to date has been successful in generating saleable and smeltable copper concentrates and has provided the basis for comminution circuit design. The flotation work has shown a consistency of outcome strongly driven by consistent liberation characteristics of the copper mineralization. All indications are that the maximum recoverable copper to concentrate with the dominant hypogene mineralization will be in the region of 85% at a final concentrate grade in the 32 to 35% range. The concentrator flowsheet is currently configured without recycle streams. This arrangement is unusual and may result in difficulties controlling final concentrate grade in the face of varying feed characteristics. The flotation test program is not yet complete and it is planned to progress from flowsheet optimization to more definitive locked cycle and pilot plant testing. If an exploration decline is constructed then an on-site pilot demonstration plant is recommended for processing of decline mineralized samples.

PLATREEF PROJECT

Property Description and Location

The Platreef Project, which includes a recently discovered underground deposit of thick PGE-nickel-copper-gold mineralization, is located in the northern limb of the Bushveld Complex approximately 11 km from Mokopane and 280 km northeast of Johannesburg, South Africa. PGE-nickel-copper-gold mineralization in the northern limb is primarily hosted within the Platreef, a mineralized sequence which is traced more than 30 km along strike. The Platreef Project is situated in the southern sector of the Platreef on three contiguous properties (or “farms”), Turfspruit, Macalacaskop, and Rietfontein, which comprise, in aggregate, approximately 10,720 ha. The northernmost property, Turfspruit, is contiguous with and along strike from Anglo Platinum Limited’s Mogalakwena group of properties and mining operations.

The Platreef Project comprises three contiguous deposits: UMT (underground Turfspruit), ATS (at Turfspruit and Rietfontein farms) and AMK (at Macalacaskop farm). The UMT deposit, located almost entirely on the Turfspruit farm, contains a high-grade mineralized zone, potentially amenable to selective underground mining methods, which is the focus of the Company’s current activities at the Platreef Project. In addition to this high-grade mineralized zone potentially amenable to selective underground mining methods there are mutual exclusive Mineral Resources potentially amenable to mass mining methods. The Company is not contemplating near-term development of these Mineral Resources amenable to mass mining, nor is it contemplating near-term development of the other deposits, ATS and AMK, which could potentially be exploited by open-pit methods.

Platreef Resources, a 90% subsidiary of the Company, holds the right to prospect for base and precious metals on the Turfspruit and Macalacaskop properties, which comprise substantially all of the Platreef Project. The prospecting right expires on May 31, 2014. Itochu, together with ITC Platinum, holds an effective 10% indirect interest in the Platreef Project, acquired in two tranches, the first 2% interest was acquired in September 2010 for \$10 million and the second 8% interest was acquired in June 2011 for \$280 million. See “*Material Contracts - Itochu Investment*”.

A near-surface portion of the ATS deposit occurs on the Rietfontein Right, which is contiguous with Turfspruit's northeastern border. Plateau Resources, a subsidiary of Atlatsa (formerly Anooraq Resources Corporation), holds the Rietfontein Right, which is a prospecting right in respect of all minerals within the Rietfontein Right area, excluding oil, gas and precious stones, which was valid for a five-year period, and expired on November 27, 2011. Before the expiry date Plateau Resources applied for a three year renewal, which is still being processed by the DMR. Under the MPRDA a prospecting right in respect of which an application for renewal has been lodged shall, despite its stated expiry date, remain in force until such application has been granted or refused. If Atlatsa were to lose the Rietfontein Right, the Mineral Resources amenable to open-pit methods, as declared, for Turfspruit and Rietfontein would need to be re-evaluated.

In December 2009 Ivanplats and Atlatsa entered into the Settlement and New Project Agreement that was the culmination of an original 2001 earn-in agreement, which had gone to arbitration. The Settlement and New Project Agreement established a joint venture between Atlatsa and the Company, pursuant to which Atlatsa holds a 6% interest in any minerals obtained via open-pit mining within the Rietfontein Right and the Turfspruit prospecting right. To the extent that a Feasibility Study contemplates underground mining on the Rietfontein Right or Turfspruit prospecting right, the parties' interests will be adjusted to reflect the proportion of minerals that will be extracted from the Turfspruit property, which will be allocated to Ivanplats, and the Rietfontein property, which will be allocated to Atlatsa. Studies to date have not reported any Mineral Resources potentially amenable to underground mining on the Rietfontein property and therefore Mineral Resources potentially amenable to underground mining methods are reported on a 100% basis.

Atlatsa's interest in the Platreef Project is carried by the Company, so Atlatsa has no obligation to contribute funding prior to completion of a feasibility study. Upon completion of a feasibility study, Atlatsa may either elect to retain its participating interest in such portion of the Platreef Project and contribute its pro rata share of development expenses or relinquish its interest and obtain a 5% net smelter royalty for mineral products extracted from the Rietfontein portion of the Platreef Project. For so long as Atlatsa holds an interest in the joint venture, it is entitled to appoint a member to a technical committee.

In order to give effect to the Settlement and New Project Agreement, a separate agreement will have to be entered into between Platreef Resources and Plateau Resources, the respective subsidiaries of Ivanplats and Atlatsa which directly hold the prospecting rights. Such agreement, when concluded, will require ministerial consent in terms of section 11 and section 102 of the MPRDA.

To maintain title in good standing, Ivanplats and/or Platreef Resources in respect of the prospecting right at the Turfspruit and Macalacaskop farms, and in the case of the Rietfontein Right, Plateau Resources, must pay the required annual prospecting fees and comply with the relevant obligations and work programs relating to its prospecting activities. As of the date of this AIF, the required payments have been made by the Company and Plateau Resources has confirmed that the required payments have been made.

A number of permits will be required to support project development and future mining operations including, but not limited to: (i) a mining right; (ii) an EIA and environmental management plan; (iii) environmental authorization under the *National Environmental Management Act*, No. 107 of 1998 (South Africa); (iv) town rezoning approval; and (v) an integrated water use licence.

The mining right will be the key permit needed to commence and sustain mining operations. As a precondition to receipt of such mining right, the Company will need to comply with BEE requirements.

Mining is listed in the EIA regulations as an activity requiring an environmental authorization from the relevant provincial environmental authority. Other activities associated with mining and the Platreef Project are also listed in the EIA regulations (such as road and power line construction, waste disposal and storage of hazardous substances) and will similarly require an EIA to be submitted for authorization to the relevant provincial environmental department. In February 2011, Ivanplats commissioned a consultant to prepare a scope of work for an environmental baseline study in support of an application for a mining right. This study is in progress, and is intended to address environmental matters, as well as cultural heritage and social baseline analysis. The study will include in its social analysis a census of local communities, analysis of land claim status and any resettlement planning for integration into an overall mine plan.

Taxes Customs and Levies

- *Income Tax*

Companies resident in South Africa pay income tax on their worldwide income while non-residents are only taxed on South African sourced income (subject to the provisions of any double taxation agreements). Companies mining minerals such as PGEs, diamonds, coal, limestone and other base metals are currently subject an income tax rate of 28%, however special rates of income tax are laid down for companies mining gold or deriving income from refining oil.

Assessed losses may be carried forward indefinitely and be used to offset taxable income in future years, as long as the company continues to trade. If the company does not carry on trade in any one year, it loses the right to carry forward these losses. There is no mechanism for carrying back losses, nor for sharing losses with other South African group companies

The South African income tax act provides that certain capital expenditure may be deducted from the income of mining operations but only to the extent that a mining company has reached the production stage. To the extent that a company is not deriving income from mining operations or from working a mine, no portion of the capital expenditure incurred during a year of assessment may be deducted. The capital expenditure incurred must be accumulated from year to year until production commences and income from mining operations is derived.

- *Capital Gains Tax*

South Africa imposes a tax on capital gains in which 66% of any aggregate taxable capital gain is included in the taxable income of the company and subject to tax at the normal company rate of 28%.

- *Dividends*

On April 1, 2012, South Africa imposed a 15% conventional withholding tax on dividends paid to certain residents and all non-resident shareholders. Dividends paid by one South African resident company to a beneficial owner which is another South African resident company are exempt from the tax.

- *Value-added Tax (VAT)*

VAT is assessed on most goods and services at 14% although certain goods and services are zero-rated or exempt from VAT. Supplies of goods disposed of as export sales from South Africa would normally be zero rated.

- *Thin Capitalization Restrictions*

South African companies which are wholly or partially owned by a foreign shareholder are required to maintain acceptable debt to equity ratios. These ratios are not specifically enumerated but instead are based on certain subjective tests. Failure to maintain an appropriate ratio will result in interest payable by the South African entity on any shareholder loans not being fully deductible.

- *Exchange control regulations*

South Africa has in place a system of exchange controls which restrict certain forms of investment by non-residents. Such restrictions include limits on: (i) loans advanced by non-residents to residents (including in relation to the interest rate that non-residents may charge and certain other terms of such loans (i.e. repayment periods)), which restrictions differ depending on whether the lender is a shareholder or a third party and whether the loan is denominated in Rand or another currency; and (ii) the amounts which a South African company, which is more than 75% owned by a non-resident, may borrow locally for purposes of concluding certain transactions (being residential property transactions and certain financial transactions (such as portfolio investments or hedging arrangements)).

Mineral Resource Estimates

There are three types of Mineral Resource defined for the Platreef Project:

- Mineral Resource that is amenable to underground selective mining methods. This consists of material within and adjacent to Grade Shells in the TCU (Turfspruit Cyclic Unit), and is all below the 650 m elevation. This Mineral Resource has been updated using revised geological interpretation and incorporation of extensive additional drilling in Zone 1 and some new drilling in Zones 2 and 3. The Mineral Resource amenable to selective underground mining methods is supported by the UMT-TCU model.
- Mineral Resource that is amenable to underground mass mining methods. In the March 31, 2011 Mineral Resource Estimate, this included the mineral resource amenable to underground selective mining. The resource model has not been updated, but has been trimmed so as to now be mutually exclusive from the Mineral resource that is amenable to underground selective mining. The Mineral Resources amenable to underground mass mining are below the 650 m elevation. Within the “trimmed” Mineral Resources there has been limited additional drilling. The Mineral Resources amenable to mass underground mining is supported by the UMT-MM model, formerly referred to as the UMT bulk model.
- Mineral Resource that is amenable to open-pit mining. The model has not been updated, as there has been no new drilling. The stated Mineral Resources are unchanged and have an effective date of March 31, 2011. Mineral Resources amenable to open-pit mining are situated above the 650 m elevation.

Underground Resource Estimates (UMT-TCU deposit)

The UMT-TCU resource is the main focus of the Platreef Project moving forward and the UMT-TCU Mineral Resource Estimate is now considered the base case. Indicated and Inferred Mineral Resources were estimated for the UMT-TCU area. Recognition of lithological controls (TCU stratigraphy) on grade has enabled declaration of Inferred Mineral Resources at wider drill spacings than would normally be possible. Additional infill drilling in Zone 1 permitted the declaration of Indicated Mineral Resources in that portion of the Platreef Project area.

Additional drilling down-dip permitted the expansion of the Inferred Mineral Resource in the UMT-TCU portion of the deposit. Additional down-dip/lateral potential may support estimation of additional Mineral Resources with additional drilling.

Ivanplats personnel identified nested 3PE (Pt + Pd + Au) grade shells using a minimum of 3 m of 1g 3PE, 2g 3PE and 3g 3PE. Three PE grade shells were used rather than 4PE because rhodium assaying was incomplete at the time the shells were constructed. The grade shells were constructed as a tool for constraining grade estimates. The nested grade shells were identified in two mineralized zones (T1MZ and T2MZ). The T1MZ grade shells are associated with the T1 stratigraphic unit. The T2MZ grade shells are associated with the T2 stratigraphic units (T2U and T2L). Two-dimensional gridded-seam models were completed for the T1MZ and T2MZ grade shells. Wireframe surfaces were constructed from the gridded seam models of the T1MZ and T2MZ seam models.

There is scattered mineralization adjacent to the TCU mineralized zones that is locally continuous. Ivanplats plans to use floating stope software in scoping studies. Mineralization adjacent to the TCU mineralized zones may be included in the resultant stopes; hence there is a need to estimate grades in blocks in an envelope around the TCU mineralized zones.

Mineral Resource Statement for Mineral Resources Amenable to Selective Mining Methods; Effective Date 13 March 2013, Harry M. Parker RM.SME. and Timothy O. Kuhl, RM.SME.

Indicated Mineral Resources								
Tonnage and Grades								
Cutoff 4PE	Mt	Pt (g/t)	Pd (g/t)	Au (g/t)	Rh (g/t)	4PE (g/t)	Ni (%)	Cu (%)
3 g/t	137.0	2.273	2.314	0.347	0.153	5.086	0.375	0.185
2 g/t	214.4	1.830	1.886	0.290	0.124	4.129	0.341	0.168
1 g/t	387.0	1.275	1.339	0.214	0.087	2.916	0.282	0.139
Contained Metal								
Cutoff 4PE		Pt (Moz)	Pd (Moz)	Au (Moz)	Rh (Moz)	4PE (g/t)	Ni (Mlbs)	Cu (Mlbs)
3 g/t		10.0	10.2	1.5	0.7	22.4	1,133.4	558.4
2 g/t		12.6	13.0	2.0	0.9	28.5	1,610.3	794.2
1 g/t		15.9	16.7	2.7	1.1	36.3	2,408.4	1,189.3
Inferred Mineral Resources								
Tonnage and Grades								
Cutoff 4PE	Mt	Pt (g/t)	Pd (g/t)	Au (g/t)	Rh (g/t)	4PE (g/t)	Ni (%)	Cu (%)
3 g/t	211.4	2.085	2.063	0.336	0.143	4.627	0.378	0.183
2 g/t	415.0	1.565	1.592	0.268	0.108	3.534	0.331	0.163
1 g/t	1054.8	0.960	1.018	0.175	0.068	2.221	0.254	0.130
Contained Metal								
Cutoff 4PE		Pt (Moz)	Pd (Moz)	Au (Moz)	Rh (Moz)	4PE (g/t)	Ni (Mlbs)	Cu (Mlbs)
3 g/t		14.2	14.0	2.3	1.0	31.4	1,763.6	855.2

2 g/t	20.9	21.2	3.6	1.4	47.2	3,030.7	1,488.6
1 g/t	32.6	34.5	5.9	2.3	75.3	5,916.7	3,022.2

Notes:

- (1) Mineral Resources estimated assuming underground selective mining methods are exclusive of the Mineral Resources estimated assuming mass mining methods. The 2 g/t 4 PE cutoff is considered the base case for scoping studies in progress; the 3 g/t cutoff is also being considered.
- (2) Mineral Resources are reported on a 100% basis.
- (3) Mineral Resources are stated from approximately -200 m to 650 m elevation.
- (4) The grade shells were determined using assumed commodity prices of Ni: \$8.81/lb, Cu: \$2.73/lb, Pt: \$1,699/oz, Pd: \$667/oz, Au: \$1,315/oz; Rh: \$2,065/oz. It has been assumed that payable metals would be 82% from smelter/refinery and that mining costs (average \$40/t) and process, G&A, and concentrate transport costs (average \$12.5/t for a 3 Mtpa operation) would be covered. The process recoveries vary with block grade but typically would be 85-90% for Pt, Pd and Rh; 65% for Au and 60% for Ni and 80% for Cu.
- (5) Indicated Mineral Resources are drilled on approximately 100 X 100m spacing; Inferred Mineral Resources are drilled on 400 m x 400 m (locally to 400 m x 200 m and 200 m x 200 m) spacing.
- (6) Totals may not sum due to rounding.

Underground Resource Estimates (UMT-MM deposit)

The Company has identified Inferred Mineral Resources potentially amenable to mass mining methods.

The estimates of Inferred Mineral Resources potentially amenable to mass mining methods, amounted to 1,870 Mt, grading 0.98 g/t 3PE (0.40 g/t Pt, 0.49 g/t Pd, 0.09 g/t Au), 0.21% Ni and 0.13% Cu. This Mineral Resource Estimate has an effective date of March 13, 2013. The Qualified Persons are Harry M. Parker, R.M. SME. and Timothy O. Kuhl, R.M. SME. Mineral Resources are stated from 650 m elevation downward to approximately -400 m elevation. The cut-off grade (0.15% Ni) assumes commodity prices of Ni: \$8.81/lb, Cu: \$2.73/lb, Pt: \$1,699/oz, Pd: \$667/oz, Au: \$1,315/oz.

It has been assumed that payable metals would be 82% from smelter/refinery and that a mix of block cave and sub-level mining costs (averaging \$20/t, and ranging from \$9/t to \$35/t), and process, G&A, and concentrate transport costs (average of \$12/t) would be covered for a conceptual 10 Mtpa operation. Process recoveries are taken from metal-specific equations for serpentinite. Nickel is presented as an example where nickel recovery = $(9.3 * \ln(\text{Ni head grade}) + 84.9)$.

Mineral Resources at the 0.15% Ni cut-off grade occur in continuous zones; there are a relatively minor number of blocks inside these zones that are below cut-off and have been excluded. Inferred Mineral Resources are based on an area drilled on approximately 400 m x 400 m (locally 400 m x 200 m and 200 m x 200 m) spacing. Totals may not sum due to rounding.

The reported Mineral Resources potentially amenable to mass mining methods are reported on a 100% basis and do not take into account any interests of the Company's joint venture partners. Mineral Resources for the Platreef Project are presented on a project basis.

Mineral Resources Potentially Amenable to Open-pit Mining (ATS and AMK)

Ivanplats has identified Mineral Resources potentially amenable to open-pit mining at the ATS and AMK deposits. The estimates amounted to 520 Mt of Indicated Mineral Resources grading 0.86 g/t 3PE (0.33 g/t Pt, 0.44 g/t Pd, 0.09 g/t Au), 0.20% sulphide Ni and 0.14% sulphide Cu, and 510 Mt of Inferred Mineral Resources grading 1.07 g/t 3PE (0.46 g/t Pt, 0.51 g/t Pd, 0.10 g/t Au), 0.16% sulphide Ni and 0.1% sulphide Cu, all at a cut-off grade of 0.1% sulphide Ni. This Mineral Resource Estimate has an effective date of March 31, 2011. Mineral Resources are stated from 650 m elevation to surface (approximately 500 m depth extent). A selective mining unit of 15 m x 15 m x 10 m has been assumed and external dilution has not been applied. At a 0.1% sulphide Ni cut-off grade, the mineralization is continuous and based on assumed costs and metal prices. Commodity prices were assumed to be Ni: \$9.20/lb, Cu: \$3.00/lb, Pt: \$1,785/oz, Pd: \$650/oz, Au: \$1,265/oz. Process, general and administrative

and concentrate transport costs are estimated to average \$11/t for a conceptual 10 Mtpa operation. Mining costs are estimated at an average of \$5/t. Indicated Mineral Resources are based on an area drilled on approximately 75 m x 100 m spacings. Inferred Mineral Resources are based on an area drilled on approximately 120 m x 140 m spacings. Totals may not sum due to rounding. The reported Mineral Resources amenable to open-pit mining methods are reported on 100% basis and do not take into account any interests of the Company's joint venture partners.

Exploration and Development

Exploration

The high-grade mineralization that may be amenable to selective underground mining methods is open down dip and along strike for several kilometers. There are two exploration targets to the southwest of the Inferred Mineral Resources that are potentially amenable to selective underground mining methods. Exploration Target 1 is based on results from three step-out holes released November 12, 2012, and is estimated to contain up to an additional 31 to 62 Mt, grading 3.36 to 5.03 g/t 4PE, 0.26% to 0.38% Ni and 0.13% to 0.19% Cu over an area of 2.5 km². Exploration Target 2 surrounds the declared Mineral Resources and contains an estimated additional 50 to 220 Mt, grading 2.9 to 4.1 g/t 4PE, 0.24% to 0.32% Ni and 0.12% to 0.16% Cu over an area of 7.6 km². The tonnages and grades are based on intersections of mineralization in adjacent drill holes located within Inferred Mineral Resources.

These exploration targets are conceptual in nature and there has been insufficient exploration to define such exploration targets as Mineral Resources. It is uncertain if further exploration will result in these exploration targets being delineated as Mineral Resources.

Beyond these targets are ~ 37.5 km² of unexplored ground on the property under which the Platreef is projected to lie.

In the opinion of AMEC, there is excellent potential for the area underlain by "Flatreef" high-grade selective underground Mineral Resources to significantly increase with further step-out drilling to the southwest.

Development Program

A number of studies are in progress in support of an application by the Company to convert its prospecting right into a mining right during the second quarter of 2013. Ivanplats intends, subject to regulatory approvals, to commence the sinking of an exploration shaft during the second quarter of 2013.

Operations at the Platreef Project during the fourth quarter of 2012 and the first quarter of 2013 have primarily focused on the generation and compilation of the Mining Right Application. The Mining Right Application comprises of a number of different reports, including the Mine Works Program, Social and Labour Plan and the broad-based black economic empowerment structure. Ivanplats contemplates submitting its Mining Right Application to the DMR in the second quarter of 2013. A Bulk Sample Application, in which Ivanplats proposes to construct an exploration shaft on the property and take a bulk sample from the Flatreef zone, was filed in September 2012, and is awaiting approval.

As part of the filing, the Company is working with its advisors and regulatory authorities to ensure that it meets South African ownership requirements prescribed by the Mining Charter. Ivanplats is committed to the highest standards of community engagement and participation and intends to fashion the Platreef Project ownership structure in-line with a broad-based black economic empowerment model, with the major beneficiaries being local communities, employees and a trust for women and children in the Limpopo province.

Ivanplats received a Section 93 directive from the DMR during the fourth quarter of 2012, halting exploration activity (including drilling) at the Platreef Project site until such time as the Department of Rural Development and Land Reform has ratified Ivanplats' current community compensation agreements. The Department of Rural Development and Land Reform has issued the DMR with a compliance letter, indicating that the Company's compensation agreements are valid. Ivanplats has requested that the directive be lifted and the request is in the process of being reviewed by the DMR.

Work is complete on a Social and Labour Plan to address skills training and sustainable local economic development projects, which will be submitted as part of the Mining Right Application. Through an ongoing skills and business survey, more than 9,000 people have been interviewed to create a database of the available skills and skills needs in the area. Community information and liaison offices are being established.

Ivanplats has focused its recent development planning at the Platreef Project on an area that it refers to informally as Zone 1. This area occurs toward the north end of Turfspruit within the Flatreef portion of the Mineral Resources potentially amenable to selective underground mining methods. Zone 1 has similar grades to the higher grade mineralized zone potentially amenable to selective underground mining methods, but is attractive because mineralization occurs at relatively shallow depths (averaging 780 m in depth), and because the vertical thickness (of the combined 2 g/t and 3 g/t 3PE grade shells) is nominally 20 m to 30 m.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Platreef Project is located in a broad valley on flat terrain with a gradual westerly slope. There is very little topographic relief on the properties, however, to the east and west of the properties, semi-parallel, north-south-trending, high ridges flank the valley floor. A portion of the eastern ridge system trends onto Rietfontein, adjacent to Turfspruit. The elevation on the properties ranges from a maximum of about 1,140 m above sea level in northern Turfspruit to about 1,060 m above sea level on Macalacaskop. The land on the properties has been disturbed by settlements and subsistence farming. Some land has been allowed to lie fallow and is being reclaimed by bush, comprising shrubs and small trees.

Year-round access is by four-lane, paved, all-weather road from Johannesburg to Mokopane. From Mokopane the access continues as a two-lane, paved, all-weather national highway, which passes through the Platreef Project. Depending on the method of extraction, this highway may need to be re-aligned away from the footprint of any future open-pit. Access to drill sites and other areas within the Platreef Project is by gravel all-weather roads or by unpaved tracks. The closest railhead to the Platreef Project is in Mokopane, and the main line of the national railroad system passes approximately 6 km east of the Platreef Project.

The communities of Madiba and Tshamahansi are located within the Turfspruit, Macalacaskop and Rietfontein Farms, and cover a significant portion of AMK and ATS deposits. The Company contemplates that any mining operation would require community resettlement, with a relatively modest resettlement required for underground mining at the UMT deposit and a significant relocation required for open-pit mining at the AMK and/or ATS deposits.

The climate is semi-arid, with precipitation occurring as rain. The climate is such that mining operations can take place year-round. There is sufficient suitable land for any future tailings disposal, mine waste disposal, and installations such as a concentrator, smelter, and related mine infrastructure within the prospecting licences.

Electrical energy, telephone service, and other infrastructure components are available in Mokopane and are sufficient for exploration work. Large-scale infrastructure, such as high-voltage electrical lines and large volumes of water, are available for development or access at moderate distances. Eskom's new 4.3 gigawatt Medupi power station and a 400/132 kilovolt transmission substation are expected to adequately strengthen the local power network. Ivanplats has reviewed a number of options with respect to water. The Limpopo Province area is a scarce water resource area, and to date, the Company has not selected a preferred method of obtaining water. Ivanplats expects that the ultimate decision will depend on the scope of water requirements, with underground mining requiring less water than open-pit, and the results of proposed water development projects in the area currently in progress or under consideration. AMEC is of the opinion that there is a reasonable expectation that the water supply needs for any proposed project development can be met.

A large, unskilled labour force lives in nearby urban areas and can be trained for many job assignments. While skilled trade positions and professional staff are available within the region a majority will have to be recruited from outside of the immediate area. Adequate town-site facilities and infrastructure exist to support an influx of personnel. Housing may have to be constructed or subsidized for some positions.

Under South African law the holder of a prospecting right or mining right has a statutory right to use the land for prospecting and mining. Prior to commencing prospecting or mining operations on the land, the holder of the relevant right has an obligation to consult with the landowner or lawful occupier who is entitled to compensation for losses and damages suffered or likely to be suffered as a result of prospecting or mining. The MPRDA sets out a procedure if agreement on compensation cannot be reached which may include determination by arbitration or a competent court. The Turfspruit and Macalacaskop farms are owned by the South African government for the local communities who are the lawful occupiers.

History

During the 1970s, regional exploration was undertaken over the Platreef Project by Rustenberg Platinum Holdings Limited, a wholly-owned subsidiary of Anglo Platinum Limited, who completed several widely-spaced drill holes along the Platreef on Turfspruit and Macalacaskop. This drilling continued earlier work by the predecessor of Anglo American Platinum Corporation during the 1960s. No data from either of these programs are available to Ivanplats. Ivanplats acquired a prospecting permit for Macalacaskop and Turfspruit in February 1998, and subsequently entered into a joint venture with Atlatsa over Rietfontein in 2001.

Ivanplats completed a series of exploration programs and resource estimates covering the ATS and AMK deposits throughout the 2000s. A drilling program targeting deeper mineralization commenced in 2007 and is ongoing. It has resulted in discovery of the UMT deposit and in 2010, the Flatreef portion. In 2012 the Merensky Reef analogue was recognized.

Geology

Regional Geology

The Platreef Project is located within the northern limb of the Bushveld Complex, the worlds' largest layered intrusion (up to 7 km thick and over 60,000 km² in area) and host to approximately 75% of the worlds' primary platinum supply, in addition to being an important source of other PGEs, gold, and chrome. The Bushveld Complex is divided into four exposed sections, known as the eastern, western, northern, and southern limbs, which to a varying extent share a common geological framework. From base to top, an idealized Bushveld Complex section would include Marginal Zone, Lower Zone, Critical Zone, Main Zone, and Upper Zone. The majority of PGE production comes from the uppermost Critical

Zone in the eastern and western limbs, where narrow PGE-rich seams, the Merensky Reef and UG2, occur in association with chromitite stringers and coarse-grained ultramafic rocks (“pegmatoid”).

The Northern Limb Geology

The northern limb hosts the mineralization on the Platreef Project. The northern limb is north-south oriented, and has a sinuous strike length of about 110 km. It is structurally separated from the rest of the Bushveld Complex by east-northeast-trending faults. Similar to the eastern and western limbs, the northern limb can be divided into five zones: (i) the Marginal Zone, dominated by fine grained norites; (ii) the Lower Zone, dominated by harzburgites and pyroxenites; (iii) the Platreef, thought to be equivalent to the Critical Zone and dominated by pyroxenites and norites with lesser harzburgites; (iv) the Main Zone, dominated by gabbros and gabbro-norites; and (v) the Upper Zone, which includes ferrogabbros with variable amounts of magnetite. The geology of the lowermost part of the Bushveld Complex in the northern limb changes from south to north. In the south near Mokopane, the Lower Zone is locally developed and generally forms isolated intrusions, distinct from the rest of the Bushveld Complex, in the underlying country rocks. The Marginal Zone also is poorly developed, hence the Platreef typically forms the lowermost unit of the Bushveld Complex and is in contact with the underlying country rocks. From south to north over approximately 30 km, the Platreef lies on progressively lower (older) country rocks, transgressing downsection through metasedimentary rocks of the Transvaal Supergroup (southern sector) to lie on basement granite-gneiss of Archean age (central sector). Further north, the Platreef is absent, and rocks of the Main and Upper Zones lie on the basement (northern sector).

Platreef Project Geology

The Platreef comprises a variably layered, composite norite–pyroxenite–harzburgite intrusion that lies at the base of the Northern Limb of the Bushveld Complex, in contact with metasedimentary and granitic floor rocks. Within the Platreef Project area, four major cyclic units have been recognized which correlate well with the Upper Critical Zone rock sequence described for the main Bushveld Complex. The TCU, the main mineralized cyclic unit; is analogous to the Merensky Cyclic Unit that contains the Merensky anorthosite and pyroxenite; and hosts the principal mineralized reefs. Mineralization shows generally good continuity and is mostly confined to pegmatoidal orthopyroxenite and harzburgite. Other cyclic units that have been identified within the greater TCU are the Norite Cycles (1 and 2), Psuedo Reef, and UG2.

The TCU is particularly laterally continuous across large parts of the Platreef Project where a thick Merensky-reef analogue, coined the “Giant Pegmatoid Facies”, has been recognized. To date, no evidence of the existence of Lower Critical Zone lithologies have been found within the Turfspruit area, although Lower Zone mafic to ultramafic rocks have been intersected in many deep holes within the Platreef Project area.

A geographical demarcation of the Platreef Project area into five zones (Zone 1 to Zone 5) has been developed based on exploration criteria. Three distinct geological features are recognized within these zones including: (i) a double reef package informally termed the Bikkuri Reef; (ii) three different areas where Upper Critical Zone lithologies show significant thickening into what appear to be large depressions or “pothole” depressions controlled by existing pre-Bushveld fold structures; and (iii) the presence of a flat-lying portion of the TCU that is related to structural controls.

The most noticeable feature recognized within the TCU is a large depression, where significant thickening of the NC1 and the upper (T1) stratigraphic layer of the TCU occur, which contains a distinct thickening of the T1 feldspathic pyroxenite. A similar structure (only partly drilled) is present towards

the northwestern edge of Zone 1, where thickening of both the TCU as well as its footwall units appear to have occurred. A third depression occurs mainly in the Zone 2 area in the northern part of the Macalacaskop farm.

A further, unique, feature recognized within Zone 1 is the “Flatreef” portion of the Platreef, initially recognized as being flat-lying compared to the steeper-dipping reefs within the Open Pit (Zone 4) area. The horizontal appearance of the TCU within the “Flatreef” appears to be broadly controlled by pre-Bushveld fold structures that existed within the Transvaal Supergroup. The “Flatreef” in essence appears to contain better-mineralized T2 mafic to ultramafic units compared to the surrounding areas, where the T1m and T2 reefs occur in closer proximity to each other. Smaller potholes appear to be present within the “Flatreef” based on the distribution of T2 Lower olivine-bearing lithologies.

Detailed drilling in Zone 1 has shown three generations of strike slip and dip slip faults that disrupt the TCU up to several tens of metres. The TCU has been interpreted to be flat, with discontinuities in the structure contours resulting from more from faulting as compared to folding or basement topography.

Mineralization

Within the TCU, high-grade PGE–Ni–Cu mineralization is consistently hosted within an unconformable, non-cumulate, pegmatoidal, mafic to ultramafic sequence, commonly bound by chromitite stringers and containing coarse-grained to pegmatoidal sulphides; this is known as T2. The T2 pegmatoid is subdivided into an upper Pyroxenite unit (T2 Upper) and a lower olivine-bearing pyroxenitic or harzburgitic unit (T2 Lower). Overlaying this pegmatoidal package is a barren feldspathic pyroxenite unit of variable thickness, termed T1. A second mineralized zone, called T1m, of disseminated, medium- to coarse-grained sulphides, is perched near the top of the T1 feldspathic pyroxenite.

To assist in modeling PGE grades, Ivanplats’ geologists constructed a series of nested grade shells to help with constraining grade estimation with the TCU at the Platreef Project. The 1+2+3 g/t 3PE grade shell can be as much as 40 m in vertical thickness and averages 29.1 m in the Indicated Mineral Resource area and 23.6 m in the Inferred Mineral Resource area. In comparison the 2+3 g/t 3PE shell averages 24.3 m in the Indicated Mineral Resource area and 18 m in the Inferred Mineral Resource area and the 3 g/t 3PE shell averages 17.1 m in the Indicated Mineral Resource area and 12.9 m in the Inferred Mineral Resource area.

The apparent correlation between the TCU and Merensky Reef has important implications for future project development:

- the high-grade TCU can be geologically modelled using lithological boundaries, thereby aiding future mining activity which may be able to more efficiently target these high-grade zones;
- the presence of Merensky Reef-style PGE grades;
- higher Pt / Pd ratios; and
- the possibility of improved metallurgical response, including better concentrate grades and recoveries.

Exploration

During the period from 1999 to 2003, the Platreef Project exploration program was comprised of field mapping, geophysical surveys, limited trenching and percussion drilling, and culminated with diamond core drilling during 2001 to 2003. Petrographic, density and metallurgical studies were also completed.

There was a hiatus of exploration activity from 2004 to 2007. Drilling in the UMT deposit area recommenced in 2007 and is currently ongoing. Exploration programs have been performed by Ivanplats personnel (i.e. geological mapping, drill hole planning and logging) or contractors (i.e. drilling activities, and geophysical surveys).

Detailed geological outcrop mapping was completed in 2002 at 1:5,000 scale and was supported by trenching and percussion drilling in areas with no outcrop. Geochemical sampling of the initial trenches proved to be ineffective in delineating mineralization.

Geophysical survey methods included aeromagnetics, gravity and to a minor extent, electromagnetics and induced polarization. Airborne magnetic (helimag) data were acquired at a line spacing of 100 m with a nominal terrain clearance of 20 m. The magnetic data do not readily distinguish the Platreef from the underlying Transvaal Supergroup, but have sufficient resolution to aid in discriminating large structures. The magnetic data are being re-interpreted in light of UMT deposit drilling. Gravity surveys were executed on 100 m line spacing, with 50 m stations along lines. The interpretation of the gravity data in combination with the magnetic data has been successfully used to derive qualitative conclusions regarding the uniformity and continuity of the Platreef unit along strike and down-dip.

Ivanplats has also commissioned geotechnical studies using eleven exploration boreholes, hydrological studies for surface water and ground water and metallurgical studies.

AMEC is of the opinion that the exploration programs completed to date are appropriate to the style of the deposits within the Platreef Project.

Drilling

Drilling on the project has been undertaken in two major phases: one from 2001 to 2003, that focused on the ATS and AMK deposits, and one from 2007 that continues to date and focuses on the UMT deposit. Drilling was completed by diamond core using contract drill crews. Most holes at the AMK and ATS deposits were drilled with NQ2 (50.5 mm) and HQ (63.3 mm) core. At the UMT deposit, Ivanplats relied mostly on NQ (48 mm) and BQ (36 mm) diamond drill core.

2001 to 2003 (ATS and AMK) Drill Program (Phase I)

Exploration drill campaigns were completed in the ATS and AMK area from 2001 to 2003. A total of 555 drill holes (187,440 m) were completed. All holes at the AMK deposit are vertical, except for nine that are drilled at angles from 45° to 60°. Holes were drilled on a nominal 100 m x 100 m local grid that is oriented north-south. All holes at the ATS deposit were drilled vertically, except for three geotechnical holes that were drilled at 50° inclination. The drill hole spacing at the ATS deposit is approximately 120 m to 140 m with local infill to 75 m spacing. A cross pattern of 21 closely-spaced (30 m spacing) vertical drill holes was also drilled for geostatistical purposes, and was situated in the area likely to be mined in the initial years of an open-pit operation. An 'open-pit mining simulation' drill hole pattern (DTS holes) of 10 m x 10 m was completed at the ATS deposit. In November 2003, drilling was placed on hold at both the ATS and AMK deposits. This exploration phase delineated mineralization at the AMK and ATS deposits that could potentially be developed using open-pit mining methods.

Core recovery has been effectively 100% for nearly all bedrock intervals.

2007 to 2012 (UMT deposit) Drill Program (Phase II)

Deep drilling on the UMT deposit commenced April 2007 and is ongoing. As of the NI 43-101 data cut-off date of February 28, 2011, Ivanplats had completed 76 drill holes for a total of 98,824 m. These holes

have been located at an approximate 400 m spacing, with local infill to 400 x 200 m or 200 x 200 m spacing. The UMT deposit drill program has shown the Platreef extends to at least a depth of 1,525 m at Turfspruit.

In April 2011, Ivanplats initiated a drilling program to infill at a nominal 100 m x 100 m spacing a portion of the Flatreef now termed Zone 1. At its peak this program utilized 30 drill rigs and is believed to have been one of the largest drilling programs in Africa at the time. As of October 2012, a total of 399 parent holes (excluding wedges and deflections) had been drilled as part of the UMT program for a total of 429,657 m. Drilling was suspended in October 2012 and is yet to resume.

Sampling Method and Analysis

Sampling

In the Phase I drilling program, assay sampling began where observations indicated the top of bedrock. Prior to the fourth quarter of 2001, some Platreef drill intervals lacking visual mineralization were not submitted for assay. This practice was reviewed in 2002, and additional core intervals were subsequently sampled. Sampling was completed by Ivanplats employees at the Platreef Project offices in Mokopane. A sample length of 1 m was initially selected for efficient sample handling and preparation. In May 2003, the nominal sample length was increased to 2.5 m. Sample boundaries were marked on the drill core, and the core was sawn longitudinally in half. Ivanplats employees bagged the half-core intervals and assigned a drill hole identifier and sample number to each sample.

For the Phase II drill program conducted on the UMT deposit, assay sampling was initiated 5 m above the Platreef (in the Main Zone) and extended 20 m into the floor rocks. All core within the Platreef was assay sampled. Sample lengths were nominally 1 m, with a minimum sample length of 0.3 m and a maximum sample length of 1.25 m. Samples were broken at lithological boundaries. A photograph of each core box is taken. The photograph includes notations for box number, start and end depths, and the photographer's name. After photography, the core is transferred to the core sawing area, where the drill core is cut and sun dried.

Ivanplats also performed bulk density sampling during its drill programs.

Sample Preparation – ATS and AMK

Prior to May 2003, sample bags were transported by a private freight contractor to Set Point Laboratories in Johannesburg. After May 2003, sample preparation was completed at Set Point's new facility in Mokopane, and samples were delivered the same day they were loaded for transport.

Initial sample preparation by Set Point included crushing and pulverizing the entire sample to a nominal grind of 60% passing 200 mesh (75 µm) using a jaw crusher, a rolls crusher, and pulverizers. In March 2002, a more stringent grind of 90% passing 150 mesh (106 µm) was established, and the grind was closely monitored. These data were collected and maintained by Set Point and were reviewed by Ivanplats staff. In August 2002, a splitting step was introduced between the sample crushing and the final pulverization, and a criterion of 95% passing 10 mesh (1.7 mm) was specified. Compliance with the pulp-grind criterion was independently checked by Ultra Trace as part of a check assay program.

Sample Preparation – UMT deposit

After sampling, the UMT deposit samples are loaded on a truck and transported to Set Point in Mokopane for sample preparation. The samples are loaded in the presence of a supervisor and QA/QC

coordinator. The transportation department records the number of samples, sample numbers and date of delivery in a chain of custody book. The receiving personnel at the laboratory sign the chain of custody.

Samples are crushed to 10 mm using a crusher and milled to 1.7 mm using a mill. The samples are split in half using a riffle splitter. One split is packaged and returned to Platreef. The second split is milled to 90% passing 106 µm. A split of the pulp sample (± 200 g) is repacked for shipment to the assay laboratory. The remaining pulp is returned to Platreef. Repacked pulps are also ultimately returned to Platreef where they are placed in numerical order, standard and certified reference material samples are inserted into the sequence, and pulps are boxed for shipment to the assay laboratory.

Assaying

Until 2011, laboratories utilized for the Platreef Project include the primary laboratories Set Point Laboratories (Set Point; Johannesburg, RSA) and Ultra Trace Laboratory (Ultra Trace; Perth, Australia); the check laboratories Lakefield (Lakefield Johannesburg; Johannesburg, RSA) and Genalysis (Genalysis; Perth, Australia). Initially, samples were submitted to Set Point. When the capacity of Set Point was exceeded (2002), an increasing proportion of samples were submitted to Ultra Trace in Perth, Australia, after preparation at Set Point. After November 2002, all samples were submitted to Ultra Trace for analysis after sample preparation was completed at Set Point. In the third quarter of 2011, Ultra Trace could no longer accommodate all of the Platreef Project's greatly increased sample production. Some samples were therefore submitted to Genalysis and Set Point Laboratories, both in Johannesburg, and ALS Chemex in Vancouver. All of these listed laboratories were, and are, independent of Ivanplats.

Set Point analysis initially included gold, platinum, palladium, rhodium, copper, nickel, sulphur, chromium, cobalt, vanadium, rubidium, strontium, and scandium. Gold, platinum and palladium were assayed by fire assay with a lead collector. The dissolved bead was analysed by inductively-coupled plasma. Rhodium was determined in a separate fire assay utilizing a gold inquant. The other elements were determined by XRF analysis of a pressed pellet of sample pulp mixed with a binding agent. The sulphur and rhodium assays were discontinued in October 2002 due to their expense and believed limited usefulness at the time.

Ultra Trace performed a similar fire assay to determine gold, platinum and palladium. Ultra Trace did not assay for rhodium. Ultra Trace determined copper and nickel by multi-acid digestion sufficiently robust to provide dissolution of all minerals ("total" metal assay). Other metals were assayed by Ultra Trace by XRF using the same protocol as Set Point. In December 2002, the assay suite was reduced to gold, platinum, palladium, copper and nickel.

After May 2003, a separate protocol for oxidized samples was introduced. Nickel and copper were analysed via aqua regia (partial) digestion and standard "total" acid digestion. Fire assays are used to analyze gold, platinum and palladium.

During the drilling of the ATS and AMK deposits, a large number of samples were assayed for rhodium. Most of these returned a few tens of ppb rhodium, and Ivanplats discontinued assaying for it. In 2010, Ivanplats assayed samples for rhodium from four core holes and commenced routine sampling for rhodium in high-grade zones. Based on results from the ATS drilling, the 2010 rhodium assay sampling program found good correlation between rhodium and platinum, and rhodium and palladium, indicating the same population regardless of 3PGE grade. The average rhodium grade is 57 ppb within the 1 g/t 3PE grade shell, 77 ppb within the 2 g/t 3PE grade shell and 91 ppb within the 3 g/t 3PE grade shell.

Check assays were performed at Lakefield (Johannesburg) until June 2002. After June 2002, check assays were performed by Genalysis.

5% of drill sample pulps previously assayed by Ultra Trace were forwarded, along with blind CRMs and blanks, to Genalysis, who performed the same QA/QC suite, plus aqua regia digestions for nickel and copper.

Throughout the Phase I and Phase II drill programs, AMEC has repeatedly visited the project site and has regularly reviewed the sample chain of custody, quality assurance and control procedures, and qualifications of analytical laboratories. AMEC reported that the procedures and QA/QC are acceptable to support Mineral Resource estimation. AMEC also audited the assay database, core logging, and geological interpretations and found that these are acceptable to support Mineral Resource estimation.

Security of Samples

Sample security has relied upon the fact that the samples were always attended or locked in the on-site sample preparation facility. Chain of custody procedures consist of filling out sample submittal forms that are sent to the laboratory with sample shipments to make certain that all samples are received by the laboratory. AMEC concluded that sample storage procedures and storage areas are consistent with industry standards.

Metallurgical Testwork

Metallurgical Testwork – ATS and AMK

A large number of mineralized samples from the Platreef Project were collected for initial metallurgical test work at various times between October 2001 and June 2003. Based on the metallurgical flotation test work performed by G&T Metallurgical Services Ltd. in Kamloops, Canada, concentrator recovery formulae were developed for serpentinized and non-serpentinized mineralization. In 2004, Ivanplats contracted MDS/Mintek to complete a new series of metallurgical tests, including optical sorting characterization, and tests to support engineering studies. The overall performances between the earlier and 2004 testwork were found to be comparable for recovery and concentrate grade. In 2005, metallurgical flotation test work was performed to generate concentrate samples for hydrometallurgical test work.

The 2001-2005 test work comprised flotation tests (laboratory-scale batch cleaner, locked cycle, and kinetic), examination of flotation rougher and cleaner test concentrates, examination of grind size, mineralogy, characterization test work, modal studies, evaluation of optical sorting as a pre-concentration methodology, and flotation optimization alternatives. A further metallurgical test program was performed to assess the influence upon metallurgical response of changes in depressant addition, copper sulphate dosages, and variations in flotation feed grind sizes. Test work indicated that conventional milling and concentrating of mineralized material using sulphide flotation was feasible. Preliminary grade-recovery equations were prepared to predict the recoveries of different metals based on sulphide nickel grade.

A smelting flowsheet to treat flotation concentrate was developed, and results indicated that a green matte would not be an economic product and that off-gas capture to a sulphuric acid plant was necessary. A process to produce a magnetic PGE-rich matte and a non-magnetic base metal matte from the smelter converter matte was evaluated.

Metallurgical Testwork – UMT deposit

SGS performed metallurgical test work in 2008 and 2010. The test work on high-grade portions of the Platreef Project showed recoveries to concentrates of 63 to 67% Ni and 63 to 71% 3PE, with concentrate grades of 6.5 to 10.7% Ni and 56 to 75 g/t 3PE. These results show that a potentially saleable concentrate can be produced at reasonable metal recoveries.

In 2011 a new series of samples was collected from Zone 1 of the underground resource, and a new investigative program was commenced. The earlier metallurgical testwork outcomes for the open-pit mineralization were used as the starting point for the next phase of testwork on the underground mineralization.

This metallurgical testwork campaign has predominantly been conducted at XPS in Ontario, Canada. In August 2012 additional testing programs commenced at SGS Lakefield Oretest laboratory in Lakefield, Ontario and at Mintek laboratory in Johannesburg. The ultimate objective of all the flotation testwork is to maximize PGE and base metal recoveries into a saleable concentrate.

The XPS testwork is being carried out in three phases. Phase 1 consisted mainly of geometallurgical identification, establishing chemical analysis protocols and general material characterization and Phase 2 consisted of rougher and scavenger flotation optimization to maximize recovery of values. Phase 3, which is in progress, is aimed at achieving saleable concentrate grades through cleaner flotation development and optimization. The Lakefield and Mintek test programs are similar to XPS Phase 3 in that they aim to achieve saleable concentrate grades.

XPS Phase 3 results have not yet achieved the 80 g/t target 4PE concentrate grade in cleaning stages, which will be addressed once additional work has been done at Mintek.

Preliminary SGS Lakefield batch flotation testwork has achieved saleable concentrates grades of between 80 g/t and 150 g/t 3PE and with 5% to 6% Cu and 9% to 10% Ni. Recoveries of 3PE to these concentrates have ranged from 75% to 80% while nickel recoveries ranged from 60% to 65% and copper recoveries from 75% to 80%. Results from one locked cycle test achieved recoveries of 83% for 3PE, 70% for Ni and 83% for Cu at concentrate grades of 123 g/t 3PE, 8.7% Ni and 5.1% Cu. The Lakefield results show that saleable grade (>80 g/t 3PE) concentrates can be achieved with relative ease with Platreef mineralization. In addition, the grades of both copper and nickel in the concentrates are excellent, making this an attractive potential flash smelter feed.

Additional test work has been carried out at Mintek on samples selected using the new stratigraphic classification. Samples of the three identified geometallurgical units T1, T2U and T2L were tested individually and as blends. Two 6-cycle locked cycle tests were conducted on two blends, with one consisting of 50% T2U and 50% T2L and others consisting of 15%T1, 42.5%T2U and 42.5%T2L. The tests were carried out using a simple MF1 flowsheet with 3 stages of cleaning. Conditioning time prior to flotation appears to be an important factor which requires further investigation.

The results in terms of grades and recoveries are given in the table below. In both cases the blends performed well and a good saleable product was produced. The blend consisting of 15%T1, 42.5%T2U and 42.5%T2L is likely similar to the material that a plant at the Platreef Project would process in the early years of production.

Blends	Mass (%)	GRADE				RECOVERY			
		4PE (g/t)	Cu (%)	Ni (%)	Total S (%)	4PE (%)	Cu (%)	Ni (%)	Total S (%)
50% T2U : 50% T2L	3.07	126.57	6.71	11.35	19.73	83.79	86.88	69.40	55.99
12% T1 : 42.5% T2U : 42.5% T2L	3.23	119.19	5.92	10.75	23.34	85.21	86.76	73.62	75.03

KIPUSHI PROJECT

Property Description and Location

The Kipushi Project is a past-producing, high-grade underground zinc–copper mine in the Central African Copperbelt, in Katanga Province, 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. The Kipushi mine operated from 1924 until 1993 producing approximately 60 Mt at 11.03% Zn and 6.78% Cu including, from 1956 through 1978, approximately 12,673 tonnes of lead and 278 tonnes of germanium. Mining at Kipushi began as an open-pit operation but by 1926 had become an underground mine, working down to the 1150 mL. In 1993 the mine was put on care and maintenance due to a combination of economic and political factors.

Ivanplats and Gécamines own, respectively, 68% and 32% of the Kipushi Project, through their holdings in KICO, the mining rights holder. Ivanplats' interest in KICO was acquired in November 2011 and comprises mining rights for copper and cobalt as well as the underground workings and related infrastructure, inclusive of a series of vertical mine shafts. For a description of the purchase and sale agreement by which Ivanplats acquired its interest in the Kipushi Project and the terms and conditions of the joint venture with Gécamines, see “*Material Contracts – Kipushi Acquisition Agreement*” and “*Material Contracts – Kipushi Joint Venture Agreement*”.

KICO holds the exclusive right to engage in mining activities within the Kipushi Project area through a number of mining rights. Three of these rights are tailings exploitation permits (12234, 12349, and 12350) which are valid until January 24, 2016 and cover an area of 1,062 hectares. The fourth right is an exploitation permit (12434) valid until April 3, 2024 and covers 505 hectares. These permits are renewable under the terms of the DRC Mining Code.

Exploitation permit (12434) currently grants KICO the right to mine and process copper and cobalt from the Kipushi Project. On June 15, 2012, the Company submitted an application to CAMI, which resulted in the extension of the exploitation permit (12434) to the extraction and processing of zinc, silver, lead and germanium.

The tailings exploitation permit 12349 encroaches upon the perimeter of a permit held by Wentona Properties Limited (“**Wentona**”), in contravention of the DRC Mining Code. The Company has obtained written consent from Wentona to the overlap; however, in order to be in strict compliance with the DRC Mining Code, Ivanplats should obtain either a waiver or assignment of the overlapping portion of the permit held by Wentona.

The mineralization at the Kipushi Project may extend, at depth, beyond the DRC border into Zambia. KICO does not have an agreement with the Zambian government which would permit it to explore for or exploit any resources that may be in Zambia and the historical resource estimates presented for the Kipushi Project only make reference to those historical resources which lie within the DRC.

KICO holds only the subsurface mineral title to the property, which includes ownership of the underground workings as well as the various mine shafts and related infrastructure. Gécamines is the owner of the surface rights and surface infrastructure within the Kipushi Project site, including but not limited to: (i) the older concentrator at the Kipushi Project; (ii) the “new” concentrator at the Kipushi Project; (iii) the waste and tailings sites at the Kipushi Project; and (iv) the historical open-pit.

There are a number of surface related activities occurring on the land which constitutes the Kipushi Project, including the operation of the “new” concentrator, in which Ivanplats has no ownership or control.

The property was the subject of an environmental audit by the Ministry of Environment, Nature Conservation, and Tourism, in August 2011, who reported that all environmental obligations attached to the relevant licences had been discharged. The Company commissioned a summary environmental baseline study. This study was completed in August 2012 by Golder Associates. It serves as an “Environmental Snapshot” as to the state of the property when Ivanplats acquired the Kipushi Project in November 2011.

A number of payments are required to keep the exploitation permits in good standing. Two fees levied annually are based on the number of quadrangles held by permit type (surface rights fee) and on the surface area held under permits (land tax), as set out in the DRC Mining Code. In addition, pursuant to the Kipushi Joint Venture Agreement, KICO is required to pay to Gécamines a net turnover royalty of 2.5%, which, until the “social loan” as defined in the Kipushi Joint Venture Agreement has been repaid in full (including accrued interest), is payable by way of offset against amounts owed by Gécamines under the social loan.

Historical Resource Estimation

Historical resource estimates below the 1150 mL were established through Gécamines’ core drilling and limited underground sampling. The authors of the Kipushi Technical Report concluded that the drill section spacing at 15 m intervals along the Kipushi Project fault zone was adequate for resource definition considering the strength of the mineralization continuity, however they could not determine the reliability of Gécamines’ exploration methodology since no rigorous internal or external check assaying procedures were used and not all the core was retained.

Historically, Gécamines was principally interested in the copper content of the Kipushi deposit, and not its zinc content. This explains why it used the following cut-off grade factors, based on 1970’s copper and zinc prices in determining ore and waste:

- Ore: copper > 2% or zinc > 14%
- Low grade: 1% < copper < 2% or 7% < zinc < 14%
- Waste: copper < 1% and zinc < 7%

By using this cut-off grade formula, material grading 2% Cu and 0% Zn would be considered to be ore, whereas material grading 1.9% Cu and 13.9% Zn would not. Low-grade ore, as defined above, was only mined when it occurred within an ore grade intersection. The grade categories were outlined on level plans. These cut-off grade factors were apparently not revised for years, despite changing metal prices. In the opinion of the authors of the Kipushi Technical Report, if zinc as well as copper is to be mined and concentrates produced by flotation, then this method of defining resource grades would need to be radically changed.

Three historical resource estimates are available on the Kipushi Project: (i) Gécamines (undated); (ii) Watts, Griffiths and McOuat Limited in 1996; and (iii) Techpro Mining and Metallurgy (“**Techpro**”) in 1997. All were based on Gécamines’ drilling and production information, and utilized Gécamines’ historical cut-off grades. The authors of the Kipushi Technical Report have not prepared their own estimate but are of the opinion, based on the information provided, that the 1997 Techpro estimate is generally fair and reasonable for the demonstrated (Measured plus Indicated) Mineral Resource estimation. They are also of the opinion that the inferred mineral resource estimates largely represent the projection of the Kipushi Project fault zone mineralization from the 1500 mL to the 1800 mL. Below are the Techpro historical resource estimates:

Historical Resource Estimate

Resource Category ⁽¹⁾	Tonnage	% Cu	% Zn
Measured (to 1295 mL)	8,899,979	2.53	9.99
Indicated (1295-1500 mL)	8,029,127	2.09	24.21
Total⁽²⁾	16,929,106	2.32	16.76
Including Big Zinc Measured	793,086	1.16	33.52
Including Big Zinc Indicated	3,918,366	0.68	39.57
Total Big Zinc⁽²⁾	4,711,452	0.76	38.55
Inferred (1500-1800 mL)	9,046,352	1.93	23.32

Notes:

(1) Prepared by Techpro, 1997.

(2) Historical resource estimates presented are inclusive of the historical resource estimates attributable to the Big Zinc zone.

Included in this historical resource estimate are resources within the Big Zinc zone which total 4.7 Mt grading 38.6% Zn. Gécamines discovered the Big Zinc zone of mineralization prior to placing the mine on care and maintenance in 1993. This previously unmined zone occurs between the 1200 and 1550 mL with approximate dimensions of 100 m strike length by 40-80 m width by > 300 m plunge length, and remains poorly explored at depth. Several exploration holes, drilled from difficult angles, confirmed the continuation of the Big Zinc zone below the 1640 mL, but there was insufficient drilling to declare Indicated Mineral Resources. The Company intends to focus its underground drilling program on defining and expanding this zone.

The historical resource estimate presented as an “Inferred Mineral Resource” largely represent the projection of the Kipushi Project fault mineralization from the 1500 mL to the 1800 mL.

The authors of the Kipushi Technical Report are of the opinion that sufficient work has not been done to classify the historical resource estimates as current Mineral Resource Estimates, and Ivanplats is not treating this historical estimate as a current Mineral Resource. The estimate was prepared in accordance with the JORC code, but a similar historical resource estimate would be reported using CIM guidelines.

Ivanplats will need to validate Gécamines’ previous work, by conducting new drilling, sampling, assaying, density determinations and other procedures in order to produce a mineral resource for the Kipushi Project that is current and CIM compliant. A Feasibility Study will also be necessary in order to determine whether these mineral resources are economic to mine.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access to the Kipushi Project from the provincial capital and nearest major urban centre, Lubumbashi, is by paved road with some stretches of the road being under repair. The closest public airport to the Kipushi Project is at Lubumbashi where there are domestic, regional and international scheduled flights. A link with the Zambian railway system also provides access to the ports of Dar-es-Salaam in Tanzania, Maputo in Mozambique, and Durban in South Africa. At present much of the production from mines located in Katanga Province is transported by road to South Africa via Zambia.

The town of Kipushi lies within the licence area and near the mine’s infrastructure and underground access. A large proportion of the local population was employed at the mine until the suspension of mining operations in 1993. A number of mine personnel have been kept on to keep the mine de-watered and secure and many of these people still live in the area. As of December 31, 2012, Gécamines employed approximately 300 people from the local community who work on the property and whose salary is paid by Gécamines and reimbursed by KICO. This reimbursement arrangement with Gécamines is expected to end shortly and KICO will begin employing those former Gécamines employees directly.

The climate is tropical with an average daytime temperature of about 27°C and annual average rainfall of about 1,100 mm. The Kipushi Project area has distinct climatic variation between the wet (November to April) and dry (May to October) seasons. Historical mining operations at the Kipushi Project operated year-round, and it is expected that any future mining activities at the Kipushi Project would also be able to be operated on a year-round basis.

There is a significant amount of underground infrastructure at the Kipushi Project owned by KICO, including a series of vertical mine shafts and associated head frames to various depths as well as underground mine excavations. The newest mine shaft (the “**Number 5 Shaft**”) is 1,240 m deep with a lowest operating level at the 1200 mL. It provides the primary access to the lower levels of the mine and the bulk of the historical resources, including the Big Zinc zone. It has three independent friction hoists, and all compartments remain operational. The condition of the facility is fair, but will require a refurbishment program to bring the whole mine shaft to a working standard. The Number 5 Shaft is approximately 1.5 km from the main mining zone. There are a series of crosscuts and ventilation infrastructure that is still in working condition. The underground infrastructure also includes a series of pumps. Until 2011 the pumps de-watered down to a pump station at the 1206 mL. This station failed in 2011, and since that time de-watering has been restricted to operations on the 850 mL. KICO has installed new pumps at the 850 mL. The Company is dewatering the lower levels, and the current objective is to dewater down to the 1250 mL, and re-establish underground services to the 1150 mL main haulage and drilling stations on the 1132 mL and 1272 mL. As at March 16, 2013, the Company had dewatered to the 987 mL.

The property also hosts surface mining and processing infrastructure, including an older and a newer concentrator, offices, workshops, housing, and a connection to the national power grid. Electricity is supplied by the state power company of the DRC, SNEL, using two transmission lines from Lubumbashi. There are pylons in place for a third line. All of the surface infrastructure is owned by Gécamines, which has contracted use of the “new” concentrator on site to a third party.

The bulk of the historical resources, and exploration potential, lie adjacent to or below the 1150 mL main haulage, which can be accessed from the Number 5 Shaft. This shaft has provided the main access to the deposit since suspension of production and remains operational above the water line. Hanging wall drill stations are present on the 1132 mL and 1272 mL, and an underground decline is developed in the footwall to a depth of 1,327 m. The re-establishment of operations at the Kipushi Project would require refurbishment of underground access via the Number 5 Shaft, and construction of new processing and disposal facilities. Process water for any planned mining operation could be obtained from the underground pumping operations.

The topography around the Kipushi Project is gently undulating with some shallow valleys created by small streams. The major valley is that of the Kafubu River. The Kipushi Project area lies at an altitude of approximately 1,350 m above sea level. The vegetation in the area consists of forest and savannah.

Surface rights (which are distinct from mining rights), for the Kipushi Project are held by Gécamines. KICO, as holder of the exploitation permit, has, subject to the applicable approvals, authorizations and the payment of any requisite compensation, the right to occupy that portion of the surface as is within the exploitation permit area and which is necessary for mining and associated industrial activities, including the construction of industrial plants and the establishment of a means of communication and transport.

In order to access the surface infrastructure, KICO has entered into a rental contract with an affiliate of Gécamines pursuant to which KICO will be required to pay rental fees of \$100,000 per month when production at the Kipushi Project commences in exchange for the exclusive right to use the surface infrastructure held by Gécamines.

Ownership

The Kipushi deposit was discovered in 1915. It was put into production in 1924, as the Prince Leopold Mine by a Belgian company, Union Minière du Haut Katanga (“**Union Minière**”). Union Minière operated the mine for 42 years. In 1967, with the formation of the state-owned mining company, Gécamines, the Prince Leopold mine was nationalized following which it was operated as the Kipushi mine by Gécamines. Production continued under Gécamines until 1993, when, due to a combination of economic and political factors, the mine was put on care and maintenance.

Following an open bidding process in October 2006, United Resources AG commenced negotiations with Gécamines which resulted in the February 2007 joint venture agreement (the “**Kipushi Joint Venture Agreement**”) and the creation of the joint venture company, KICO. The Kipushi Joint Venture Agreement was novated to the Kipushi Vendor by United Resources AG via a novation act in May 2008 and Kipushi Vendor replaced United Resources AG as a party to the Kipushi Joint Venture Agreement.

In November 2011, Ivanplats acquired 68% of the issued share capital of KICO through Ivanhoe DRC, from the Kipushi Vendor, pursuant to the Kipushi Acquisition Agreement the result of which the Kipushi Vendor transferred all of its rights and obligations under the Kipushi Joint Venture Agreement to Ivanplats.

Historical Production and Exploration

From 1926 to 1993 production from the mine was approximately 60 Mt of ore at a grade of 11.03% Zn and 6.78% Cu, including from 1956 through 1978 12,673 tonnes of lead and approximately 278 tonnes of germanium. In addition, Gécamines reported that germanium and lead concentrates were produced, although not continuously.

Resources below 1150 mL have been largely established through the drilling of about 200 cored boreholes from two drill drives located in the hanging wall of the deposit at 1132 mL and 1272 mL. The Big Zinc zone was intersected by 84 of these holes. There has also been some underground sampling between 1150 mL and 1295 mL. Gécamines carried out all of this work prior to 1993.

The Kipushi Project fault zone mineralization has been traced by exploration drilling to the 1800 mL. The Big Zinc zone extends to approximately 1550 mL. The presence of mineralization in four holes drilled at steeply inclined angles, sub-parallel to the mineralization, down to the 1640 mL enabled the hypothetical projection of the Big Zinc zone to the 1800 mL.

Geological Setting

Regional Geology

The Kipushi deposit occurs within the Central African Copperbelt, a 520 km-long and 50 km-wide arcuate belt covering southeast DRC (Katanga Province) and northern Zambia. It lies within the Lufilian arc, a Pan-African fold and thrust belt containing Neoproterozoic metasedimentary and metavolcanic rocks of the Katanga Supergroup. The Katanga Supergroup is subdivided from bottom to top into the Roan, Nguba, and Kundelungu Groups.

Local and Property Geology

The Kipushi deposit occurs along the northern flank of a northwest trending anticline, where it is dislocated by the north-trending Kipushi fault. The Kipushi Project mineralization occurs within and in the footwall of the fault, which juxtaposes hanging wall, unmineralized breccias of the anticline core

with a footwall sequence of east-west striking, steeply north-dipping, and northward-younging dolomites, siltstones and shales of the Kakontwe Dolomite and Série Récurrente (siltstones and shales) of the Nguba Group.

Exploration

Ivanplats has not carried out any exploration on the Kipushi Project.

Mineralization

Mineralization at the Kipushi Project occurs mainly within the Kipushi fault and its footwall over a strike length of 600 m, is 10-60 m thick and dips at 70° to the north-west. The deposit is crudely zoned from copper-rich and near-surface in the north to zinc-rich and at depth in the south. Copper mineralization is mainly located in the Série Récurrente, mixed mineralization of copper, lead, and zinc are mainly hosted by the Upper Kakontwe Dolomite, and zinc mineralization occurs in the Lower and Middle Kakontwe Dolomites.

Two sphalerite-rich pipe-shaped deposits occur in the footwall of the Kipushi fault, in the Kakontwe Dolomite, and extend up to 100 m from the fault. The largest of these deposits, called the Big Zinc zone, has an average grade of 39% Zn.

Drilling

Ivanplats has not carried out any drilling on the Kipushi Project.

The historical resource estimates described in the Kipushi Technical Report were based on underground drilling conducted by Gécamines, mainly from drilling stations in the hanging wall of the Kipushi fault on the 1132 mL and 1272 mL. Drilling on each level consisted of a fan of four to seven declined holes located on each of the mine transverse sections. The sections are odd-numbered in the northern half of the mine, and even-numbered in the south. The sections and drill fans had a strike spacing of 15 m along the Kipushi fault and 12.5 m apart for the Série Récurrente. The angle between the holes was +/- 15°. Drilling from the 1132 mL has been over the strike length of the deposit. Drilling has been completed from the 1272 level drill drive along the Kipushi fault zone from Section 0 to 19 and along a 285 m strike length, including a 100 to 130 m strike length in the vicinity of the footwall of the Big Zinc zone. Further northeast along the Kipushi fault zone drilling from the same level has been partially completed along a 30 m strike length between Sections 21 to 23.

Gécamines' drilling department historically carried out the drilling. When a drill hole was completed, its collar and down-the-hole deviations were recorded. A complete set of drill logs, assays and collar surveys for the Big Zinc zone drilling campaign is available. Data from earlier drilling is incomplete. However, after some discussion with Gécamines, the authors of the Kipushi Technical Report concluded that approximately half of the missing data could still be retrieved on site, with the remainder of materials possibly being available at the Gécamines laboratory or at the Gécamines Geological Department in Likasi.

Techpro designed a computerized database for all drill hole data, with the results being encoded by a local DRC team. This database incorporated the information contained in the drill log sheets as follows: (i) drill hole number; (ii) collar position, direction (azimuth), inclination, length, core recovery, date of completion, remarks; (iii) assay results for arsenic, copper, lead, zinc, sulphur and iron; (iv) geological log, by means of simple codes; (v) mineralogical log, by means of codes; (vi) down-the-hole survey data; and (vii) hydrological data.

The Techpro established database, which includes data from 762 holes drilled at the Kipushi deposit, showed that the average length of all holes was 122 m with an average core recovery of 84%. Of these approximately 200 holes were drilled at or below the 1150 mL and had an average drill hole length of 160 m and core recovery of 89%. Mineralization, believed to form part of the Big Zinc zone, was intersected by 84 of these holes. The average length of all core samples sent for analysis (nearly 7,500 samples) was 3.44 m.

Sampling and Analysis

Gécamines collected and maintained approximately 7,500 samples, all of which were submitted for analysis to its laboratory in Lubumbashi. Cores had a diameter of 30-70 mm. The core sampling and sample preparation procedures were reported as follows: (i) the cores were sawn in half; (ii) the cores, with an average length of 3.44 m, were divided into three categories (copper-copper/zinc, zinc, and copper-lead-zinc) and sampled; (iii) waste material was not sampled; (iv) remaining core was replaced and stored; and (v) aggregated half core samples were sent to the Gécamines laboratory for crushing, splitting, milling, and sieving.

Gécamines prepared half-core samples in the following sequence: (i) jaw and cylinder crush to <5 mm; (ii) split samples, mechanically and manually; (iii) mill; (iv) sieve tray; and (v) mill to 100% <100 mesh.

To analyze the samples, portions were dissolved and analyzed by atomic absorption spectrophotometer for copper, lead, zinc, arsenic, sulphur and iron. Results were reported in percentages. The laboratory then made composite samples of grouped categories, analyzing them for germanium, cobalt, silver, cadmium, and rhenium, and reported results in ppm.

No independent samples were taken and the existing geological database was not independently modelled. It is not known whether the Gécamines laboratory was certified by standards or associations.

Security of Samples

Historically the sample chain of custody could be expected to be good as the samples did not leave the site and were assayed at the Gécamines laboratory. The split mineralized core material was retained on site in a core storage building. The rejects and pulps were also stored but over the years many were destroyed or lost.

Gécamines did not carry out routine check assaying. Check assays were only carried out when visual grade estimates did not correspond with the laboratory results. Gécamines protocol for internal check sampling is unknown and there was no check assaying or sampling by an independent external laboratory.

Mineral Resource and Mineral Reserve Estimates

There are no currently estimated Mineral Resources or Mineral Reserves.

Exploration and Development

Ivanplats has assigned technical and administrative staff to the Kipushi Project. A program is underway to de-water the lowest levels of the mine and refurbish the underground infrastructure such that the Company will then be able to conduct underground exploration. The Company plans to refurbish the existing mine shaft infrastructure and de-water the mine to the 1250 mL by the third quarter of 2013. The Company then plans to undertake an exploration program to confirm historical resource estimates, particularly those in the Big Zinc zone, and to test extensions to mineralization with a view to rapidly

advancing a mine development analysis. Current geological activities include re-logging of historical drill cores, resampling and re-assaying of a selected representative proportion of drill cores through the lower, unmined portions of the deposit, focusing on the Big Zinc, and preliminary modeling of the unmined portions of the deposit.

OTHER PROJECTS

DRC Regional Exploration

In addition to the permits covering the Kamao Project and the Kipushi Project, Ivanplats currently holds more than 9,000 km² of exploration permits in Katanga Province, around the perimeter of the historical limits of the Central African Copperbelt. These permits are in all major geological provinces within Katanga Province and are prospective for a number of different types of base metal deposits, including Kamao, Mines Subgroup, and Zambian-type stratiform copper and copper-cobalt deposits, Kipushi-type zinc-copper-lead-silver-germanium deposits, Kansanshi-type copper-gold deposits and basement-hosted copper deposits. The permits in the Lufupa region are considered prospective for diamond-bearing kimberlites.

Fifty permits were originally granted in 2003 and 2005 covering an area of almost 20,000 km². The permits have been through the first of two stages of renewal, which required dropping 50% of the original permit area. A second renewal, which will result in another 50% permit area reduction, comes due in November 2013 and 2015, after which Ivanplats will have five years of tenure remaining on these exploration permits.

Exploration has been ongoing since 2004 and has resulted in the discovery and evaluation of numerous other copper, copper-cobalt, copper-silver, and zinc-lead prospects. Work to date has comprised geochemical sampling, airborne magnetic and radiometric surveys, mapping, prospecting, pitting, trenching, air core, RC and diamond drilling. Field activities are conducted during the May-October dry season.

The Company plans to run field programs in all licence areas in 2013. Drilling programs are planned within the FTB, Nzilo, Lufupa, and Lufupa SE areas, aggregating 5,000 to 10,000m.

South Africa

Ivanplats' exploration program in South Africa, other than work at the Platreef Project, consists of diamond exploration, conducted by its wholly-owned subsidiary African Consolidated Mineral Exploration (Proprietary) Limited ("ACME"). ACME currently holds six exploration permits in Limpopo Province which expire in 2013. No exploration activities were conducted in 2012, and Ivanplats is in the process of submitting closure documentation for the remaining permits.

Ivanplats also has a 25% indirect interest in the RK1 Consortium, an unincorporated joint venture, the remainder of which is held 50% by Aquarius Platinum Limited and 25% by Sylvania Resources Limited, operating at the Aquarius Kroondaal platinum mine on the western limb of the Bushveld Complex in South Africa's North West Province. The RK1 Consortium is managed and operated by a subsidiary of Aquarius Platinum Limited and processes PGE bearing tailings dumps and tailing streams of neighbouring chromite mines in the Kroondal area at its chromite tailings retreatment plant ("CTR"). In 2012, the CTRP produced 3,798 3PGE ounces, resulting in a share of loss in the joint venture of \$0.1 million. In 2011, the CTRP produced 3,496 3PGE ounces but incurred a pre-tax loss of \$0.8 million. In 2010, the Company assessed an impairment charge on its entire investment in the RK1 Consortium, mainly as a result of an inability of the RK1 Consortium to secure adequate feed tonnage. Ivanplats is exploring potential options with respect to its interest in the RK1 Consortium.

Gabon

Ivanplats obtained exploration rights to two properties in Gabon during late 2010 and early 2011 referred to as Makokou and Ndangui. These permits both cover Archaean greenstone belts in central Gabon and have demonstrated untested soil anomalies. Both permits are valid for a period of three years and are for the exploration of gold. A drilling and geophysics program is planned for mid 2013 to investigate soil and auger drilling results.

Australia

The Company owns 100% of the issued capital of Ivanplats Syerston Pty Ltd. which has tenements in New South Wales upon which the Syerston lateritic nickel project (“**Syerston Project**”) is located. The Syerston Project is a development stage project hosting mainly nickel and cobalt mineralization that was subjected to an internal study in 2000. In September 2005, Ivanplats completed an updated internal study in order to establish the financial viability of the Syerston Project under then-prevailing market conditions. As a result of significant increases in proposed capital and operating costs, the Company determined that the Syerston Project was not economically attractive at that time.

The Company continues to monitor technological advances and to investigate alternative nickel processing options, including those proposed by potential partners, which could make the Syerston Project commercially viable under prevailing and anticipated economic conditions.

Employees

As of the date of this AIF, the Company had approximately 686 employees. Approximately 33% of the Company’s work force is unionized.

Foreign Operations

The Company is currently focused on the Projects, all of which are located outside of Canada and constitute foreign operations. The Company’s performance and financial outlook is, and will remain for the foreseeable future, strongly correlated with the Projects.

Social and Environmental Policies

The Company has adopted a Corporate Citizenship Statement of Values and Responsibilities that reflects the obligations and partnerships that accompany the various permissions the Company has to operate in countries and communities with divergent degrees of economic development. The Corporate Citizenship Statement of Values and Responsibilities puts a priority on: (i) compliance with established laws and regulations; (ii) respect for cultures and customs; (iii) identification and management of risks; (iv) responsive and effective management of social and environmental impacts; and (v) open and transparent communication and co-operation through trust-based relationships between the Company and all of its stakeholders.

In the case of the Company’s environmental obligations, the Corporate Citizenship Statement of Values and Responsibilities provides that: (i) the potential impacts of field activities are to be considered in advance of operations; (ii) appropriate prevention and mitigation measures are to be evaluated and implemented; (iii) with respect to mineral development projects, extensive studies are to be completed to establish environmental and social baseline data and to plan to avoid or minimize potential impacts; and (iv) essential wildlife habitat is to be maintained.

Risk Factors

An investment in the Common Shares should be considered highly speculative due to the nature of the Company's business and its early stage of development. Investments in mineral exploration and development issuers, such as the Company, involve a significant degree of risk. The exploration and development of the Projects is highly speculative, characterized by significant inherent risk and may not be successful. Ivanplats' mineral projects are in the exploration and pre-development stage, do not contain any Mineral Reserves, are without historic or current production (other than historical production at the Kipushi Project by third parties), and are located in states which are subject to higher political risks and instabilities than comparable projects in other countries. Metal prices are also subject to significant volatility, which affects the economic viability of the Projects. Anyone investing in the Company must rely on the ability, expertise, judgement, discretion, integrity and good faith of the management of the Company. There is no guarantee that Ivanplats will be able to secure financing to meet the future development needs of its mineral projects.

The risks and uncertainties described below are not the only risks and uncertainties that the Company faces. Additional risks and uncertainties of which the Company is not aware or that the Company currently believes to be immaterial may also adversely affect the Company's business, financial condition, results of operations or prospects. If any of the possible events described below occur, the Company's business, financial condition, results of operations or prospects could be materially and adversely affected.

This AIF also contains forward-looking statements that involve risks and uncertainties. The Company's actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including the risks described below and elsewhere in this AIF. See "*Forward Looking Statements.*"

The Company has not yet demonstrated the economic feasibility of any of its Projects.

The Company has not completed pre-feasibility or feasibility level work and analysis that would allow it to declare Proven or Probable Mineral Reserves at any of the Projects, and no assurance can be given that the Company will ever be in a position to declare a Proven or Probable Mineral Reserve on any one or more of its mineral projects. While a Preliminary Economic Assessment of its Kamao Project has been prepared, it is an early stage estimate that does not have sufficient certainty to constitute a Pre-Feasibility Study or a Feasibility Study, and thereby enable the Company to declare Mineral Reserves. In particular, the Kamao Project Preliminary Economic Assessment contains the Company's estimated capital costs and operating costs which are based upon anticipated tonnage and grades of metal to be mined and processed, the expected recovery rates and other factors, none of which have been completed to date to a Pre-Feasibility Study or a Feasibility Study level. Whether the Company completes Feasibility Studies on any one or more of the Projects and thereby delineates Proven or Probable Mineral Reserves depends on a number of factors, including: (i) the particular attributes of the deposit (including its size, grade, geological formation and proximity to infrastructure); (ii) metal prices, which are highly cyclical; (iii) government regulations (including regulations relating to taxes, royalties, land tenure, land use and permitting); and (iv) environmental protection considerations. The Company cannot determine at this time whether any of these estimates will ultimately be correct or that the Projects will prove to be economically viable. Therefore, it is possible that Mineral Reserves will never be identified at the Projects, which would inhibit Ivanplats' ability to develop the Projects into commercial mining operations, and in turn would have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

The development of the Projects into commercially viable mines cannot be assured.

Even if a Feasibility Study delineating Proven or Probable Mineral Reserves is produced for one or more of the Projects, those Projects may not be successfully developed for commercial, technical, political, regulatory or financial reasons. Notwithstanding demonstrated feasibility, the Company's ability to complete development work and commence commercial mining operations at the Projects and market its products will depend upon numerous factors, many of which are beyond its control, including the adequacy of infrastructure, geological characteristics, metallurgical characteristics of the ore, the availability of processing and smelting capacity, the availability of storage capacity, the supply of and demand for copper, nickel, platinum, palladium, zinc and other metals, the availability of equipment and facilities necessary to complete development, the cost of consumables and mining and processing equipment, technological and engineering problems, accidents or acts of sabotage or terrorism, currency fluctuations, changes in regulations, the availability and productivity of skilled labour, the regulation of the mining industry by various levels of governmental agencies and political factors. Furthermore, significant cost over-runs in any future development could make the Projects uneconomic. Accordingly, notwithstanding the positive results of one or more Feasibility Studies on the Projects, there is a risk that the Company would be unable to complete development and commence commercial mining operations at one or more of the Projects which would have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

The Company must develop significant infrastructure at its Projects in order to commence development and mining operations.

The Company's future development depends on adequate infrastructure. In particular, reliable power sources, water supply, transportation and surface facilities are key determinants that are needed to develop a mine. Each Project requires the construction of substantial infrastructure to commence and to sustain mining operations. Failure to address these infrastructure requirements could affect the Company's ability to commence or continue production at one or more of the Projects and could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Infrastructure inputs applicable to the Projects that will require particular consideration include the following:

Power. While the Company believes there will be sufficient power available at the Platreef Project, it will need to develop or access newly constructed or refurbished sources of power in order to conduct commercial mining operations at each of the Kamoia Project and the Kipushi Project. The Company has investigated potential sources of such power, and entered into a memorandum of understanding, a pre-financing agreement and an administration agreement with SNEL, which contemplates the provision of sufficient power to operate the Kamoia Project at the current mine plan rate. However, there can be no assurance that the agreements with SNEL will lead to the development of sufficient quantities of power or any third party power supplies under consideration will be developed in the future or, if developed, will be made available for use by the Company in sufficient quantities to allow it to produce at contemplated production rates. In addition, Ivanplats will also need to secure other long term sources of power to meet the requirements of any expanded mine plans for the Kamoia Project. Any power generation source will need to be accommodated by transmission lines, some portion of the costs of which may be borne by the Company.

Water. While water sources are abundant in the DRC and investigations to date indicate that there are multiple potential sources of water supply, the Platreef Project is located in a scarce water area. There is a risk that the Company will not be able to secure sufficient sources and quantities of water, particularly at the Platreef Project, where the Company will need to secure an interest in or water access rights from

forthcoming water development projects. The means of such access includes securing the commercial entitlement to the water source, developing the infrastructure to transport it to the Platreef Project and obtaining necessary government and regulatory permits. There can be no assurance that any third party water development projects under consideration will be developed in the future or, if developed, will be made available for use by the Company in sufficient quantities to allow it to commence and sustain commercial mining operations. In addition, in South Africa, where the Platreef Project is located, the National Water Authority imposed a new regime on the use of water resources and requires a water licence for all water uses. All mining operations require an integrated water use licence for all new water uses and a detailed study of the water balance in the area must precede an application for a licence. There is a risk that the Company will be unable to obtain a water use licence for the Platreef Project or that the Company may not be able to develop the infrastructure required to transport water subject to a water use licence on an economically viable basis.

Transportation. Transportation infrastructure in the DRC is poor. At both the Kamoia Project and the Kipushi Project, the Company would benefit from access to better transportation infrastructure to move equipment and facilities during development work and to transport operating inputs and mineral products during commercial operations. The Company is investigating options for improved transportation, but any such options would likely require significant capital expenditures, development in partnership with third parties and governments and regulatory permits. There can be no assurance that the Company will be able to access improved transportation infrastructure for mine development or commercial operations, and the failure to do so could have a materially adverse effect on the ability of the Company to efficiently develop and/or operate either of the Kamoia Project or the Kipushi Project.

Surface Facilities. The Platreef Project is located among a number of communities. Although the area of the UMT deposit is largely free from development, Ivanplats will need to secure a suitable location to establish surface facilities necessary to mine and process, including processing plants and tailings facilities. It may be necessary for Ivanplats to acquire new surface rights on adjacent properties or to effect the relocation of a portion of the local communities to construct this infrastructure in order to ensure the commercial viability of the Platreef Project. It may not be possible to acquire such an interest or effect such a relocation in a timely or cost effective manner, which could have a material adverse effect on the development of the Platreef Project.

In addition, unusual or infrequent weather phenomena, government regulations, sabotage or terrorism or other interference in the provision or maintenance of such infrastructure, could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

The Company will require approvals, licences and permits that it currently does not have in order to continue its development activities, and if deemed viable, commence mining operations.

Prior to commencing significant development work and conducting commercial operations on its Projects, the Company will require approvals, licences and permits from various governmental authorities in both the DRC and South Africa. These approvals, licences and permits relate to, amongst others, the following: (i) mining and exploitation rights; (ii) water use rights; (iii) maintenance of title; (iv) employees; (v) health and safety; and (vi) repatriation of capital and exchange controls.

Even though the Kamoia Exploitation Licences have been granted, under the DRC Mining Code, once mining rights are granted the holder must begin development and construction of mining operations within a period of three years from the date of issuance of the licences and make annual payments of the associated surface rights fees, failing which a holder may lose its mining rights.

At the Platreef Project, Ivanplats must submit an application for a mining right under the laws of South Africa by May 31, 2014. There are numerous conditions that must be met in order to effect the granting of a mining right, including demonstrated environmental viability through an Environmental Management Program, a Social and Labour Plan providing benefits for employees and surrounding communities, technical ability and the financial resources of the applicant, as well as an HDSA equity investment (as further described under the heading “*If the Company is unable to secure an HDSA equity investment it will not be able to convert the Platreef Project prospecting rights into a mining right*”). Furthermore, even if the necessary mining right is granted, the Platreef Project is required to be in compliance with the MPRDA (which includes a condition that mining should commence within one year of the right being awarded, a period which may be extended by the Minister) and the conditions of any mining right. Failure to comply with the MPRDA might result in the DMR suspending or cancelling any mining right. Suspension or cancellation of the mining right by the DMR can only occur after the DMR has given the right holder a directive to rectify any breach or contravention of the MPRDA. Failure by the holder to adhere to this directive may result in suspension or cancellation of any mining right.

Ivanplats received a Section 93 directive from the DMR during the fourth quarter of 2012, halting exploration activity (including drilling) at the Platreef Project site until such time as the Department of Rural Development and Land Reform has ratified Ivanplats’ current community compensation agreements. The Department of Rural Development and Land Reform has issued the DMR with a compliance letter, indicating that the Company’s compensation agreements are valid. Ivanplats has requested that the directive be lifted and the request is in the process of being reviewed by the DMR. There is a risk that the compensation arrangements will not be resolved in a timely manner or at all, which could result in the order remaining in effect for an extended period of time. This would prohibit the Company from proceeding with the development of the Platreef Project.

To the extent such rights approvals, licences and permits are required and not obtained or are subsequently suspended or revoked, the Company may be curtailed or prohibited from proceeding with planned exploration, development or operation of its Projects which could have a material adverse effect on Ivanplats’ business, financial condition, results of operations or prospects. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions which could have a material adverse effect on Ivanplats’ business, financial condition, results of operations or prospects.

The Company will need substantial additional financing in the future and cannot assure that such financing will be available.

The Company will need to make substantial capital investments in the exploration and development of its Projects, and will need additional financing to do so. The Company has: (i) sustained operating losses since incorporation; (ii) limited financial resources; (iii) not earned any revenue, other than any amounts it may have earned from its investment in the RK1 Consortium, which are not material to its operations; and (iv) no source of operating cash flow. Funds from the IPO, which occurred in October 2012, will support further exploration and development of the Projects, but the Company will need to raise further funds to finance any project development, as well as to conduct other exploration and development activities. The Company may, therefore, seek to raise further funds through equity or debt financing, the sale of an interest in one or more of its Projects, entering into joint ventures or seeking other means to meet its financing requirements. There is no assurance that additional funding will be available to the Company for further exploration and development of the Projects, to fulfill its obligations under any applicable agreements, to conduct other exploration activities or that the Company will ever be profitable. Failure to obtain additional financing could result in delay or indefinite postponement of

further exploration and development of the Projects and the loss of mineral title interests. If the Company is unable to obtain additional financing, it would have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

If the Company is unable to secure an HDSA equity investment it will not be able to convert the Platreef Project prospecting rights into a mining right.

In order to obtain mining rights in respect of the Platreef Project under South African mining laws, Ivanplats will be required to demonstrate compliance with the BEE requirements of the MRPDA and the Broad-Based Socio-Economic Empowerment Charter for the South African Mining Industry published under the provisions of Section 100(2)(a) of the MPRDA, as amended by the Amendment of the Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Mineral Industry, published on September 20, 2011. BEE requirements are designed to substantially and equitably increase the ownership and management of South Africa's resources by HDSA thereby ensuring broader and more meaningful participation in the economy by HDSA. Pursuant to these obligations, in order to obtain mining rights, the Company must "give effect to" the BEE and socio-economic objectives of the MPRDA, including meeting a requirement that HDSA shareholders hold a 26% equity interest in the Platreef Project. The Company currently has no HDSA shareholding and there is no guarantee that the Company will be able to secure an investment by an HDSA. The failure or inability of the Company to locate appropriate HDSA investors or to develop a corporate structure that meets the criteria for an HDSA equity investment could result in the denial of the Company's application for mining rights at the Platreef Project and could therefore have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Should the Company secure the necessary HDSA equity investment, there is no guarantee that the consideration paid for this investment will reflect the value of the interest sold in the Platreef Project or that the HDSA investors will have sufficient funds to pay all the consideration owed for its equity investment. If such funds are not available to the HDSA, the Company or a third party would need to fund this investment. The terms and conditions of the third party funding could be prohibitively expensive for the HDSA investor, which could have an adverse impact on Ivanplats. Alternatively, if the Company was required to fund this investment itself, it could put a strain on the Company's financial resources. Any HDSA equity investment will also result in a dilution of the Company's ownership interest in the Platreef Project.

Title to the Company's Projects cannot be assured.

The acquisition of title to mineral properties in the DRC and South Africa is a very detailed and time-consuming process. Failure to make certain payments and take certain actions required to keep permits or rights in good standing may result in the loss of such permits or rights. Title to, and the area of, mineral rights may be disputed and subject to challenge and revocation, including because of defects or irregularities in the chain of title. In addition, the Projects may be subject to prior unregistered applications, agreements of transfer or land claims of which the Company is currently unaware, and title may be affected by undetected defects.

In the DRC, there may be competing claims with those of the Company or claims resulting from irregularities in the granting of licences or from the use of administrative processes not specifically contemplated by the DRC Mining Code. The Company has in the past successfully defended its title to portions of its mineral properties in the DRC against such competing claims, however, there can be no guarantees that such claims will not arise in the future or that, if they arise, Ivanplats can continue to successfully defend against them.

In South Africa, land claims by HDSA have been lodged with a South African commission over many regions of that country under the Restitution of Land Rights Act. The Land Claims Commissioner has confirmed that local inhabitants of the Turfspruit farm have lodged a claim for restitution over this farm in the name of the Mokopane Trust. Ivanplats has conducted an electronic search of the government gazettes, which catalogue land claims and no claims have been gazetted over Turfspruit or Macalacaskop while the Rietfontein property has been claimed by the Mamashela community. This implies that the restitution claim over Turfspruit is still being validated by the Land Claims Commissioner as land claims are only gazetted once they are proven to have merit. Claims under the Restitution of Land Rights Act had to be lodged by December 31, 1998, however, the Company understands that the government has given consideration to reopening this process for the lodgment of further claims but nothing has yet transpired. If this were to happen, the possibility exists of further land claims being made against Rietfontein, Turfspruit and Macalacaskop. The current land claim regime calls for the government to pay compensation and states that a successful claimant is entitled to restoration of the actual land claimed or, where not feasible to provide, “equitable redress”, which compensation may take many forms including the grant of an appropriate right in alternative state owned land or the payment of compensation by the state. Ivanplats will be entitled to enter into negotiations with the legitimate surface owner to secure a surface lease for any infrastructure although this may result in a delay in the timely progress of development to commercial operations at the Platreef Project. Ivanplats is entitled to enter into negotiations with the current registered owner of the surface rights (the South African government) even if the restitution claim is still pending subject to the condition that it involves the Land Claims Commissioner in the negotiations whose function it would be to look after the interests of the land claimants.

At the Kipushi Project, tailings exploitation permit 12349 encroaches upon the perimeter of a permit held by a third party. While this third party has provided a consent to the encroachment, the area encroached upon is small and does not cover currently identified mineralization, this issue has not been definitively resolved.

Any dispute, revocation or challenge of mineral title to any one or more of the Projects could have a material adverse effect on Ivanplats’ business, financial condition, results of operations or prospects.

Operations in the DRC are subject to numerous risks not necessarily present in readers’ home jurisdictions.

The DRC is an impoverished country with infrastructure that is in a debilitated condition. It is in transition from a largely state-controlled economy to one based on free market principles, and from a non-democratic political system with a centralized ethnic power base to one based on more democratic principles. The northeast region of the DRC has undergone civil unrest and instability in recent years which could have an impact on political, social or economic conditions in the DRC more broadly. While the government of the DRC is working to extend the central government’s authority into the regions there can be no assurance that such efforts will be successful. In addition, many of the mineral rights and interests of the Company in the DRC are subject to government approvals, licences and permits, which, as a practical matter, are subject to the discretion of applicable governments or governmental officials. No assurance can be given that the Company will be successful in obtaining or maintaining any or all of the various approvals, licences and permits (including its existing permits at the Kamoia Project and the Kipushi Project) required to operate its Projects in full force and effect or without modification or revocation. Although Ivanplats’ properties in the DRC are in the southeast of the country, the effect of unrest and instability on political, social or economic conditions in the DRC could result in the impairment of the Company’s exploration, future development and prospective mining operations. These risks may limit or disrupt Ivanplats’ operations, such as by restricting the movement of funds or resulting

in the deprivation of its mineral rights, and could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Legal protections in the DRC may be limited.

The legal system in the DRC has inherent uncertainties that could limit the legal protections available to the Company, which include: (i) inconsistencies between and within laws; (ii) limited judicial and administrative guidance on interpreting DRC legislation, particularly that relating to business, corporate and securities laws; (iii) substantial gaps in the regulatory structure due to a delay or absence of enabling regulations; (iv) a lack of judicial independence from political, social and commercial forces; (v) corruption; and (vi) bankruptcy procedures that are subject to abuse, any of which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Furthermore, the DRC judicial system has relatively little experience in enforcing the laws and regulations that currently exist, leading to a degree of uncertainty as to the outcome of any litigation. It may be difficult to obtain swift and equitable enforcement of a DRC judgement, or to obtain enforcement of a judgement by a court of another jurisdiction, which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Failure to ensure strict compliance with legislated requirements could have unexpected or disproportionate results which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Ivanplats' operations in the DRC and South Africa are subject to numerous risks associated with operating in emerging economies.

Ivanplats' exploration and future development and operating activities in the DRC and South Africa are subject to the risks normally associated with the conduct of business in countries with less developed or emerging economies. While South Africa has undergone an extended period of stability and development, both it and, in particular, the DRC have a history of political instability, significant and sometimes unpredictable changes in government policies and laws, social and labour unrest (which in some cases has been violent) and, in the case of the DRC, civil conflict and war.

These risks, which Ivanplats believes are greater in the DRC, include, among others, labour unrest, invalidation of governmental orders and permits, corruption, uncertain political and economic environments, sovereign risk, war (including within or with other countries), civil disturbances and terrorist actions, arbitrary changes in laws or policies, the failure of foreign parties to honour contractual relations with little or no recourse to local courts, challenges to or reviews of the Company's legal and contractual rights, reviews of taxation of foreign companies, changing tax and royalty regimes, delays in obtaining or the inability to obtain, or the cancelation of, necessary governmental permits, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on mineral exports, price controls, review of taxes on foreign investment, instability due to economic under-development, inadequate infrastructure and increased financing costs. As a result of conflict in the DRC, international governments may impose regulations to limit commercial trade activities for and make more burdensome purchases of goods and services originating in the DRC, which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

In respect of the Kamoja Project, Ivanplats will shortly commence its negotiations with the DRC government to sell a further 15% interest on commercial terms. The offer to sell does not specify a price or the terms of such proposed sale. Such negotiations may occur over a long period of time and there is a risk that the parties will not be able to agree on the terms of such a sale. Any period of delay or deadlock in the negotiations may have material adverse political consequences for Ivanplats in the DRC which in

turn could exacerbate the risks involved in any and all dealings with the government of the DRC and could adversely impact the Kamoa Exploitation Licences.

As a result, Ivanplats is subject to various increased economic, political, operational and other risks, any one or more of which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

There is a risk of direct government intervention in Ivanplats' mineral property interests in both the DRC and South Africa.

Mineral development is a sensitive political issue in both the DRC and South Africa, and as a result there is a relatively higher risk of direct government intervention in the property rights and title of Ivanplats to the Projects than that of many other industries in those countries. Such intervention could extend to nationalization, expropriation or other actions that effectively deprive the Company of the benefit of its interest in the Projects. In South Africa, political constituencies (including a faction of the youth league of the African National Congress, the ruling political party) have from time to time raised the prospect of nationalization of all mines in South Africa. In response, the government of South Africa has reviewed the issue and publicly stated that there is no present intention to consider nationalization or to change the existing government policy on this issue. There can be no assurance that the policy of the government of South Africa will not change in the future, owing to public sentiment or for any other reason.

In the DRC, there have been instances in which companies have made allegations to the effect that they had their mineral property interests expropriated by the state. While the Company has no indication that such an action would be taken against the Company, there can be no assurance that such a challenge to its interests in the Kamoa Project or the Kipushi Project will not occur in the future.

Any nationalization, expropriation or similar action would, in most cases, legally obligate the government to pay just compensation. However, even if the Company did obtain compensation in such a circumstance, there could be no guarantee that the compensation paid would represent the Company's view as to the full value of the asset lost. Accordingly, any action to nationalize or expropriate any of the Projects or other assets could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects. Furthermore, any increased perception that nationalization or expropriation of the Projects may occur could have a material adverse effect on the price of the Company's securities and its ability to access financing.

The development and success of the Projects will be largely dependent on the future price of copper, nickel, platinum, palladium, zinc and other metals.

Metal price volatility may affect the future production, profitability, and financial condition of Ivanplats. Metal prices are subject to significant fluctuation and are affected by a number of factors which are beyond the control of the Company. Such factors include, but are not limited to, interest rates, exchange rates, inflation or deflation, global supply and demand, and the political and economic conditions of major metal consuming countries throughout the world. The price of copper, nickel, platinum, palladium, zinc and other metals has fluctuated widely in recent years, and future material price declines could cause development of, and commercial production from, the Projects to be impracticable or uneconomic.

The metals market also tends to move in cycles. Periods of high demand, increasing profits and high capacity utilization lead to additional capacity through expansion of existing mines and investment in new mines which results in increased production. This growth increases supply until the market is saturated, leading to declining prices and declining capacity utilization until the cycle repeats. This cyclical nature in prices can result in supply/demand imbalances and pressures on mineral prices and profit

margins which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Depending on the price of copper, nickel, platinum, palladium, zinc and other metals, projected cash flow from planned mining operations may not be sufficient and the Company could be forced to discontinue development and may lose its interest in, or may be forced to sell, one or more of the Projects. Future production from the Company's mining properties will be dependent on metal prices that are adequate to make these properties economically viable. Furthermore, future mine plans using significantly lower metal prices could result in material write-downs of the Company's investment in mining properties.

In addition to adversely affecting the Company's current Mineral Resource Estimates and any future Mineral Reserve estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. If such a reassessment determines that any of the Projects are not economically viable, then operations may cease and such Projects may never be developed. Even if the Projects are ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed. The occurrence of any of the foregoing could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Ivanplats' Mineral Resources are estimates only and are subject to change due to a variety of factors.

There is no certainty that the Mineral Resources, or any future Mineral Reserve, attributable to Ivanplats will be realized. There is a degree of uncertainty in the estimation of Mineral Reserves and Mineral Resources. Until Mineral Reserves or Mineral Resources are actually mined and processed, the quantity of Mineral Reserves or Mineral Resources and related grades must be considered as estimates only.

Estimation of Mineral Reserves and Mineral Resources is a subjective process that relies on the judgement of the persons preparing the estimates. The process relies on the quantity and quality of available data and is based on knowledge, mining experience, analysis of drilling results and industry practice. Valid estimates made at a given time may change significantly when new information becomes available. While the Company believes that the Mineral Resource Estimates included in this AIF are well established and represent management's best estimates, by their nature Mineral Resource Estimates are imprecise and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. Inferred Mineral Resources, in particular, have a degree of uncertainty as there is a limited ability to assess geological continuity. There is a risk that any estimate of Inferred Mineral Resources will not be capable of upgrading to Mineral Resources with sufficient continuity to allow them to be used in connection with the estimation of Mineral Reserves.

In addition, estimates of Mineral Reserves and Mineral Resources may have to be recalculated based on fluctuations in copper, nickel, platinum, palladium, zinc or other metal prices, results of drilling, metallurgical testing and production, including dilution, and the evaluation of mine plans subsequent to the date of any estimates. Any material change in the quantity of Mineral Reserves, Mineral Resources or the related grades may affect the economic viability of the Projects and could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Environmental remediation and refurbishment requirements at the Kipushi Project could impose additional costs on the Company and could have a negative effect on the timely progress of exploration and future development of the Kipushi Project.

The Kipushi Project was the site of an operating mine for several decades, followed by close to 20 years during which it has been on a limited care and maintenance program. The facilities on site are in a degraded state. The Company must continuously pump water from the mine to prevent flooding and is discharging this water, which is not being regularly analysed as to its content, into a nearby river. The Company has commissioned a summary environmental baseline study, but as yet has not quantified the scope and extent of environmental damage from prior operations. Ivanplats intends to undertake investigations and measures to quantify the scope of remediation work required to prepare for any exploration, development and mining and to mitigate any potential liability for breach of environmental laws that could be imposed on KICO. In particular, the property has been subjected to an environmental audit by the DRC environment ministry who, in August 2011 reported that all environmental obligations attached to the relevant licences had been discharged and Ivanplats has obtained an indemnity from Kipushi Vendor for any liability arising as a result of environmental damage incurred prior to Ivanplats' acquisition of the shares of KICO. Notwithstanding these events, there is a risk that KICO could become liable for a breach of environmental laws and obligated to perform environmental remediation as a result of activities that occurred prior to Ivanplats' acquisition of the shares of KICO. Any such obligations could impose additional costs on the Company, particularly if it is not able to enforce its indemnity from Kipushi Vendor, and could affect the timely progress of exploration and development at the Kipushi Project.

The Company could also become liable for environmental obligations arising from activities after its acquisition of the shares of KICO. Ivanplats has inherited the existing mine site infrastructure and does not know the extent to which these facilities must be remediated to ensure that ongoing operations are conducted in compliance with environmental laws, including in particular in relation to de-watering activities. In addition, Ivanplats only holds the rights to the subsurface infrastructure at the property, and there are a number of surface-related activities occurring on the land comprising the Kipushi Project licence area, including the operation of a concentrator and artisanal mining activities, in which Ivanplats has no ownership or control. There is a risk that any environmental liabilities arising as a result of surface-related activities could be attributed to Ivanplats whether or not such liabilities are the responsibility of Ivanplats. Any such liability or remediation obligations could have an adverse effect on Ivanplats' ability to advance the exploration and development of the Kipushi Project, could impose additional costs on Ivanplats or could result in the withholding or withdrawal of permits and licences required to explore and develop the Kipushi Project.

The occurrence of any of the foregoing could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

The ability of the Company to attract qualified personnel in South Africa and the DRC may be affected by crime, poor social institutions, legal restrictions and political and economic instability.

The Company may have difficulty attracting qualified personnel to work on its Projects. In the DRC, increased demand for skilled workers has created a shortage of skilled workers and intense competition for these workers, particularly as DRC legislation limits the number of foreign workers at a mine site at 2% to 2.5% of the workforce, with certain positions reserved exclusively for Congolese staff. As such, the ability to attract, train and retain skilled workers is a high priority for all mineral exploration and development companies in the DRC. There are more qualified personnel available in South Africa, but even in South Africa there are restrictions on labour practices including in particular BEE requirements

and rules regarding labour organization and unions that may impede the Company's ability to retain qualified personnel on a timely basis.

It may also be difficult to attract and retain qualified expatriate workers even if the Company is able to overcome legal and political restrictions on using them. A large portion of the DRC and South African populations have access to very minimal education, health care, housing and other services, including water and electricity. This, combined with other factors, has led to high levels of crime and unemployment in South Africa which has impeded investment and prompted the emigration of skilled workers. These issues are substantially more acute in the DRC. As a result of the socio-economic situation in these countries, the Company may not be able to recruit or retain a sufficient number of skilled workers and other key personnel or be able to train and retain a sufficient number of unskilled workers to meet the Company's requirements, especially as it grows and requires an increasing number of personnel. Failure by the Company to attract and retain a sufficient number of skilled workers or to attract, train and retain a sufficient number of unskilled workers in the DRC and South Africa could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Currency fluctuations may affect the costs that Ivanplats incurs in its operations.

The Company's reporting currency is the U.S. dollar. The IPO was, and any other future equity financing activities are expected to be, completed in Canadian dollars while a significant portion of its operating expenses will be incurred in South African Rand, Congolese Francs and other foreign currencies. From time to time, the Company may borrow funds and incur expenditures that are denominated in a foreign currency. In addition, in the event that Ivanplats successfully develops an operating mine, the Company expects to sell some or all of its products to foreign markets. Metals are sold throughout the world, based principally on a U.S. dollar price, but as stated, a significant portion of Ivanplats' operating expenses are incurred in non-U.S. dollar currencies. The appreciation of the South African Rand or Congolese Francs against the U.S. dollar would increase the costs of operations, which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Mining operations are subject to laws and regulations relating to the protection and remediation of the environment.

The Company's operations and exploration activities are subject to laws and regulations relating to the protection and remediation of the environment. These laws, regulations and the governmental policies for implementation of such laws and regulations are constantly changing and are generally becoming more restrictive. The costs associated with compliance with these laws and regulations are substantial and possible future laws and regulations and changes to existing laws and regulations (including the imposition of higher taxes and mining royalties) could cause additional expense or capital expenditure, or result in restrictions or delays in the Company's development plans.

Ivanplats cannot give any assurance that, notwithstanding its precautions, breaches of environmental laws, whether inadvertent or not, or environmental pollution will not occur. In the event of environmental misconduct in the DRC, the Minister of Mines in the DRC can suspend the Company's rights to develop its mineral interests. The Minister of Mineral Resources in South Africa may cancel or suspend a prospecting or mining right if the holder is contravening the approved environmental management plan / program for the prospecting or mining operations and has failed to remedy such contravention following receipt of a compliance directive. The environmental authorities in South Africa have similar rights in that they may cancel or suspend environmental authorizations if the holder of the authorization has failed to remedy a contravention following receipt of a compliance directive.

A breach of environmental laws and regulations may allow governmental authorities and third parties, who have an interest in any future mining operations or the consequences of mining operations, to bring lawsuits based upon damages to property and injury to persons resulting from the environmental impact of the Company's potential future operations which could lead to the imposition of substantial fines, penalties or other civil or criminal sanctions and could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

If the Company's environmental compliance obligations in the DRC or South Africa were to vary as a result of changes to the legislation, if certain assumptions it makes to estimate liabilities are incorrect, or if unanticipated conditions were to arise in its operations, the Company's expenses and other obligations could increase, which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

As a participant in the resource extraction industry, Ivanplats may face opposition from local and international groups.

There is an increasing level of public concern relating to the effects of mining production on its surroundings, communities and environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs"), who oppose globalization and resource development and who may not be bound to codes of ethical reporting, can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. While the Company seeks to operate in a socially responsible manner, NGOs or local community organizations could direct adverse publicity and/or disrupt the operations of the Company in respect of one or more of its properties, regardless of its successful compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which the Company has an interest or the Company's operations specifically. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Of specific note is that two large urban communities and several smaller communities inhabit portions of the Platreef Project. Ivanplats has entered into agreements with the lawful occupiers of the prospecting area, which provide for among other things, the compensation for losses or damages they may incur as a result of the Company's activities. Nevertheless, certain members of these communities have in the past and may in the future unlawfully and illegally disrupt prospecting or mining operations. Further, on instruction from the DMR, Ivanplats has agreed to stop making payments under the agreements, effective November 1, 2012. Ivanplats is currently in negotiations with the community leaders to amend these agreements in accordance with recommendations made by the DMR. There is a risk of further disruptions from the communities, and while any such disruption would likely be unlawful and entitle the Company to seek legal remedies, it may cause delays which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

The costs of complying with applicable laws and governmental regulations may have an adverse impact on the Company's business.

The Company's operations and exploration activities are subject to laws and regulations governing various matters. These include laws and regulations relating to repatriation of capital and exchange controls, taxation, labour standards and occupational health and safety and historic and cultural preservation.

In particular, mining operations are subject to a variety of industry specific health and safety laws and regulations. These laws and regulations are formulated to improve and to protect the safety and health of employees. They have limited, if any, application to the Company while it remains in the initial prospecting stage, except to the extent that they may impact the scope and costs of refurbishment of the existing infrastructure at the Kipushi Project and may impact bulk sampling alternatives being considered for both the Kamoia Project and the Platreef Project. In South Africa, recent fatalities in the mining industry have caused the government to introduce compulsory shutdowns of operations to enable investigations into the causes of the accidents. Should compliance with standards require a material increase in future expenditure, it could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or the more stringent enforcement thereof, could have a material adverse effect on the Company's business, financial condition, results of operations or prospects by increasing exploration expenses, future capital expenditures or future production costs or by reducing the future level of production, or cause the abandonment of or delays in the development of the Projects.

Development of the open-pit resources at the Platreef Project would require substantial relocation of existing communities

Two large urban communities and additional smaller communities inhabit portions of the Platreef Project. The settlement of Madiba is situated on the southwest portion of the Macalacaskop farm, and the settlement of Tshamahansi exists over significant parts of, and northeast of, the Turfspruit farm, extending onto the Rietfontein farm. A significant relocation of communities would be required, at the Company's expense, to enable open-pit mining of the ATS and AMK deposits which could be prohibitively expensive. The Company has discussed the prospect of relocation with community members with a view to negotiating a settlement plan. Ultimately, there is no guarantee that these negotiations will be successful or that it will be possible to conclude on terms acceptable to the Company, and this may disrupt prospecting or mining operations or may result in extended delays while statutory negotiation processes or judicial remedies are followed to adjudicate compensation. Any such delays could have a material adverse effect on the Company's ability to develop and operate the Platreef Project's open-pit resources, which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Furthermore, as the local communities in South Africa have come to expect relocation, even if not strictly required, the Company may need to negotiate compensation and/or relocate more of the community than is otherwise required to obtain their support for the development of the Platreef Project.

The Company's internal controls and procedures may not be sufficient to ensure compliance with its anti-bribery and anti-corruption requirements.

The Company's activities are subject to a number of laws that prohibit various forms of corruption, including local laws that prohibit both commercial and official bribery and anti-bribery laws that have a global reach, such as the *Corruption of Foreign Public Officials Act* (the "CFPOA"). The increasing number and severity of enforcement actions in recent years present particular risks with respect to Ivanplats' business activities, to the degree that any employee or other person acting on the Company's behalf might offer, authorize, or make an improper payment to a foreign government official, party official, candidate for political office, or political party, an employee of a foreign state-owned or state-controlled enterprise, or an employee of a public international organization.

Certain countries in which the Company operates present heightened risks from an anti-corruption perspective. Ivanplats has operations in South Africa and the DRC, has entered into certain joint operation agreements with third parties at some of its Projects and holds, or is expected to hold, its interests in certain of its properties jointly with government or government owned / controlled enterprises and will require permits, licences and approvals for its operations. Ivanplats will have limited ability to control the activities of its partners as it relates to such matters.

Ivanplats has an anti-corruption policy, an anti-fraud policy, internal controls and procedures intended to address compliance and business integrity issues and Ivanplats trains its employees on anti-bribery compliance on a global basis. However, despite careful establishment and implementation there can be no assurance that these or other anti-bribery, anti-fraud or anti-corruption policies and procedures are or will be sufficient to protect against fraudulent and/or corrupt activity. In particular, the Company, in spite of its best efforts, may not always be able to prevent or detect corrupt or unethical practices by employees or third parties, such as sub-contractors or joint venture partners, which may result in reputational damage, civil and/or criminal liability (under the CFPOA or any other relevant compliance, anti-bribery, anti-fraud or anti-corruption laws) being imposed on Ivanplats, which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Prior to its acquisition by the Company in November 2011, KICO kept inadequate books and records and had internal controls and procedures inconsistent with the Company's standards.

Although the Company has internal controls and procedures intended to address compliance and business integrity issues, prior to its acquisition by the Company, KICO kept a poor set of books and records. As a result, the Company may not be able to properly evidence past events, transactions or obligations or detect past unethical practices by employees or third parties, such as sub-contractors or joint venture partners, which may result in reputational and/or economic damage to the Company, which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects. As well, the Company's current controls and procedures may not be sufficient to prevent fraud and to ensure compliance with relevant laws, despite careful establishment and implementation.

The Company is subject to risks applicable to joint ventures.

The Company holds its interest in each of the Projects in conjunction with minority holders. Failure of the Company's co-owners to meet their obligations to the Company or to third parties in respect of the Projects could have a material adverse effect on the Company. Although the Company is entitled to appoint a majority of the directors of the relevant operating and holding companies related to the Projects and is responsible for the day-to-day operation and management of the Projects, certain members of the boards of directors of the holding companies or operating companies of the Projects are, or will be, nominated by the minority co-owner. Certain decisions require, or will require, unanimous approval, such as: (i) amendments to constitutional documents; (ii) issuances of new securities; (iii) dissolution; (iv) mortgage of the assets; (v) merger or division of the form of organization; and (vi) project finance. To the extent unanimous consent cannot be obtained, there is a risk that the Company will not be able to effect these matters despite the Company's desire to do so.

At the Platreef Project, in the event Ivanplats elects to proceed with open-pit mining on the Rietfontein property, it is dependent on Atlatsa maintaining its prospecting rights with respect to same and, prior to expiry of the renewal (if granted), converting it into a mining right. The Rietfontein Right held by Plateau Resources, a subsidiary of Atlatsa, covers the Rietfontein property expired on November 27, 2011. Atlatsa submitted an application for renewal of this prospecting right, but as at the date of this AIF has not yet received confirmation of this renewal. The Rietfontein Right remains valid until the renewal application has been granted or turned down. If Atlatsa were to lose the Rietfontein Right, the Mineral

Resources amenable to open-pit methods on Macalacaskop are not expected to be affected; however, Mineral Resources amenable to open-pit methods, which have been reported for the Turfspruit and Rietfontein properties in the aggregate, would need to be re-evaluated. In addition, further agreements and ministerial consent are required to give effect to the Settlement and New Project Agreement, and the proposed contribution of, and sharing in, the two prospecting rights to the joint venture prior to which Ivanplats will have no legal title in relation to the Rietfontein Right. The failure of Atlatsa to obtain renewal of this prospecting right, to comply with the conditions of the right for Rietfontein, or if Atlatsa is otherwise impeded from obtaining, or if obtained exercising its rights under, the prospecting right, for any reason, including the winding up of its business, insolvency or other factors which may be beyond the control of either Ivanplats or Atlatsa, it could restrict the Company's ability to develop the open-pit portion of the Platreef Project or otherwise engage in activities requiring rights to the land, which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

In addition, the ownership and development of the Projects with a minority co-owner creates the potential for disputes or disagreements, including: (i) disputes among the parties as to the performance or scope of each party's obligations under relevant agreements; (ii) financial difficulties encountered by a party affecting its ability to perform its obligations; and (iii) conflicts between the policies or objectives adopted by the Company and the minority co-owner. There can be no assurance that disputes or disagreements will not arise in the future. If any dispute or disagreement does arise between the Company and a minority co-owner, it could be time-consuming, costly and distracting for the Company and disrupt the timely progress of development of a Project or even result in the loss of a Project. The occurrence of any of the foregoing could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Potential future acquisitions or investments in other companies may have a negative impact on the Company's business.

Ivanplats may seek to expand its business through acquisitions as it intends to consider and evaluate opportunities for growth through acquisitions when suitable acquisition targets present themselves; however, there can be no assurance that the Company will find attractive acquisition candidates in the future, or that Ivanplats will be able to acquire such candidates on economically acceptable terms, if at all. Acquisitions may require substantial capital and negotiations of potential acquisitions and the integration of acquired operations could disrupt the Company's business by diverting management, and employees' attention away from day-to-day operations. The difficulties of integration may be increased by the necessity of coordinating geographically diverse organizations, integrating personnel with disparate backgrounds and combining different corporate cultures.

At times, acquisition candidates may have liabilities or adverse operating issues that the Company fails to discover through due diligence prior to the acquisition. If the Company consummates any future acquisitions, the Company's capitalization, and results of operations may change significantly.

Any acquisition involves potential risks, including, among other things: (i) mistaken assumptions about mineral properties, Mineral Resources and costs, including synergies; (ii) an inability to successfully integrate any operation Ivanplats acquires; (iii) an inability to hire, train or retain qualified personnel to manage and operate the operations acquired; (iv) the assumption of unknown liabilities; (v) limitations on rights to indemnity from the seller; (vi) mistaken assumptions about the overall cost of equity or debt; (vii) unforeseen difficulties operating acquired projects, which may be in new geographic areas; and (viii) the loss of key employees and/or key relationships at the acquired project.

Acquisitions or investments may require the Company to expend significant amounts of cash, resulting in the Company's inability to use these funds for other business purposes. The potential impairment or complete write-off of goodwill and other intangible assets related to any such acquisition may reduce the Company's overall earnings and could negatively affect the Company's balance sheet.

The occurrence of any of the foregoing could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Ivanplats' insurance coverage does not cover all of its potential losses, liabilities and damages related to its business and certain risks are uninsured or uninsurable.

The Company's business is subject to a number of risks and hazards (as further described herein). Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its activities, including any future mining operations. The Company may also be unable to maintain insurance to cover its risks at economically feasible premiums, or at all. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration or production may not be available to the Company on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it is not currently insured against and/or in future may not insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Mining is inherently dangerous and subject to factors or events beyond the Company's control.

The Company's current business, and any future development or mining operations, involve various types of risks and hazards typical of companies engaged in the mining industry. These risks affect the current exploration, development and refurbishment activities of the Company, and will affect the Company's business to an even larger extent once commercial mining operations, if any, commence. Such risks include, but are not limited to: (i) industrial accidents; (ii) unusual or unexpected rock formations; (iii) structural cave-ins or slides and pitfall, ground or slope failures and accidental release of water from surface storage facilities; (iv) fire, flooding and earthquakes; (v) rock bursts; (vi) metals losses; (vii) periodic interruptions due to inclement or hazardous weather conditions; (viii) environmental hazards; (ix) discharge of pollutants or hazardous materials; (x) failure of processing and mechanical equipment and other performance problems; (xi) geotechnical risks, including the stability of the underground hanging walls and unusual and unexpected geological conditions; (xii) unanticipated variations in grade and other geological problems, water, surface or underground conditions; (xiii) labour disputes or slowdowns; (xiv) work force health issues as a result of working conditions; and (xv) force majeure events, or other unfavourable operating conditions.

These risks, conditions and events could result in: (i) damage to, or destruction of, the value of, the Projects or their facilities; (ii) personal injury or death; (iii) environmental damage to the Projects or the properties of others; (iv) delays or prohibitions on mining or the transportation of minerals; (v) monetary losses; and (vi) potential legal liability and any of the foregoing could have a material adverse effect on the Company's business, financial condition, results of operation or prospects. In particular, underground refurbishment and exploration activities present inherent risks of injury to people and damage to equipment. Significant mine accidents could occur, potentially resulting in a complete shutdown of the Company's operations at one of the Projects which could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

It may not be possible to effect service of process and enforce judgements outside of Canada.

A number of the Company's subsidiaries are incorporated or otherwise organized under the laws of foreign jurisdictions and a number of the directors and officers of the Company and the experts named in this AIF reside outside Canada. In addition, some or all of the assets of those persons and the Company and its subsidiaries are located outside of Canada. It may not be possible for claimants to collect from or enforce judgements obtained in courts in Canada predicated on the civil liability provisions of securities legislation against the Company's assets, its directors and officers and certain of the experts named in this AIF. Moreover, it may not be possible for shareholders to effect service of process within Canada upon the directors, officers and experts referred to above.

Competition in the mining industry may adversely affect the Company.

The mining industry is intensely competitive. The Company competes with other mining companies, many of which have greater resources and experience. Competition in the mining industry is primarily for: (i) properties which can be developed and can produce economically; (ii) the technical expertise to find, develop, and operate such properties; (iii) labour to operate the properties; and (iv) capital to fund such properties. Such competition may result in the Company being unable to acquire desired properties, to recruit or retain qualified employees or to acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these resources could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Many competitors not only explore for and mine minerals, but conduct refining and marketing operations on a worldwide basis. In the future, the Company may also compete with such mining companies in refining and marketing its products to international markets. Any inability to compete with established competitors could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Ivanplats is dependent on qualified personnel.

The Company's business is dependent on retaining the services of its key management personnel with a variety of skills and experience, including in relation to the development and operation of mineral projects. The success of the Company is, and will continue to be, dependent to a significant extent on the expertise and experience of its directors and senior management. Ivanplats does not have in place formal programs for succession and training of management. Failure to retain, or loss of, one or more of these people could have a material adverse effect on the Company's business, financial condition, results of operations or prospects. The Company's success will also depend to a significant degree upon the contributions of qualified technical personnel and the Company's ability to attract and retain highly skilled personnel in the DRC and South Africa in particular. Competition for such personnel is intense, and the Company may not be successful in attracting and retaining qualified personnel in the DRC or South Africa, or in obtaining the necessary work permits to hire qualified expatriates. Its inability to attract and retain these people could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Directors and officers may be subject to conflicts of interest.

Certain directors and officers of the Company are or may become associated with other mining and/or mineral exploration and development companies which may give rise to conflicts of interest. Directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve such a contract. In addition, directors and

officers are required to act honestly and in good faith with a view to the best interests of the Company. Some of the directors and officers of the Company have either other full-time employment or other business or time restrictions placed on them and accordingly, the Company will not be the only business enterprise of these directors and officers. Further, any failure of the directors or officers of the Company to address these conflicts in an appropriate manner, or to allocate opportunities that they become aware of to the Company could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

Labour disruptions and/or increased labour costs could have an adverse effect on the Company.

Trade unions could have a significant impact on the Company's labour relations. Approximately 33% of the Company's work force is unionized. The Company has reached an agreement with the union at its operations in the DRC and has been approached by the National Union of Mineworkers (South Africa) at its South African operations, where the Company and the union signed a formal recognition agreement on November 22, 2012. The Company cannot give assurance that it will be able to negotiate or renew union agreements without a significant increase in labour costs, which if not conceded could result in work stoppages and other labour disturbances. Increased labour costs, a strike or other labour disruption could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

The Company's operations may be affected by exchange control regulations in South Africa.

The ability of the Company to transfer funds out of South Africa and to enter into agreements which require or potentially require the transfer of funds out of South Africa is subject to South African Exchange Control Regulations. The Exchange Control Department has wide discretion that is exercised in accordance with the Exchange Control Regulations and in particular its exchange control rulings in line with the policy guidelines laid down by the South African Minister of Finance. If the Company makes an application to the South African Reserve Bank for a transfer of funds or to enter into an agreement which will involve a transfer of funds (including, for example, any future debt financing agreement involving repayment to a foreign lender), there can be no assurance that such transfer or agreement will be approved. Any failure to obtain, or material delay in obtaining, the necessary approval, or the imposition of any restrictions on the Company in respect of any such transfer or agreement could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

The Company faces certain risks in dealing with HIV/AIDS and tuberculosis.

HIV/AIDS, tuberculosis and associated diseases remain the major health care challenge faced by the South African and DRC mining industries. Employee-related costs in Africa are affected by HIV/AIDS and tuberculosis in the form of increased absenteeism, lower morale, reduced productivity, increased recruitment and replacement costs, higher insurance premiums and increased benefit payments and other costs of providing treatment. Some of the Company's employees suffer from HIV/AIDS and this could have a material adverse impact on the Projects (particularly if and when they become more labour-intensive mining operations) and, consequently could have a material adverse effect on Ivanplats' business, financial condition, results of operations or prospects.

DIVIDENDS AND DISTRIBUTIONS

The Company has never declared or paid a dividend. The Board intends to retain future earnings for reinvestment in the Company's business, and therefore, has no current intention to declare or pay dividends on the Common Shares or the Class B Common Shares in the foreseeable future. The Company's dividend policy will be reviewed from time to time in the context of its earnings, financial

condition and other relevant factors. There can be no assurance that the Company will generate sufficient earnings or cash flow to allow it to pay dividends.

DESCRIPTION OF CAPITAL STOCK

The Company is authorized to issue an unlimited number of Common Shares, an unlimited number of Class B Common Shares and an unlimited number of Preferred Shares. The following is a summary of the Company's capital stock. It does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the applicable provisions of British Columbia law, the Company's certificate of continuance, Notice of Articles and Articles. As at March 26, 2013, 447,811,818 Common Shares, 81,004,011 Class B Common Shares and nil Preferred Shares are issued and outstanding.

Common Shares

The holders of Common Shares are entitled to receive notice of, and to attend all meetings of Ivanplats' shareholders and to have one vote for each Common Share held except to the extent specifically limited by the BCBCA. The Common Shares and Class B Common Shares will vote together as a single class on all matters at any meeting of shareholders, except as required by the BCBCA. Subject to the rights, privileges, restrictions and conditions attached to any Preferred Shares and any other shares ranking senior to the Common Shares, the holders of Common Shares, ranking equally with the Class B Common Shares, are entitled to receive such dividends as the Board from time to time, by resolution, declares. Subject to the rights, privileges, restrictions and conditions attached to any Preferred Shares and any other shares ranking senior to the Common Shares, in the event of the liquidation, dissolution or winding-up of the Company or upon any distribution of the assets of Ivanplats among Ivanplats' shareholders for the purpose of winding up its affairs, the holders of Common Shares are entitled to share in the proceeds pro rata with the holders of Class B Common Shares.

Class B Common Shares

The holders of Class B Common Shares are entitled to receive notice of, and to attend all meetings of Ivanplats' shareholders and to have one vote for each Class B Common Share held except to the extent specifically limited by the BCBCA. The Class B Common Shares and Common Shares will vote together as a single class on all matters at any meeting of shareholders, except as required by the BCBCA. Subject to the rights, privileges, restrictions and conditions attached to any Preferred Shares and any other shares ranking senior to the Class B Common Shares, the holders of Class B Common Shares, ranking equally with the Common Shares, are entitled to receive such dividends as the Board from time to time, by resolution, declares. Subject to the rights, privileges, restrictions and conditions attached to any Preferred Shares and any other shares ranking senior to the Class B Common Shares in the event of the liquidation, dissolution or winding-up of the Company or upon any distribution of the assets of Ivanplats among Ivanplats' shareholders for the purpose of winding-up its affairs, the holders of Class B Common Shares are entitled to share in the proceeds pro rata with the holders of Common Shares.

The Class B Common Shares are: (i) prohibited from becoming listed on a stock exchange or stock market; and (ii) non-transferrable, non-assignable, non-hedgeable and non-pledgable, except with the prior written consent of the Board.

The Class B Common Shares are convertible into Common Shares in the following manner:

- a) automatically on the date that is 39 months following IPO Date;
- b) at any time at the option of the holder provided the holder executes and delivers to the Company a conversion notice and a Conversion Lock-up Agreement; and

- c) following a resolution of the Board authorizing the conversion of all of the Class B Common Shares and on the date designated in the resolution for such conversion.

Further, if the Common Shares, the Class B Common Shares or the Common Shares and the Class B Common Shares together, are the subject of a take-over bid (as defined in Multilateral Instrument 62-104 – *Take-Over Bids And Issuer Bids*), that: (i) expires less than 180 days after the IPO Date, then the Class B Common Shares may be conditionally converted for Common Shares and tendered to the take-over offer; but provided that if no shares are taken up in the take-over offer the conditional conversion shall be deemed to not have occurred; or (ii) expires more than 180 days after the IPO Date then the Class B Common Shares shall automatically convert to Common Shares.

Subject to a resolution by the Board providing otherwise, holders of Class B Common Shares may only exercise the right of conversion to Common Shares during the period commencing on September 11, 2012 and ending on the date that is 39 months following IPO Date if they execute and deliver to the Company a conversion notice, and a Conversion Lock-up Agreement. See “*Corporate Structure of the Company – Reorganization*” for further details.

Preferred Shares

The Company is also authorized to issue an unlimited number of Preferred Shares without nominal or par value. The Preferred Shares of Ivanplats may be issued in one or more series and the Board is authorized to fix the number of shares in each series and to determine the designation, rights, privileges, restrictions and conditions attached to the shares of each series. The Preferred Shares of any series rank on parity with the Preferred Shares of every other series and are entitled to a priority over the Common Shares, the Class B Common Shares, and any other class of shares ranking junior to the Preferred Shares with respect to the payment of dividends and in the event of the liquidation, dissolution or winding up of the Company or upon any distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs.

MARKET FOR SECURITIES

Market

The Common Shares were first sold to the public under a prospectus dated October 16, 2012 at C\$4.75 per Common Share. The Common Shares were listed on the TSX on October 23, 2012 under the symbol “**IVP**”. The closing price of the Company’s Common Shares on the TSX on March 26, 2012 was C\$4.36.

Trading Price and Volume

The following sets forth the high and low market prices and the volume of the Common Shares traded on the TSX during the periods indicated (stated in Canadian dollars):

<u>Month</u>	<u>High C\$</u>	<u>Low C\$</u>	<u>Volume</u>
October, 2012	5.20	4.47	15,720,025
November, 2012	4.80	4.31	6,093,255
December, 2012	5.35	4.63	2,520,387
January, 2013	5.45	4.70	3,518,747
February, 2013	5.11	3.85	3,519,232
March, 2013 (1-26)	4.70	4.00	5,919,259

Prior Sales

The following table sets forth certain information regarding the sale of Common Shares (including Original Common Shares that were re-classified as Class B Common Shares) during the period commencing 12 months prior to the date of this AIF and ending on October 23, 2012, the date the Common Shares became publically listed.

Date of Issue	Number and Type of Securities⁽¹⁾	Issue Price Per Securities	Aggregate Issue Price	Nature of Consideration
October 23, 2012	63,327,000 Common Shares	C\$4.75	C\$300,803,250	Cash
October 23, 2012	40,716,333 Common Shares	C\$4.75	C\$193,402,582	Loan Repayment ⁽²⁾
September 7, 2012	4,822,994 Class B Common Shares ⁽³⁾	\$1.60	N/A	AER
September 7, 2012	260,000 Class B Common Shares ⁽⁴⁾	\$1.60	\$416,000	Cash
September 6, 2012	162,000 Class B Common Shares ⁽⁴⁾	\$1.60	\$259,200	Cash
August 21, 2012	500,000 Class B Common Shares ⁽⁴⁾	\$1.60	\$800,000	Cash
August 14, 2012	15,000 Class B Common Shares ⁽⁴⁾	\$1.60	\$24,000	Cash
June 14, 2012	171,613 Class B Common Shares ⁽⁵⁾	\$1.60	\$224,581	Cash
June 13, 2012	150,000 Class B Common Shares ⁽⁵⁾	\$1.60	\$240,000	Cash
June 11, 2012	275,676 Class B Common Shares ⁽⁵⁾	\$1.60	\$441,002	Cash
June 4, 2012	902,711 Class B Common Shares ⁽⁴⁾	\$1.60	\$1,444,338	Cash
May 8, 2012	60,000 Class B Common Shares ⁽⁴⁾	\$1.60	\$96,000	Cash
May 2, 2012	390,000 Class B Common Shares ⁽⁴⁾	\$1.60	\$624,000	Cash
May 1, 2012	2,333,333 Class B Common Shares ⁽⁶⁾	\$1.60	N/A	AER
April 20, 2012	50,000 Class B Common Shares ⁽⁴⁾	\$1.60	\$80,000	Cash
April 12, 2012	1,000,000 Class B Common Shares ⁽⁴⁾	\$1.60	\$1,600,000	Cash
April 10, 2012	10,000 Class B Common Shares ⁽⁴⁾	\$2.40	\$24,000	Cash
March 26, 2012	250,000 Class B Common Shares ⁽⁴⁾	\$1.60	\$400,000	Cash

Notes:

- (1) Values have been adjusted to reflect the stock split and the redesignation of Original Common Shares as Class B Common Shares pursuant to the Reorganization. Excludes conversions of Class B Common Shares to Common Shares.
- (2) Represents the conversion to Common Shares of the principal amount and interest of the Pre-IPO Bonds.
- (3) 10,335,000 Options were exercised via an alternative exercise right ("AER") resulting in the issuance of a net 4,822,994 Class B Common Shares.
- (4) Represents Class B Common Shares issued upon the exercise of previously granted Options.
- (5) Represents Class B Common Shares issued upon the exercise of an equivalent number of warrants issued June 19, 2007 at an exercise price of \$1.60 per warrant.
- (6) 5,000,000 Options were exercised via the AER right resulting in the issuance of a net 2,333,333 Class B Common Shares.

RESTRICTED SECURITIES

Certain holders of Common Shares and all holders of Class B Common Shares are subject to a lock-up of their shares, pursuant to lock-up agreements or to the Reorganization, as applicable. In addition, substantially all of the holders of Options outstanding at the time of the IPO executed lock-up agreements in respect of the Common Shares issuable upon exercise of their Options and the holders of Pre-IPO Bonds are obligated to execute and deliver lock-up agreements as a condition of receipt of the Common Shares issued in satisfaction of the Pre-IPO Bonds. Finally, one subscriber to the IPO has executed a lock-up agreement with respect to the Common Shares such subscriber purchased in the IPO. Set forth below is a list that itemizes the number of such securities and describes the related lock-up provisions.

Designation of class⁽¹⁾	Number of securities subject to a restriction on transfer	Percentage of outstanding Common Shares
Common Shares ⁽²⁾	21,055,000	3.98% ⁽⁴⁾
Class B Common Shares ⁽³⁾	423,146,247 ⁽³⁾	80.02% ⁽⁴⁾
Options ⁽⁵⁾	21,230,000 ⁽⁵⁾	4.01% ⁽⁴⁾
Common Shares issued on conversion of Pre-IPO Bonds ⁽⁶⁾	40,716,333 ⁽⁶⁾	7.70% ⁽⁴⁾

Notes:

- (1) Refers to class of security upon which the restriction on transfer is related.

- (2) In connection with a subscription for 21,055,000 Common Shares under the IPO, an investor has executed a letter agreement, addressed to the Company and the Underwriters, which restricts the investor from transferring the Common Shares, for a period of 180 days following the IPO Date.
- (3) Represents the aggregate of all outstanding Class B Common Shares plus those Class B Common Shares that have been converted to Common Shares. Class B Common Shares are convertible at any time at the option of the holder to Common Shares for no additional consideration, but holders must execute a Conversion Lock-up Agreement. As of March 26, 2013, 342,142,236 Class B Common Shares have been converted into Common Shares and are now subject to the terms of a Conversion Lock-up Agreement. After 39 months, all Class B Common Shares will be converted to Common Shares and all the restrictions imposed by the Conversion Lock-up Agreements will have ceased. See “*Corporate Structure of the Company – Reorganization*” and “*Description of Capital Stock – Class B Common Shares*” for further details.
- (4) The percentage of Common Shares provided in this column assumes the conversion of all Class B Common Shares into Common Shares, without reference to any Common Shares that may be issuable upon the exercise of Options.
- (5) In connection with the IPO, 41 holders, who held on the date of the IPO, Options to acquire 22,108,000 Common Shares, executed agreements by which such holder agreed not to transfer any Common Shares acquired upon the exercise of the Options within the first 180 days following the IPO Date. Since the date of the IPO, 878,000 such Options have been exercised and there remain 21,230,000 Options to acquire in the aggregate 21,230,000 Common Shares, subject to such lock-up agreements. The Common Shares issued or issuable on the exercise of the locked-up Options are subject to a restriction on transfer for a period of 180 days following the IPO Date.
- (6) Each holder of Pre-IPO Bonds must execute and deliver a lock-up agreement prior to receiving the Common Shares issued in satisfaction of the Pre-IPO Bonds that restricts such holder from transferring the Common Shares for a period of 180 days following the IPO Date.

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets out the names and Country and State or Province of residence of the directors and executive officers of the Company, their present position(s) and offices with the Company, their principal occupations during the last five years and their holdings of Common Shares or Class B Common Shares, as applicable, as at the date hereof.

The term of office of the directors expires annually at the time of the Company’s annual shareholder meeting. The term of office of the Company’s executive officers expires at the discretion of the Board.

<u>Name and Country of Residence</u>	<u>Position with the Company</u>	<u>Principal Occupation for Past Five Years⁽¹⁾</u>	<u>Number of Shares Owned Directly or Indirectly⁽¹⁾⁽²⁾</u>
<i>Directors</i>			
Robert M. Friedland Singapore	Executive Chairman and Director since November 2000.	Executive Chairman of Ivanhoe Mines Ltd. (now Turquoise Hill Resources Ltd.) (March 1994 – April 2012); President of Ivanhoe Mines Ltd. (March 1994 – July 1994; March 2003 – January 2004); Chief Executive Officer of Ivanhoe Mines Ltd. (October 2010 – April 2012); Chairman of Ivanhoe Capital Corporation (January 1991 – present); President of Ivanhoe Capital Corporation (July 1988 – present); Founder and Executive Co-Chairman of Ivanhoe Energy Inc. (May 2008 – present); President of Ivanhoe Energy Inc. (May 2008 – May 2010); Chief Executive Officer of Ivanhoe Energy Inc. (May 2008 – December 2011); Deputy Chairman of Ivanhoe Energy Inc. (June 1999 – May 2008)	135,335,035 Common Shares (25.59%)
Charles Russell Guernsey, Channel Islands	Director since July 2000 ⁽³⁾⁽⁴⁾⁽⁵⁾ .	Retired (June 1995 – present)	508,468 Common Shares (0.10%)

Peter Meredith British Columbia, Canada	Director since May 1998 ⁽⁶⁾ .	President and Chief Executive Officer, Global Mining Management Corporation (April 2006 – present); Chairman of SouthGobi Resources Ltd. (October 2009 – September 2012); Chief Executive Officer of SouthGobi Resources Ltd. (June 2007 – October 2009); Deputy Chairman of Ivanhoe Mines Ltd. (now Turquoise Hill Resources Ltd.) (May 2006 - April 2012)	813,000 Common (0.15%)	Shares
Cyril Ramaphosa Gauteng, South Africa	Director since May 2002.	Executive Chairman of Shanduka Group Pty Ltd. (March 2001 – present)	1,216,666 Common (0.23%)	Shares
Dr. Markus Faber Chiangmai, Thailand	Director since August 2004 ⁽⁷⁾ .	Managing Director of Marc Faber Limited (June 1990 – present)	233,333 Common (0.04%)	Shares
William Lamarque England, United Kingdom	Director since June 2006 ⁽³⁾ .	Managing Partner of Balor Capital Management LLC (October 2007 – present); President of Hanson Capital Asia Ltd. (February 2002 – present); Chief Executive Officer of Ecometals Limited (January 2011 – present)	233,333 Class B Common Shares (0.04%)	Shares
William Hayden New South Wales, Australia	Director since March 2007 and May 1998 — September 2002 ⁽⁸⁾ .	President and Director of Ivanhoe Philippines, Inc. (July 2005 – December 2011); President of GoviEx Uranium Inc. (June 2010 – August 2011)	466,666 Common (0.09%)	Shares
Oyvind Hushovd Norway	Director since September 2007 ⁽⁷⁾⁽⁹⁾ .	Director of Nyrstar B.V. (December 2009 - present); Director of Cameco Corporation (December 2003 – present); Director of Inmet Mining Corporation (May 2002 – March 2013)	1,000,000 Class B Common Shares (0.19%)	Shares
Guy de Selliers England, United Kingdom	Director since May 2011.	President of HCF International Advisers Ltd. (March 2003 – present); Director of Solvay SA, Director of Ageas SA, Director of AMG NV	Nil	

Ian Cockerill Gauteng, South Africa	Director since May 2011 ⁽⁴⁾⁽¹⁰⁾ . Lead Independent Director since May 2012.	Executive Director (March 2010 – July 2010), and Executive Chairman (July 2010 – present) of Petmin Limited; Non-Executive Director of Orica Limited (September 2010 – present); Non-Executive Chairman of Hummingbird Resources Ltd. UK (October 2009 – present); Advisor to Chief Executive Officer of Audley Capital Management (September 2010 – present); Chief Executive Officer of Anglo Coal (June 2008 – December 2009); Chief Executive Officer and Managing Director, Gold Fields Ltd. (May 2002 – April 2008)	Nil
Dr. Rilwanu Lukman Vienna, Austria	Director since February 2012 ⁽⁸⁾ .	Principal of R. Lukman and Co. Limited (October 1991 – present)	Nil
<i>Executive Officers</i>			
Lars-Eric Johansson England, United Kingdom	President since May 2008 and Chief Executive Officer since May 2007.	Chief Executive Officer (May 2007 – present) and President (May 2008 – present), Ivanplats	2,916,666 Class B Common Shares (0.55%)
Martie (Marna) Cloete Gauteng, South Africa	Chief Financial Officer since December 2009.	Chief Financial Officer, Ivanplats (December 2009 – present); Group Finance Manager, Ivanplats (December 2008 – December 2009); Group Financial Accountant (July 2006 – December 2008)	Nil
Michael Gray Arizona, United States	Chief Operating Officer since April 2012.	Chief Operating Officer, Ivanplats (April 2012 – present); Vice President, Stantec (July 2009 – December 2011); President and co-founder, McIntosh Engineering Inc. (April 1993 – June 2008)	Nil
Steve Garcia Gauteng, South Africa	Executive Vice President and Chief Development Officer since February 2013.	Executive Vice President and Chief Development Officer, Ivanplats (February 2013 – Present); Executive Vice President (October 2005 – November 2012) and Project Director (May 2005 – November 2012), Turquoise Hill Resources Ltd.	Nil

David Broughton British Columbia, Canada	Executive Vice President, Exploration since January 2008.	Executive Vice President, Exploration, Ivanplats (January 2008 – present); Exploration Manager, Sediment-hosted Copper Deposits of Phelps Dodge Exploration Corp./Freeport Exploration (December 2006 – October 2007)	498,516 Common (0.09%)	Shares
B. Matthew Hornor British Columbia, Canada	Executive Vice President, Business Development and Legal since May 2010.	Executive Vice President, Business Development and Legal, Ivanplats (May 2010 – present); President and Director of Beales Ltd. (September 2010 – present); Managing Director, Japan, Ivanhoe Capital Corporation (August 2005 – present); Senior Vice President, Japan, Ivanhoe Energy Inc. (October 2009 – present); Executive Vice President, GoviEx Uranium Inc. (September 2009 – present) General Counsel, GoviEx Uranium Inc. (February 2007 – present)	90,000 Common Shares (0.02%)	Common Shares

Notes:

- (1) The information as to principal occupation, business or employment of and shares beneficially owned, controlled or directed by a director or executive officer is not within the knowledge of the management of the Company and has been furnished by the respective parties.
- (2) The share holdings presented in this column exclude options, if any, held by such directors and officers and the percentage values are calculated to include, in the aggregate, the Common Shares and the Class B Common Shares, without reference to any Common Shares that may be issuable upon the exercise of options.
- (3) Member of the audit committee.
- (4) Member of the nominating and corporate governance committee.
- (5) Chair of the sustainability committee.
- (6) Chair of the audit committee.
- (7) Member of the compensation and benefits committee.
- (8) Member of the sustainability committee.
- (9) Chair of the nominating and corporate governance committee.
- (10) Chair of the compensation and benefits committee.

As at the date of this AIF, the Company's directors and executive officers as a group beneficially own, directly or indirectly, or exercise control or direction over an aggregate of 139,161,684 Common Shares, and an aggregate of 4,149,999 Class B Common Shares, representing in the aggregate 27.10% of the issued and outstanding Common Shares, assuming 100% conversion of the Class B Common Shares to Common Shares, excluding any options held by such directors and officers.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of management, except as disclosed herein, no director or executive officer of the Company is, as of the date of this AIF, or was, within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including Ivanplats) that was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued: (i) while such person was acting in that capacity; or (ii) after such person was acting in such capacity and which resulted from an event that occurred while that person was acting in such capacity.

Lars-Eric Johansson served, from June 2004 to April 2006, as the Executive Vice-President and Chief Financial Officer of Kinross Gold Corporation, a reporting issuer in all of the Provinces of Canada. Kinross Gold Corporation was subject to a management cease trading order issued by the Ontario Securities Commission on April 1, 2005 for failure to file its annual financial statements in the prescribed

time period. Kinross became current in its filings on February 22, 2006 and the management cease trading order was lifted on that date.

To the knowledge of management, except as disclosed herein, no director or executive officer of the Company, or shareholder holding a sufficient number of securities to affect materially the control of the Company is, as of the date of this AIF, or has been, within 10 years before the date hereof, a director or executive officer of any company that, while such person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Cockerill was a non-executive director of Peterstow Holdings from August 2010 to March 2012. In August 2012, Peterstow Holdings applied for an order from the High Court in Swaziland to be placed under provisional liquidation. Mr. Cockerill is a minority shareholder of Peterstow Holdings, owning less than 1% of the issued and outstanding capital of the company.

Dr. Lukman was a director of MPF Corp., Ltd. from June 2007 through September 2008 at which time the company filed a voluntary petition for reorganization under Chapter 11 in the U.S. Bankruptcy Court for the Southern District of Texas, in joint administration with MPF Holding U.S. LLC. During the time that Dr. Lukman was a member of the board, no board meetings were held and Dr. Lukman received no fees from the company.

Mr. William Lamarque was a director of Century Mining Corporation (“**Century**”) until it was purchased through a statutory plan of arrangement by White Tiger Gold Ltd. (“**White Tiger**”) in October 2011. On May 25, 2012, White Tiger announced that Century had received a notice from Deutsche Bank AG, London Branch, that it was in breach of certain contractual commitments and that Deutsche Bank would be enforcing its security on the property of Century.

To the knowledge of management, no director or executive officer of the Company, or shareholder holding a sufficient number of securities to affect materially the control of the Company has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

To the knowledge of management, no director or executive officer of the Company, or shareholder holding a sufficient number of securities to affect materially the control of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

To the best of the Company’s knowledge, except as otherwise noted in this AIF, there are no existing or potential conflicts of interest among the Company, its directors, officers, or other members of management of the Company except that certain of the directors, officers and other members of management serve as directors, officers and members of management of other public companies and therefore it is possible that a conflict may arise between their duties as a director, officer or member of management of such other companies and their duties as a director, officer or member of management of the Company.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors and officers of conflicts of interest and the Company will rely upon such laws in respect of any directors' or officers' conflicts of interest or in respect of any breaches of duty to any of its directors and officers. All such conflicts must be disclosed by such directors or officers in accordance with the BCBCA.

The Company has adopted a Code of Business Conduct and Ethics that applies to all directors, officers, employees and consultants of the Company and its subsidiaries.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Since January 1, 2012, there have been no legal proceedings to which the Company is or was a party or of which any of its property is or was the subject of that involves claims for damages that exceeds 10% of the Company's current assets. The Company has received demand letters in the past from parties claiming rights with respect to the Company or its assets. In each case the claimants have not commenced any legal proceedings in respect of their demands and the Company views the claims as without merit.

Since incorporation, there have not been any penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Company, and the Company has not entered into any settlement agreements before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

AUDIT COMMITTEE INFORMATION

Audit Committee Charter

The charter of the Audit Committee is attached as Schedule "B" to this AIF.

Composition of the Audit Committee and Independence

The audit committee is comprised of Peter Meredith (Chair), Charles Russell, and William Lamarque. Charles Russell and William Lamarque are "independent" within the meaning of NI 52-110.

Relevant Education and Experience

Each of Peter Meredith (Chair), Charles Russell, and William Lamarque, are "financially literate" within the meaning of NI 52-110. Each of the members of the Audit Committee has had several years of experience as a senior executive and a member of the board of directors of significant business enterprises in which he has assumed substantial financial and operational responsibility. In the course of these duties, the members have gained a reasonable understanding of the accounting principles used by the Company; an ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves; experience analyzing and evaluating financial statements that present a breadth and level of complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting.

Reliance on Certain Exemptions

The Company is relying on the exemption from the independence requirement for all audit committee members set forth in Section 3.2(2) of NI 52-110, which limits the application of Section 3.1(3) of NI 52-110 for a period of one year, provided that the Board has determined that the reliance on the exemption

will not materially adversely affect the ability of the audit committee to act independently and to satisfy the other requirements of NI 52-110. This exemption is being relied upon in respect of Peter Meredith, who serves on the audit committee of the Company and has a material connection to Robert Friedland, the Company's largest shareholder and, as a result, is not independent. The reason the Company appointed Mr. Meredith to the audit committee is because of his in-depth accounting expertise as a Chartered Accountant. The Board has determined the reliance on Section 3.2(2) of NI 52-110 will not materially adversely affect the ability of the audit committee to act independently and to satisfy the other requirements of NI 52-110.

Audit Committee Oversight

At no time since incorporation was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the Board.

Pre-Approval Policies and Procedures

All non-audit services must be pre-approved by the audit committee. In no event can the external auditor undertake non-audit services prohibited by legislation or by professional standards.

External Auditor Service Fees

The following table provides information about the fees billed to the Company, for professional services rendered by Deloitte LLP (formerly Deloitte & Touche LLP), Chartered Accountants, during the financial years ended December 31, 2012 and 2011:

Deloitte LLP	2012	2011
	(C\$)	(C\$)
Audit Fees ⁽¹⁾	316,500	318,100
Audit Related Fees ⁽²⁾	290,000	90,000
Tax Fees ⁽³⁾	—	—
All Other Fees ⁽⁴⁾	15,000	—
Total: ⁽⁵⁾	621,500	408,100

Notes:

- ⁽¹⁾ Audit fees were for professional services rendered by the Company's auditors for the audit of the Company's annual consolidated financial statements.
- ⁽²⁾ Audit related fees were for services related to limited procedures performed by the Company's auditors related to interim reports as well as services provided in connection with statutory and regulatory filings, including without limitation the IPO occurring in 2012.
- ⁽³⁾ Tax fees are for tax compliance, tax advice and tax planning.
- ⁽⁴⁾ All other fees for services performed by the Company's auditors.
- ⁽⁵⁾ These fees only represent professional services rendered and do not include any out-of-pocket disbursements or fees associated with filings made on the Company's behalf. These additional costs are not material as compared to the total professional services fees for each year.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

In May 2007, the Company subscribed for common shares in the capital of Rhenfield Limited, a British Virgin Islands registered company, constituting a 50% interest in Rhenfield Limited at the nominal value of the shares \$522 (£252). The other 50% interest is held by Ivanhoe Capital Pte Ltd., a company which has a director in common with Ivanplats and which is 100% owned indirectly by the Executive Chairman. Rhenfield Limited purchased a building in London, England for \$14.6 million (£7.0 million) that was partly funded via a loan from both shareholders of \$2.4 million each (£1.05 million each) as well as a mortgage bond of \$7.8 million (£4.9 million). The shareholders of Rhenfield Limited further

funded transaction costs, capital improvements and operating costs on a 50:50 basis. The building is being partly used as the London office of the Company. The 50% interest in Rhenfield Limited is accounted for using the equity basis according to the Company's joint venture accounting policy.

Ivanhoe Mines Ltd., now Turquoise Hill Resources Ltd., subscribed for \$15 million of the 2011 Pre-IPO Bonds. At the time of the transaction, Robert Friedland and Peter Meredith, who are directors of the Company, were directors and executive officers of Ivanhoe Mines Ltd. As at the date of this AIF, Mr. Friedland no longer serves in such roles for Turquoise Hill Resources Ltd., while Mr. Meredith remains a director of Turquoise Hill Resources Ltd.

The Company is a party to a cost sharing agreement with other companies, some of which Mr. Friedland, Executive Chairman of the Company, has a material direct or indirect beneficial interest in. These other companies include Turquoise Hill Resources Ltd. (TSX; NYSE; NASDAQ), SouthGobi Resources Ltd. (TSX; SEHK), Ivanhoe Energy Inc. (TSX; NASDAQ), Ivanhoe Capital Corporation, GoviEx Uranium Inc. and I-Pulse Inc. Through these agreements, the Company shares, on a cost-recovery basis, office space, furnishings, equipment and communications facilities in Vancouver, Singapore and London, and an aircraft. The Company also shares the costs of employing administrative and certain management personnel in these offices. The companies party to the cost sharing agreement with Ivanplats and Mr. Friedland's ownership interests in each of them, as at December 31, 2012, are as follows:

<u>Corporation Name</u>	<u>R.M. Friedland Ownership Interest</u>
Turquoise Hill Resources Ltd.	10.08%
Ivanhoe Energy Inc.	16.78%
Ivanhoe Capital Corporation	100%
SouthGobi Resources Ltd.	— ⁽¹⁾
GoviEx Uranium Inc.	—
I-Pulse Inc.	27.22%

Notes:

⁽¹⁾ As at December 31, 2012 Mr. Friedland owned 10.08% of the common shares of Ivanhoe Mines Ltd., now Turquoise Hill Resources Ltd., which owned 57.60% of the common shares of SouthGobi Resources Ltd.

TRANSFER AGENTS AND REGISTRARS

The transfer agent and registrar for the Common Shares is CIBC Mellon Trust Company at its offices in Vancouver and Toronto.

MATERIAL CONTRACTS

The only material contracts entered into by the Company or on its behalf, since December 31, 2011 or entered into prior to December 31, 2011 and which are still in force, other than contracts entered into in the ordinary course of business, are:

1. Joint Operation and Investment Agreement. See "*Material Contracts - Itochu Investment*";
2. Underwriting Agreement. See "*Material Contracts – Underwriting Agreement*";
3. Kipushi Acquisition Agreement. See "*Material Contracts - Kipushi Acquisition Agreement*"; and
5. Joint Venture Agreement. See "*Material Contracts - Joint Venture Agreement*".

Copies of these agreements may be inspected at the head office of the Company located at 654 – 999 Canada Place, Vancouver, British Columbia, V6C 3E1, and will also be filed via SEDAR and available at www.sedar.com.

Itochu Investment

Itochu acquired its participating interest in the Platreef Project in two separate investments, each of which was made directly into Beales Ltd. (the subsidiary through which Ivanplats holds its rights to the Platreef Project). In the first equity financing, Itochu invested \$10 million and acquired a 2% participating interest in the Platreef Project. The parties agreed that the proceeds would primarily be used to complete an in-fill drilling program on the Platreef Project. Itochu's first investment in the Platreef Project closed in September 2010.

In May 2011, Ivanplats and Itochu completed the negotiation of an additional investment in the Platreef Project by way of a Joint Operation and Investment Agreement by and among Ivanplats, Itochu, ITC Platinum and Beales Ltd. ITC Platinum is owned by a consortium of Itochu, the state-owned JOGMEC and JGC, a global engineering company. Pursuant to the Joint Operation and Investment Agreement, Itochu and its consortium partners acquired an additional 8% participating interest in the Platreef Project for 22.4 billion Japanese Yen (approximately \$280 million), through an equity investment in Beales Ltd. The transaction closed in June 2011, and the parties agreed that the proceeds of the investment would be used solely to satisfy the direct costs and expenses of the Platreef Project, including the payment of a management fee equal to 3% of the recoverable costs, as such term is defined in the Joint Operation and Investment Agreement, to Ivanplats (or its nominee) as the manager of the Platreef Project. Further, Itochu, JOGMEC and JGC participate in the Platreef Project's joint technical committee.

In partial consideration for their respective participating interests, Itochu and ITC Platinum have agreed to use reasonable efforts to arrange for and facilitate non-recourse project financing and support from Japanese financial institutions for the continued development of the Platreef Project. Ivanplats anticipates that the Platreef Project, with support from its Japanese partners, will seek and potentially qualify for Japanese government supported financing in light of the importance to Japan of promoting the overseas acquisition and development of strategic natural resources, and the long-standing Japanese policy of supporting Japanese firms engaged in these activities.

In order to obtain mining rights in respect of the Platreef Project under South African mining laws, the Company must comply with the BEE and socio-economic objectives of the MPRDA by May 2014. In light of the foregoing, Itochu and ITC Platinum are entitled to anti-dilution protection, without requiring the contribution of further funds, solely in respect of any BEE-related investment. These anti-dilution protections do not operate to excuse Itochu or ITC Platinum from their respective obligations to contribute additional funding in proportion to their respective participating interests in the Platreef Project, as may be required pursuant to cash call notices delivered by Ivanplats (or its nominee), as the manager of the Platreef Project. As a result of the structuring arrangements related to this anti-dilution right, ITC Platinum holds the legal interest in an additional 0.49% in the share capital of Beales Ltd., which ITC Platinum holds for the benefit of Ivanplats.

In addition to the limited anti-dilution protection noted above, the Joint Operation and Investment Agreement provides for, among other things, additional investment protections for Itochu and ITC Platinum such as:

- a right of first offer to acquire all or any portion of those shares in Beales Ltd. or in Platreef Resources that may be transferred or sold by Ivanplats or Beales Ltd., subject to customary

exceptions and an aggregate ownership cap of 12%, above which the exercise of such right is subject to the Company's written consent;

- certain tag-along rights to participate with Ivanplats in the sale of its participating interest in the Platreef Project, subject to the terms and conditions set forth in the Joint Operation and Investment Agreement; and
- a right to convert their shares in Beales Ltd. (or in Platreef Resources to the extent owned by either Itochu or ITC Platinum) into Common Shares following: (i) a breach of the Joint Operation and Investment Agreement by Ivanplats that remains uncured for more than 180 days following notice of the breach; or (ii) the occurrence of certain specified insolvency events relating to the Company.

The parties have agreed to a best efforts negotiation of the terms of a definitive off-take agreement prior to first production from the Platreef Project. However, if the parties are unable to conclude an off-take agreement, Itochu and ITC Platinum nevertheless have the right to purchase a share of concentrate, matte and other products from the Platreef Project, at commercial rates, in proportion to their respective participating interests in the Platreef Project at the time of production.

The Joint Operation and Investment Agreement also contains customary terms for an agreement of this nature, including the formation of joint management and technical committees in respect of the Platreef Project, a right of first refusal in favour of Ivanplats with respect to shares in Beales Ltd. offered for sale by Itochu or ITC Platinum, subject to certain exemptions, cash call provisions for the continued funding of the Platreef Project (and standard dilution provisions in the event of a cash call not being met by either party), customary representations and warranties from the parties, and dispute resolution and liability limitation provisions.

Underwriting Agreement

In connection with the IPO, the Company entered into the Underwriting Agreement, amongst itself and the Underwriters, pursuant to which the Company agreed to sell and the Underwriters agreed to purchase, as principals, on the IPO Date, 63,327,000 Common Shares at C\$4.75 per Common Share for gross proceeds of C\$300,803,250, payable to the Company.

The Company also granted the Underwriters an over-allotment option, which the Underwriters exercised, in part, on November 27, 2012, acquiring an additional 1,031,000 Common Shares, at C\$4.75 per Common Share for gross proceeds of C\$4,897,250, payable to the Company.

The Underwriters received an aggregate commission of C\$15,285,025, being 5% of the aggregate gross proceeds of the IPO (including in respect of the partial exercise of the over-allotment option). In addition, legal fees and expenses of the IPO, including those of the Underwriters, were for the account of the Company.

The Company agreed in the Underwriting Agreement to indemnify each of the Underwriters and their affiliates and their respective directors, officers and employees against certain liabilities and expenses and will contribute to payments that the Underwriters may be required to make in respect thereof, if any.

The Company has also agreed in the Underwriting Agreement that it will not, for the period commencing on the IPO Date and ending 180 days after the IPO Date, directly or indirectly, without the prior written consent of the Underwriters, issue, offer, sell, contract to sell, secure, pledge, grant any option, right or warrant to purchase or otherwise lend, transfer or dispose of (or agree to do any of such things or announce any intention to do so) any equity securities of Ivanplats or any securities convertible into, or

exchangeable or exercisable for, equity securities of Ivanplats; or make any short sale, engage in any hedging transactions, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Common Shares or Class B Common Shares, except for the issue of Common Shares or options, rights or other securities convertible into or exercisable for Common Shares pursuant to any equity incentive plan, stock ownership or purchase plan, dividend reinvestment plan or other equity plan in effect as of the date hereof, or the issue of Common Shares or Class B Common Shares issuable upon the conversion or exchange of securities or the exercise of warrants or options outstanding as of the IPO Date including on conversion of the Pre-IPO Bonds. In addition, the Company has agreed with the Underwriters that, from the IPO Date until 180 days following the IPO Date, it shall not provide any consent to the transfer or Disposition of any Class B Common Shares or under any Conversion Lock-up Agreement or under lock-up agreements with holders of the Pre-IPO Bonds and holders of Options, each without first having obtained the consent of the Underwriters. As at the IPO Date, the holders of Options representing 99.9% of the Options outstanding at that time had entered into lock-up agreements.

Kipushi Acquisition Agreement

On November 28, 2011 Ivanplats, through its wholly-owned subsidiary Ivanhoe DRC, acquired 68% of the share capital of KICO from Kipushi Vendor. Ivanhoe DRC acquired the shares in KICO, the holder of the Kipushi Project mining right, with entitlement to the underground workings, including the Number 5 shaft, pursuant to the Kipushi Acquisition Agreement among Kipushi Vendor (as seller), FPL (as Vendor guarantor), Ivanhoe DRC (as buyer) and Ivanplats (as buyer guarantor). In accordance with the Kipushi Acquisition Agreement, as at the closing Ivanhoe DRC paid to Kipushi Vendor \$45 million as consideration for the purchase. A further \$100 million in purchase consideration became payable to Kipushi Vendor on completion of the IPO, which amount has been paid in full.

Pursuant to the Kipushi Acquisition Agreement, Ivanhoe DRC also agreed to assume certain amounts owing to Gécamines, the state owned mining company of the DRC, who is the other shareholder of KICO, in connection with the Kipushi Project. These obligations include \$15 million of payments arising in connection with the Kipushi Joint Venture Agreement, the full amount of which has been paid by Ivanhoe DRC, and approximately \$5 million in maintenance payments which remains outstanding. Ivanhoe DRC also assumed from Kipushi Vendor responsibility for a social development loan program with Gécamines in which the lender (Ivanhoe DRC) is obliged to fund ongoing operations by Gécamines personnel at the property site, of which \$20 million remained a funding obligation of Ivanhoe DRC to Gécamines and was advanced during November 2012. The amounts to be owed to Ivanhoe DRC under this loan (including accrued interest) may be offset against the 2.5% net turnover royalty otherwise payable by Ivanhoe DRC to Gécamines under the terms of the Kipushi Joint Venture Agreement.

The Kipushi Acquisition Agreement includes a number of warranties as to the constitution of KICO, free and unencumbered ownership of the mineral titles, compliance with laws, litigation and certain other matters. The Kipushi Acquisition Agreement also contains certain covenants and indemnities from Kipushi Vendor in favour of Ivanhoe DRC.

Joint Venture Agreement

The operation of KICO, relating in particular to the rights and responsibilities for the Kipushi Project, are governed by the Kipushi Joint Venture Agreement originally entered into by Gécamines and United Resources AG on February 14, 2007. The Kipushi Joint Venture Agreement was novated to Kipushi Vendor by United Resources AG via a novation act on May 16, 2008 and Kipushi Vendor replaced United Resources AG as a party to the Kipushi Joint Venture Agreement. By virtue of the Kipushi

Acquisition Agreement, Kipushi Vendor transferred its interest in the Kipushi Joint Venture Agreement to Ivanhoe DRC concurrent with the sale of shares in the capital of KICO.

The Kipushi Joint Venture Agreement:

- obligates Ivanhoe DRC to prepare and deliver to Gécamines a Feasibility Study for commencement of mineral production at the Kipushi Project no later than December 31, 2014, with up to an extra six month grace period if Ivanhoe DRC can demonstrate that it is not objectively able to deliver the Feasibility Study within that time. The Feasibility Study should target a production rate of 143,000 tpa of zinc concentrate, subject to adjustment as determined in the Feasibility Study;
- establishes that Gécamines' 32% shareholding is non-diluting and that Gécamines receives a royalty of 2.5% of net turnover;
- provides that all shareholder decisions are taken by simple majority decision regardless of the number of shares held except for changes in the articles of association which require a 75% vote and dividends in specie of product, changes to the objects clause or change to the nationality of KICO, which changes require a unanimous vote;
- provides that shares in KICO are not transferable before the date of commercial production and that, save for transfers between the shareholders or to their affiliates, pre-emption rights will apply to transfers of shares at an agreed price or, failing agreement, a price determined by an expert. There are provisions that a change in control of a shareholder will trigger pre-emption rights as if a transfer had been made. Gécamines has confirmed that completion by Ivanplats of a stock exchange listing would not in any event constitute a change in control for such purposes;
- establishes a board of directors and management committee each comprising 7 members of which Ivanhoe DRC is entitled to appoint four members and Gécamines three members. The Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Sales and Marketing director are appointed by Ivanhoe DRC and the Deputy Chief Executive Officer, Human Resources director and Supply director are appointed by Gécamines;
- retains for Gécamines ownership of two concentrators located on site, a tailings facility and other buildings and infrastructure, and acknowledges the right of Gécamines to continue to use those facilities to process mineralized material from other properties; and
- establishes protocols for future financing, which obligate Ivanhoe DRC to finance 20% of finance costs for the project through interest-free advances. The parties agreed that the balance of the financing would be financed through commercial borrowings at LIBOR plus 400 basis points or as otherwise agreed between them.

INTERESTS OF EXPERTS

Names of Experts

Deloitte LLP (formerly Deloitte & Touche LLP), Chartered Accountants, have advised that they are independent of the Company within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

The scientific and technical information in this AIF regarding the Projects referred to in the “Description of the Business” section is based on the:

- technical report dated March 11, 2013 prepared by AMEC, AMC Consultants, Stantec Inc., Golder Associates, African Mining Consultants, SRK Consulting Inc, covering the Company’s Kamoia Project;
- technical report dated March 13, 2013 prepared by AMEC covering the Company’s Platreef Project; and
- revised technical report dated September 27, 2012 prepared by IMC Group Consulting Limited covering the Company’s Kipushi Project.

Interests of Experts

To the knowledge of the Company, as of the date hereof, none of Deloitte LLP, AMC Consultants, AMEC, SRK Consulting Inc., Stantec or IMC Group Consulting Limited or any of their “designated professionals” as defined in NI 51-102, hold any beneficial interest in, directly or indirectly, Common Shares, or securities convertible into Common Shares, equal to or greater than one percent of the issued and outstanding Common Shares.

ADDITIONAL INFORMATION

Additional information including directors’ and officers’ remuneration and indebtedness, principal holders of the Company’s securities and options to purchase Common Shares of the Company will be contained in the management proxy circular to be filed in connection with the annual general meeting of the Company, currently scheduled to be held on May 7, 2013, which is available on SEDAR at www.sedar.com. Additional financial information is contained in the Company’s consolidated financial statements and MD&A as at and for the period ended December 31, 2012 and 2011 and available on SEDAR at www.sedar.com. Additional information relating to the Company may be found on SEDAR at www.sedar.com.

SCHEDULE “A”

INTERPRETATION

Defined Terms

Certain terms are limited to one section of the AIF and are defined directly in the body of the AIF. Other terms are used throughout, and are defined as follows:

“**2011 Pre-IPO Bonds**” has the meaning ascribed thereto under the heading “*General Development of the Business - Three Year History*”;

“**2012 Pre-IPO Bonds**” has the meaning ascribed thereto under the heading “*General Development of the Business - Three Year History*”;

“**African Minerals**” means African Minerals (Barbados) Limited SPRL, a company registered in the DRC, a wholly-owned indirect subsidiary of Ivanplats;

“**AIF**” has the meaning ascribed thereto under the heading “*Forward-Looking Statements*”;

“**AMEC**” collectively means the entities of AMEC GRD SA, AMEC Australia Pty Ltd, and AMEC E&C Services Inc, which are affiliated companies that supply consultancy, engineering and project management services internationally;

“**Atlatsa**” means Atlatsa Resources Corporation, a company incorporated under the laws of British Columbia (formerly Anooraq Resources Corporation);

“**BCBCA**” means the *Business Corporations Act* (British Columbia) and the regulations in effect thereunder;

“**Beales Ltd.**” means Beales Limited, a company incorporated in accordance with the laws of the British Virgin Islands, and a majority owned subsidiary of Ivanplats through which Ivanplats holds its rights to the Platreef Project;

“**BEE**” means the process pursuant to which the government of South Africa is attempting to provide HDSA with access to property, business opportunities and other benefits generated by the South African economy through the implementation of statutes aimed specifically at the advancement of HDSA and HDSA communities;

“**Board**” means the board of directors of Ivanplats;

“**Class B Common Shares**” means the Class B common shares in the capital of the Company;

“**Common Shares**” means the Class A common shares in the capital of the Company;

“**Company**” has the meaning ascribed thereto under the heading “*Forward-Looking Statements*”;

“**Conversion Lock-up Agreement**” means a lock-up agreement to be entered into by the Company with each of the holders of Class B Common Shares who elect to do so, which, among other things, shall restrict transfers of the Common Shares acquired on conversion of Class B Common Shares to a staged release of such Common Shares during the Lock-up Period and which will be in the form approved by the Board from time to time;

“**Disposition**” means any offer of sale, contract to sell or otherwise to dispose of, transfer, gift, assign, encumber, convert, loan, pledge or grant any rights to, or to enter into any hedging arrangements with respect to issued Common Shares;

“**DMR**” means the South African Department of Mineral Resources;

“**DRC**” means the Democratic Republic of the Congo;

“**DRC Mining Code**” means the Law No. 007/2002 of July 11, 2002 introduced by the government of the DRC;

“**FPL**” means Fleurette Properties Limited, a company associated with Dan Gertler and incorporated under the laws of Gibraltar;

“**Gécamines**” means La Générale des Carrières et des Mines, a state-owned corporation, incorporated in the DRC;

“**Genalysis**” means Genalysis Laboratory Services (Proprietary) Limited, a private company with limited liability registered in accordance with the laws of South Africa;

“**HDSA**” means Historically Disadvantaged South Africans, as defined in the MPRDA;

“**IPO**” means initial public offering of 64,358,000 Common Shares at a price of C\$4.75 per Common Share;

“**IPO Date**” means October 23, 2012, being the date on which the IPO was completed;

“**ITC Platinum**” means ITC Platinum Development Ltd., a special purpose vehicle organized under the laws of the United Kingdom and owned by a consortium of Itochu, the state-owned JOGMEC and JGC;

“**Itochu**” means the Itochu Corporation, a corporation incorporated under the laws of Japan;

“**Ivanhoe DRC**” means Ivanhoe DRC Holding Company Limited, incorporated under the laws of Barbados, a wholly owned indirect subsidiary of Ivanplats and the subsidiary through which the Company holds its rights to the Kipushi Project;

“**Ivanplats**” has the meaning ascribed thereto under the heading “*Forward-Looking Statements*”;

“**JGC**” means JGC group of companies, consisting of the main company, JGC, which provides a wide range of services in the planning, design engineering, construction, and commissioning of various kinds of plants and facilities, and another 41 subsidiary, and 32 affiliated, companies in Japan and abroad, which through its ownership in ITC Platinum holds an indirect 0.5% participating interest in the Platreef Project;

“**JOGMEC**” means Japan Oil, Gas and Metals National Corporation, a company incorporated under the laws of Japan, which was created to integrate the functions of the former Japan National Oil Corporation (responsible for securing a stable supply of oil and natural gas) and the former Metal Mining Agency of Japan (responsible for ensuring a stable supply of non-ferrous metal and mineral resources and implementing mine pollution control measures), which through its ownership in ITC Platinum holds an indirect 1.5% participating interest in the Platreef Project;

“**Joint Operation and Investment Agreement**” means the joint operation and investment agreement between Itochu, ITC Platinum, Beales Ltd. and Ivanplats dated May 26, 2011;

“**Kamoa Exploitation Licences**” has the meaning ascribed thereto under the heading “*General Development of the Business - Three Year History*”;

“**Kamoa Project**” means the Company’s copper project located in Katanga Province, DRC, and which lies at the western end of the Central African Copperbelt;

“**Kamoa Technical Report**” means the technical report dated March 11, 2013 prepared by AMC Consultants, AMEC, SRK Consulting Inc. and Stantec, covering the Company’s Kamoa Project;

“**KICO**” means Kipushi Corporation S.P.R.L., a corporation incorporated under the laws of the DRC;

“**Kipushi Acquisition Agreement**” has the meaning ascribed thereto under the heading “*General Development of the Business - Three Year History*”;

“**Kipushi Joint Venture Agreement**” has the meaning ascribed thereto under the heading “*Description of the Business - Kipushi Project*”;

“**Kipushi Project**” means the Company’s zinc-copper project located near the town of Kipushi, DRC;

“**Kipushi Technical Report**” means the revised technical report dated September 27, 2012 prepared by IMC Group Consulting Limited covering the Company’s Kipushi Project;

“**Kipushi Vendor**” means Kipushi Resources International Limited, a company associated with Dan Gertler and incorporated under the laws of the Cayman Islands;

“**Lock-up Period**” means the period that begins on the date the respective Conversion Lock-Up Agreement is executed and ends on the date that is three years and three months (39 months) following the IPO Date;

“**Lock-up Shareholders**” means, during the Lock-up Period, a holder of Common Shares that received such Common Shares on the conversion of their Class B Common Shares and the concurrent execution of a Conversion Lock-up Agreement;

“**Macalacaskop**” means the farm Macalacaskop No. 243, Registration Division KR, in the Limpopo Province of South Africa; being one of the three contiguous properties which currently comprise the Platreef Project;

“**MPRDA**” means the *Mineral and Petroleum Resources Development Act, No. 28 of 2002* (South Africa), as amended from time to time, and includes the Regulations published pursuant thereto;

“**NI 43-101**” means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*;

“**NI 52-110**” means National Instrument 52-110 – *Audit Committees*;

“**Options**” mean options to purchase Common Shares pursuant to either: (i) those individual stock option agreements entered into by the Company with certain of its directors, officers, employees and consultants; or (ii) the amended and restated employees, and directors equity incentive plan of the Company, and “**Option**” refers to one option individually;

“**Original Common Shares**” means the common shares of the Company, as they were prior to the Reorganization, and which have since been reclassified as Class B Common Shares, having new rights, terms and conditions attached to them;

“**Platreef Project**” means those deposits of PGE-nickel-copper-gold mineralization, in the northern limb of the Bushveld Complex, located on the contiguous Turfspruit, Macalacaskop and Rietfontein

properties, approximately 280 km northeast of Johannesburg, South Africa held 90% by Ivanplats, subject to any interest of Atlatsa, pursuant to the Settlement and New Project Agreement. See “*Description of the Business - Platreef Project*”;

“**Platreef Resources**” means Platreef Resources (Proprietary) Limited, a private company incorporated in accordance with the laws of South Africa, a 100% owned subsidiary of Beales Ltd. and the subsidiary through which Ivanplats holds its rights to the Platreef Project;

“**Platreef Technical Report**” means the technical report effective March 13, 2013 prepared by AMEC covering the Company’s Platreef Project;

“**Pre-IPO Bonds**” has the meaning ascribed thereto under the heading “*General Development of the Business – Three Year History*”;

“**Preferred Shares**” mean the preferred shares in the capital of the Company issuable in series;

“**Preliminary Economic Assessment**” means that portion of the Kamoa Technical Report which would constitute a Preliminary Economic Assessment which is a study, other than a Pre-Feasibility Study or Feasibility Study, that includes an economic analysis of the potential viability of Mineral Resources;

“**Projects**” mean collectively, the Kamoa Project, Platreef Project and Kipushi Project and “Project” refers to one of the Projects individually;

“**QA/QC**” means quality assurance and quality control;

“**Qualified Person**” means an individual who is a “Qualified Person” or “QP” within the meaning of NI 43-101;

“**Reorganization**” means the reorganization of Ivanplats approved by its shareholders at a shareholders’ meeting on May 26, 2011, which amongst other things, resulted in the reclassification of Original Common Shares as Class B Common Shares;

“**Restitution of Land Rights Act**” means the *Restitution of Land Rights Act, No. 22 of 1994* (South Africa) as amended from time to time and includes the regulations published pursuant thereto;

“**Rietfontein**” means the farm Rietfontein Number 2, Registration Division KS, in the Limpopo Province of South Africa; being one of the three contiguous properties which currently comprise the Platreef Project;

“**Rietfontein Right**” means the exclusive right held by Plateau Resources Limited, a company incorporated under the laws of South Africa, being a subsidiary of Atlatsa, to prospect for base and precious metals on Rietfontein under prospecting right LP30/5/111/2/740PR;

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval operated by the securities regulatory authorities in each of the provinces and territories of Canada;

“**Settlement and New Project Agreement**” means the Settlement and New Project Agreement between Ivanplats and Atlatsa, dated December 11, 2009;

“**SNEL**” means the Société Nationale d’Electricité, the state owned power company of the DRC;

“**Technical Reports**” has the meaning ascribed thereto under the heading “*Definitions and Other Information – Scientific and Technical Information*”;

“**TSX**” means the Toronto Stock Exchange;

“**Turfspruit**” means the farm Turfspruit No. 241, Registration Division KS, in the Limpopo Province of South Africa; being one of the three contiguous properties which currently comprise the Platreef Project;

“**Underwriters**” means, collectively, BMO Nesbitt Burns Inc., Morgan Stanley Canada Limited, Macquarie Capital Markets Canada Ltd., RBC Dominion Securities Inc., CIBC World Markets Inc., Citigroup Global Markets Canada Inc., Renaissance Securities (Cyprus) Limited and UBS Securities Canada Inc.;

“**Underwriting Agreement**” means the underwriting agreement, dated October 15, 2012, amongst the Company and the Underwriters; and

“**U.S.**” or “**United States**” mean the United States of America, its territories or possessions, any state of the United States and the District of Columbia.

GLOSSARY OF MINING TERMS AND ABBREVIATIONS

“**AMK**” means one of the open-pit deposits of the Platreef Project located in the southern basin (an extension of the Turfspruit Basin) at Macalacaskop;

“**ATS**” means one of the open-pit deposits of the Platreef Project located at Turfspruit/Rietfontein;

“**azimuth**” means the direction of one object from another, usually expressed as an angle in degrees relative to true north. Azimuths are usually measured in the clockwise direction, thus an azimuth of 90° indicates that the second object is due east of the first;

“**Bushveld Complex**” means the layered igneous intrusion located in South Africa, which is one of the largest differentiated igneous bodies on earth, containing major deposits of PGEs, chromium and vanadium;

“**Central African Copperbelt**” means the copper mining area of Central Africa which runs through Zambia (Copperbelt Province) and the DRC (Katanga Province);

“**chromite**” means an oxide mineral with the chemical formula of FeCr_2O_4 ;

“**comminution/crushing/grinding**” means crushing and/or grinding of ore by impact and abrasion. Usually, the word “crushing” is used for dry methods and “grinding” for wet methods. Also, “crushing” usually denotes reducing the size of coarse rock while “grinding” usually refers to the reduction of the fine sizes;

“**concentrate**” means the valuable product from mineral processing, as opposed to the tailing, which contains the waste minerals. The concentrate represents a smaller volume than the original ore;

“**cut-off grade**” means a grade level below which the mineralized material is not considered to be economic to mine and process. The minimum grade used to establish Mineral Resources;

“**decline**” means a sloping underground opening for machine access from level to level or from the surface;

“**density**” means the mass per unit volume of a substance, commonly expressed in grams per cubic centimetre;

“**diamictite**” means a poorly or non-sorted, matrix-rich conglomerate or breccia with a wide range of clasts up to 25% of them gravel sized (greater than 2 mm);

“**dilution**” means waste or low-grade rock which is unavoidably removed along with the ore in the mining process;

“**EIA**” means a systematic process of identifying, assessing and reporting environmental impacts associated with an activity and includes both a scoping exercise and an environmental impact report, including for purposes of South Africa those matters identified in Parts 2 and 3 of the Environmental Impact Assessment Regulations, 2010 published in GNR 543 GG 33306 of June 18, 2010 in terms of sections 24(5), 24M and 44 of the *National Environmental Management Act, No. 107 of 1998* (South Africa);

“**Feasibility Study**” means a comprehensive study of a range of options on the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open-pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions of mining, processing, metallurgical, economic, marketing, legal, environmental, social and

governmental considerations and the evaluation of any other relevant factors which are sufficient for a Qualified Person, acting reasonably, to determine if all or part of the Mineral Resource may be classified as a Mineral Reserve;

“**Flatreef**” means a large underground area of essentially flat lying mineralization of higher grades and widths located in the UMT deposit of the Platreef Project;

“**flotation**” means separation of minerals based on the capture of mineral particles having hydrophobic surfaces by bubbles introduced to a mineral slurry. Reagents, called collectors, are added to the slurry to render the surface of selected minerals hydrophobic. Air bubbles are introduced to which the hydrophobic minerals attach. The selected minerals are levitated to the top of the flotation machine by their attachment to the bubbles and into a froth product, called the “flotation concentrate.” If this froth carries more than one mineral as a designated main constituent, it is called a “bulk float”. If it is selective to one constituent of the ore, where more than one constituent will be floated, it is called a “differential” float;

“**footwall**” means the rock on the underside of a vein, fault, or ore deposit;

“**grade shells**” means a three-dimensional isograd that represents a specific grade value in three dimensions;

“**hanging wall**” means the rock on the upper or top side of a vein, fault, or ore deposit;

“**harzburgites**” means a variety of peridotite consisting mostly of two minerals, olivine and low-calcium (Ca) pyroxene (enstatite);

“**hypogene**” means formed from processes within the earth; more generally, “primary” as opposed to “secondary” (supergene, formed at the earth’s surface). Hypogene mineralization or ores are commonly comprised of sulphide;

“**Indicated Mineral Resource**” means that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed;

“**Inferred Mineral Resource**” means that part of a Mineral Resource for which quantity and grade of quality can be estimated on the basis of geological evidence and limited sampling and reasonably assured, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes;

“**Katanga Supergroup**” means a sequence of sedimentary rocks of late Precambrian age within which occur the ore deposits of the Central African Copperbelt;

“**mafic**” means igneous rock composed mostly of one or more ferromagnesian, dark coloured minerals such as amphibole, pyroxene and olivine;

“**Measured Mineral Resource**” means that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is

based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity;

“**Merensky Reef**” means a mineralized PGE zone within the eastern and western limbs of the Bushveld Complex, and together with UG2, the location of most PGE mining in the Bushveld Complex conducted to date;

“**mill**” means any ore mill, concentration, crushing, grinding, or screening plant used at, and in connection with, an excavation or mine;

“**Mineral Reserve**” means the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Pre-Feasibility Study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined;

“**Mineral Resource**” means a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material, including base and precious metals, coal, and industrial minerals in or on the earth’s crust in such form and quantity and of such grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge;

“**norite**” means a coarse grained plutonic rock containing basic plagioclase (labradorite);

“**open-pit**” means a mine that is entirely on the surface;

“**ounce**” means a troy ounce, a system of measurement for precious metals, used in imperial statistics, and which is equal to 31.1035 grams;

“**plant**” means a group of buildings, in which a process or function is carried out; at a mine it will typically include warehouses, hoisting equipment, compressors, repair shops, offices and mill or concentrator;

“**Platreef**” means that pyroxenitic unit with nickel-copper-PGE mineralization that forms the base of the layered igneous succession in the northern limb of the Bushveld Complex;

“**Pre-Feasibility Study**” means a comprehensive study of the viability of a mineral project that has advanced to a stage where the mining method, in the case of underground mining, or the pit configuration, in the case of an open-pit, has been established and an effective method of mineral processing has been determined, and includes a financial analysis based on reasonable assumptions of technical, engineering, legal, operating, economic, social, and environmental factors and the evaluation of other relevant factors which are sufficient for a Qualified Person, acting reasonably, to determine if all or part of the Mineral Resource may be classified as a Mineral Reserve;

“**Probable Mineral Reserve**” is the economically mineable part of an Indicated and, in some circumstances, a Measured Mineral Resource demonstrated by at least a Pre-Feasibility Study. This study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified;

“**Proterozoic**” means the later of the two divisions of Precambrian time from approximately 2,500 Ma to 540 Ma;

“**Proven Mineral Reserve**” means the economically mineable part of a Measured Mineral Resource demonstrated by at least a Pre-Feasibility Study, which study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction is justified;

“**pyroxene**” means a group of important rock-forming inosilicate minerals found in many igneous and metamorphic rocks. They share a common structure consisting of single chains of silica tetrahedra and they crystallize in the monoclinic and orthorhombic systems. Pyroxenes have the general formula $XY(\text{Si,aluminium})_2\text{O}_6$ (where X represents calcium, sodium, iron+2 and magnesium and more rarely zinc, manganese and lithium and Y represents ions of smaller size, such as chromium, aluminium, iron+3, magnesium, manganese, scandium, titanium, vanadium and even iron+2);

“**pyroxenite**” means an ultramafic igneous rock consisting essentially of minerals of the pyroxene group, such as augite and diopside, hypersthene, bronzite or enstatite. They are classified into clinopyroxenites, orthopyroxenites, and the websterites which contain both pyroxenes;

“**remediation**” means the environmental restoration of a site after mining or exploration activity is completed;

“**refining**” means a process in which impure metal is processed to reduce the impurities. Two common processes are fire (pyrometallurgical) refining and electro-refining. In fire refining metal is collected in a molten layer and the impurities are driven off as gasses or collect in a slag layer. In electro-refining (or electrowinning) an impure anode is taken into solution and, simultaneously, refined metal is plated out of the solution as a cathode. Impurities either remain with the spent anode or fall to the bottom of the tank for later collection as a sludge. Refining results in the production of a marketable material;

“**Resource Estimates**” mean any one or more of a Measured Mineral Resource, Indicated Mineral Resource or Inferred Mineral Resource;

“**specific gravity**” means the weight of a substance compared with the weight of an equal volume of pure water at 4°C;

“**stratiform**” means forming a layer or arranged in layers; occurring as or arranged in strata;

“**stratigraphic**” means of or pertaining to the arrangement of strata; stratigraphy, the study of rock layers (strata) and the layering process (stratification); the layering of deposits, with newer strata overlying older ones, forming a chronology of the site; a stratigraphic cycle in a magmatic deposit is the cycle of the different layers;

“**strike length**” means the horizontal distance along the long axis of a structural surface, rock unit, mineral deposit or geochemical anomaly;

“**supergene**” means mineral enrichment produced by the chemical remobilization of metals in an oxidized or transitional environment;

“**tailings**” mean material rejected from a mill after the recoverable valuable minerals have been extracted;

“**Transvaal Supergroup**” means a circa 15 km thick package of quartzites, conglomerates, dolomites, limestones, cherts, shales, and banded iron-formation that were deposited on the Kaapvaal craton and range in age from approximately 2714 Ma to 2100 Ma;

“**UG2**” means a mineralized PGE zone within the eastern and western limbs of the Bushveld Complex, and together with Merensky Reef, the location of most PGE mining in the Bushveld Complex conducted to date; and

“**UMT deposit**” means the underground deposit of the Platreef Project located almost entirely on Turfspruit, with the remaining portions located on Macalacaskop.

ABBREVIATIONS

- “**3PE**” means the sum of platinum, palladium and gold;
- “**4PE**” means the sum of platinum, palladium, rhodium and gold;
- “**Au**” means gold;
- “**CIM**” means Canadian Institute of Mining, Metallurgy and Petroleum;
- “**CRMs**” mean certified reference materials;
- “**Cu**” means copper;
- “**g/t**” means grams per tonne;
- “**km**” means kilometres;
- “**kt**” means kilotonne;
- “**Ktpa**” means kilotonne per annum;
- “**lb**” means pound;
- “**m**” means metre;
- “**Ma**” means million years ago;
- “**mL**” means metre level;
- “**mm**” means millimetres;
- “**Moz**” means million oz;
- “**Mt**” means million tonnes;
- “**Mtpa**” means million tonnes per annum;
- “**Ni**” means nickel;
- “**oz**” means a troy ounce;
- “**Pd**” means palladium;
- “**PGE**” means platinum group elements, including platinum, palladium and rhodium;
- “**ppb**” means parts per billion;
- “**Pt**” means platinum;
- “**RC**” means reverse circulation;
- “**SxEw**” means solvent extraction and electrowinning;
- “**tpa**” means tonnes per annum;
- “**µm**” means micrometre (micron);
- “**XRF**” means X-ray fluorescence; and
- “**Zn**” means zinc.

**SCHEDULE “B”
IVANPLATS LIMITED
AUDIT COMMITTEE
CHARTER**

I Purpose

The primary objective of the Audit Committee (the “Committee”) of Ivanplats Limited (the “Company”) is to act as a liaison between the Board and the Company’s independent auditors (the “Auditors”) and to assist the Board in fulfilling its oversight responsibilities with respect to (a) the financial statements and other financial information provided by the Company to its shareholders, the public and others, (b) the Company’s compliance with legal and regulatory requirements, (c) the qualification, independence and performance of the Auditors and (d) the Company’s risk management and internal financial and accounting controls, and management information systems.

Although the Committee has the powers and responsibilities set forth in this Charter, the role of the Committee is oversight. The members of the Committee are not full-time employees of the Company and may or may not be accountants or auditors by profession or experts in the fields of accounting or auditing and, in any event, do not serve in such capacity. Consequently, it is not the duty of the Committee to conduct audits or to determine that the Company’s financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditors.

The responsibilities of a member of the Committee are in addition to such member’s duties as a member of the Board.

II. Organization

The Committee shall consist of three or more directors and shall satisfy the laws governing the Company and the independence, financial literacy, expertise and experience requirements under applicable securities law, stock exchange and any other regulatory requirements applicable to the Company.

The members of the Committee and the Chair of the Committee shall be appointed by the Board on the recommendation of the Nominating & Corporate Governance Committee. A majority of the members of the Committee shall constitute a quorum. A majority of the members of the Committee shall be empowered to act on behalf of the Committee. Matters decided by the Committee shall be decided by majority votes. The chair of the Committee shall have an ordinary vote.

Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee as soon as such member ceases to be a director.

The Committee may form and delegate authority to subcommittees when appropriate.

III. Meetings

The Committee shall meet as frequently as circumstances require, but not less frequently than four times per year. The Committee shall meet at least quarterly with management, the Company’s Chief Financial Officer and the Auditors in separate in-camera sessions to discuss any matters that the Committee or each of the Chief Financial Officer or Auditors believe should be discussed privately.

The Chair of the Committee shall be an independent chair who is not Chair of the Board. In the absence

of the appointed Chair of the Committee at any meeting, the members shall elect a chair from those in attendance at the meeting. The Chair, in consultation with the other members of the Committee, shall set the frequency of each meeting and the agenda of items to be addressed at each upcoming meeting.

The Committee will appoint a recording secretary who will keep minutes of all meetings. The recording secretary may be the Company's Corporate Secretary or another person who does not need to be a member of the Committee. The recording secretary for the Committee can be changed by simple notice from the Chair.

The Chair shall ensure that the agenda for each upcoming meeting of the Committee is circulated to each member of the Committee as well as the other directors in advance of the meeting.

The Committee may invite, from time to time, such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee. The Company's accounting and financial officer(s) and the Auditors shall attend any meeting when requested to do so by the Chair of the Committee.

IV. Authority and Responsibilities

The Board, after consideration of the recommendation of the Committee, shall nominate the Auditors for appointment by the shareholders of the Company in accordance with applicable law. The Auditors report directly to the Audit Committee. The Auditors are ultimately accountable to the Committee and the Board as representatives of the shareholders.

The Committee shall have the following responsibilities:

(a) Auditors

1. Recommend to the Board the independent auditors to be nominated for appointment as Auditors of the Company at the Company's annual meeting and the remuneration to be paid to the Auditors for services performed during the preceding year; approve all auditing services to be provided by the Auditors; be responsible for the oversight of the work of the Auditors, including the resolution of disagreements between management and the Auditors regarding financial reporting; and recommend to the Board and the shareholders the termination of the appointment of the Auditors, if and when advisable.
2. When there is to be a change of the Auditor, review all issues related to the change, including any notices required under applicable securities law, stock exchange or other regulatory requirements, and the planned steps for an orderly transition.
3. Review the Auditor's audit plan and discuss the Auditor's scope, staffing, materiality, and general audit approach.
4. Review on an annual basis the performance of the Auditors, including the lead audit partner.
5. Take reasonable steps to confirm the independence of the Auditors, which include:
 - a. Ensuring receipt from the Auditors of a formal written statement in accordance with applicable regulatory requirements delineating all relationships between the Auditors and the Company;

- b. Considering and discussing with the Auditors any disclosed relationships or services, including non-audit services, that may impact the objectivity and independence of the Auditors;
 - c. Approving in advance any non-audit related services provided by the Auditor to the Company, and the fees for such services, with a view to ensure independence of the Auditor, and in accordance with applicable regulatory standards, including applicable stock exchange requirements with respect to approval of non-audit related services performed by the Auditors; and
 - d. As necessary, taking or recommending that the Board take appropriate action to oversee the independence of the Auditors.
- 6. Review and approve any disclosures required to be included in periodic reports under applicable securities law, stock exchange and other regulatory requirements with respect to non-audit services.
 - 7. Confirm with the Auditors and receive written confirmation at least once per year (i) indicating that the Auditors are a member in good standing with the Canadian Public Accountability Board (CPAB) and comparable bodies in the United States, South Africa and elsewhere to the extent required and disclosing any sanctions or restrictions imposed by the CPAB and such other comparable bodies; and (ii) responding to any other reasonable request of the Audit Committee for confirmation as to their qualifications to act as the Company's Auditors.
 - 8. Consider the tenure of the lead audit partner on the engagement in light of applicable securities law, stock exchange or applicable regulatory requirements.
 - 9. Review all reports required to be submitted by the Auditors to the Committee under applicable securities laws, stock exchange or other regulatory requirements.
 - 10. Receive all recommendations and explanations which the Auditors place before the Committee.

(b) Financial Statements and Financial Information

- 11. Review and discuss with management and the Auditors, the Company's annual audited financial statements, including disclosures made in management's discussion and analysis, prior to filing or distribution of such statements and recommend to the Board, if appropriate, that the Company's audited financial statements be included in the Company's annual reports distributed and filed under applicable laws and regulatory requirements.
- 12. Review and discuss with management and the Auditors, the Company's interim financial statements, including management's discussion and analysis, and the Auditor's review of interim financial statements, prior to filing or distribution of such statements.
- 13. Review any earnings press releases of the Company before the Company publicly discloses this information.
- 14. Be satisfied that adequate procedures are in place for the review of the Company's disclosure of financial information and extracted or derived from the Company's financial statements and periodically assess the adequacy of these procedures.

15. Discuss with the Auditor the matters required to be discussed by applicable auditing standards requirements relating to the conduct of the audit including:
 - a. the adoption of, or changes to, the Company's significant auditing and accounting principles and practices;
 - b. the management letter provided by the Auditor and the Company's response to that letter; and
 - c. any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, or personnel and any significant disagreements with management.
16. Discuss with management and the Auditors major issues regarding accounting principles used in the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles. Review and discuss analyses prepared by management and/or the Auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative approaches under international financial reporting standards.
17. Prepare any report under applicable securities law, stock exchange or other regulatory requirements, including any reports required to be included in statutory filings, including in the Company's annual proxy statement.

(c) Ongoing Reviews and Discussions with Management and Others

18. Obtain and review an annual report from management relating to the accounting principles used in the preparation of the Company's financial statements, including those policies for which management is required to exercise discretion or judgments regarding the implementation thereof.
19. Periodically review separately with each of management and the Auditors; (a) any significant disagreement between management and the Auditors in connection with the preparation of the financial statements, (b) any difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information and (c) management's response to each.
20. Periodically discuss with the Auditors, without management being present, (a) their judgments about the quality and appropriateness of the Company's accounting principles and financial disclosure practices as applied in its financial reporting and (b) the completeness and accuracy of the Company's financial statements.
21. Consider and approve, if appropriate, significant changes to the Company's accounting principles and financial disclosure practices as suggested by the Auditors or management and the resulting financial statement impact. Review with the Auditors and/or management the extent to which any changes or improvements in accounting or financial practices, as approved by the Committee, have been implemented.
22. Review and discuss with management, the Auditors and the Company's independent counsel, as appropriate, any legal, regulatory or compliance matters that could have a significant impact on the Company's financial statements, including applicable changes in accounting standards or

rules, or compliance with applicable laws and regulations, inquiries received from regulators or government agencies and any pending material litigation.

23. Enquire of the Company's Chief Financial Officer and the Auditors on any matters which should be brought to the attention of the Committee concerning accounting, financial and operating practices and controls and accounting practices of the Company.
24. Review the principal control risks to the business of the Company, its subsidiaries and joint ventures; and verify that effective control systems are in place to manage and mitigate these risks.
25. Review and discuss with management any earnings press releases, including the use of "pro forma" or "adjusted" non-IFRS information, as well as any financial information and earnings guidance provided to analysts and rating agencies. Such discussions may be done generally (i.e. discussion of the types of information to be disclosed and the types of presentations made).
26. Review and discuss with management any material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons, that may have a material current or future effect on financial condition, changes in financial condition, results of operations, liquidity, capital resources, capital reserves or significant components of revenues or expenses. Obtain explanations from management of all significant variances between comparative reporting periods.
27. Review and discuss with management the Company's major risk exposures and the steps management has taken to monitor, control and manage such exposures, including the Company's risk assessment and risk management guidelines and policies.

(d) Risk Management and Internal Controls

28. Review, based upon the recommendation of the Auditors and management, the scope and plan of the work to be done by the Company's financial and accounting group and the responsibilities, budget and staffing needs of such group.
29. Engage Internal Auditors annually to review an report to the committee to ensure that management has designed and implemented effective systems of risk management and internal controls and, at least annually, review and assess the effectiveness of such systems.
30. Approve and recommend to the Board for adoption, policies and procedures on risk oversight and management to establish an effective system for identifying, assessing, monitoring and managing risk.
31. In consultation with the Auditors and management, review the adequacy of the Company's internal control structure and procedures designed to insure compliance with laws and regulations, and discuss the responsibilities, budget and staffing needs of the Company's financial and accounting group.
32. Establish procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

33. Review the internal control reports prepared by management, including management's assessment of the effectiveness of the Company's internal control structure and procedures for financial reporting and (ii) the Auditors' attestation, and report, on the assessment made by management.
34. Review the appointment of the chief financial officer and any key financial executives involved in the financial reporting process and recommend to the Board any changes in such appointment.

(e) Other Responsibilities

35. Confirm a meeting calendar for the Audit Committee each year.
36. Review, quarterly, approve and report to the Board for ratification, all related-party transactions.
37. Review and approve (a) any change or waiver in the Company's Code of Business Conduct and Ethics applicable to senior financial officers and (b) any disclosures made under applicable securities law, stock exchange or other regulatory requirements regarding such change or waiver.
38. Establish, review and approve policies for the hiring of employees or former employees of the Company's Auditors.
39. Review and reassess the duties and responsibilities set out in this Charter annually and recommend to the Nominating and Corporate Governance Committee and to the Board any changes deemed appropriate by the Committee.
40. Review its own performance annually, seeking input from management and the Board.
41. Perform any other activities consistent with this Charter, the Company's articles and by-laws and governing law, as the Committee or the Board deems necessary or appropriate.

V. Reporting

The Committee shall report regularly to the Board and shall submit the minutes of all meetings of the Audit Committee to the Board (which minutes shall ordinarily be included in the papers for the next full board meeting after the relevant meeting of the Committee). The Committee shall also report to the Board on the proceedings and deliberations of the Committee at such times and in such manner as the Board may require. The Committee shall review with the full Board any issues that have arisen with respect to quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance or independence of the Auditors or the performance of the Company's financial and accounting group.

VI. Resources and Access to Information

The Committee has the authority to retain independent legal, accounting and other consultants to advise the Committee as it deems necessary.

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities. The Committee has direct access to anyone in the organization and may request any officer or employee of the Company or the Company's outside counsel or the Auditors or the Internal Auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee with or without the presence of management. In the performance of any of its duties and responsibilities, the Committee shall have access to any and all books and records of the Company necessary for the

execution of the Committee's obligations.

The Committee shall consider the extent of funding necessary for payment of compensation to the Auditors for the purpose of rendering or issuing the annual audit report and recommend such compensation to the Board for approval. The Audit Committee shall determine the funding necessary for payment of compensation to any independent legal, accounting and other consultants retained to advise the Committee.