



2022 ANNUAL REPORT TO SHAREHOLDERS

March 30, 2023

Dear Fellow Shareholders:

On behalf of International Tower Hill Mines Ltd. (“ITH” or the “Company”), I am pleased to report that during February 2022, the Company completed its first required Securities and Exchange Commission (“SEC”) Technical Report Summary (the “TRS”) for the Livengood Gold Project. The Company subsequently announced in March 2022 that the Board had approved a work program to advance the baseline environmental data collection in critical areas of hydrology and waste rock geochemical characterization, as well as focus on important community engagement.

The TRS detailed a project that would process 65,000 tons per day and produce 6.4 million ounces of gold over 21 years from a gold resource estimated at 13.6 million ounces at 0.60 g/tonne. The TRS utilized a third-party review by Whittle Consulting and BBA Inc. to integrate new interpretations based on an expanded geological database, improved geological modelling, new resource estimation methodology, an optimized mine plan and production schedule, additional detailed metallurgical work at various gold grades and grind sizes, changes in the target grind for the mill, new engineering estimates, and updated cost inputs, all of which significantly de-risk the Project. The TRS has estimated the capital costs of the Project at \$1.93 billion, the total cost per ton milled at \$13.12, the all-in sustaining costs at \$1,171 per ounce, and an after-tax net present value (5%) at \$2,000/oz of \$975 million.

The Project configuration evaluated in the TRS is a conventional, owner-operated surface mine that will utilize large-scale mining equipment in a blast/load/haul operation. Mill feed would be processed in a 65,000 tons per day comminution circuit consisting of primary and secondary crushing, wet grinding in a single semi-autogenous (“SAG”) mill and single ball mill followed by a gravity gold circuit and a conventional carbon in leach (“CIL”) circuit. The Whittle and BBA study determined that a gravity/CIL plant at p80 250 micron with conventional tailings provided the highest net present value,

The Company cautions that the TRS is preliminary in nature, and is based on technical and economic assumptions which will be further refined and evaluated in a full feasibility study. The TRS is based on a Project mineral resource estimate effective as of August 20, 2021 that is current as of December 31, 2022.

On March 8, 2023, the Company announced that the Board had approved the 2023 work program to continue the baseline environmental data collection and community engagement needed to support future permitting.

During the economic roller coaster of the last year, gold has proven its mettle, offering a measure of wealth protection while some previously heralded stocks, crypto currencies, crypto exchanges and banks were imploding, sometimes within days. Never has it been more certain to long term investors that gold is a crucial hedge against these uncertainties, including those resulting from governments trying to avoid being whiplashed by the very money supply growth they caused. Political efforts to abandon fossil fuel at all costs do not make economic sense and will drive rampant and relentless inflation in the very foundation of modern society, energy. These pervasive higher costs will be difficult to contain, and against the backdrop of the most serious armed conflict the world has seen in decades requiring relentless further government spending, will make inflation and future currency devaluation inevitable.

ITH offers a simple, pure gold, highly leveraged opportunity for investors who seek to diversify against these threats. ITH owns the single largest gold asset in North America not owned by a major, with a 13.6 million-ounce gold resource in a safe jurisdiction. The deposit is on the paved highway system, close to grid power, in the heart of a mining district in central Alaska that was selected by the State of Alaska for its mineral potential. The excellent environmental, permitting, and operating records of our nearby neighbors, the Kinross Fort Knox mine and the Northern Star Pogo mine, demonstrate that the mining industry can thrive in interior Alaska. ITH remains well positioned to capitalize on strong gold markets.

The 2023 Annual General Meeting (the “AGM”) of shareholders will be held on Tuesday, May 23, 2023 at 8:00 a.m., Pacific Daylight Time, at the offices of McCarthy Tetrault LLP, located at Suite 2400 - 745 Thurlow Street, Vancouver, British Columbia. The Notice of Meeting and Information Circular/Proxy Statement for the AGM have been sent or otherwise made available to you and, as these documents contain important information, you are encouraged to read them carefully.

You are welcome to submit your proxy by the proxy deadline (8:00 a.m. Pacific Daylight Time / 11:00 a.m. Eastern Daylight Time) on Thursday, May 18, 2023 rather than attending the meeting. A dedicated phone line (800-315-6338 or +1-913-904-9376, access code 82800) will be available for shareholders to listen to the meeting.

It is with gratitude and respect that we announce that Stephen Lang, member of our Board since February 2014, has decided to not stand for re-election at the 2023 AGM in order to allow more time to focus on his health and retirement.

On behalf of the Company, I thank you for being a shareholder. Please feel free to contact us through our website at www.ithmines.com or by calling us at 1-855-428-2825.

Sincerely,

/s/ *Karl L. Hanneman*

Karl L. Hanneman

Chief Executive Officer

International Tower Hill Mines Ltd.

FORWARD LOOKING STATEMENTS

This annual report contains forward-looking statements and forward-looking information (collectively, “forward-looking statements”) within the meaning of applicable Canadian and US securities legislation. All statements, other than statements of historical fact, included herein, including statements with respect to the ability of the Company to advance the Livengood Project, whether incrementally or at all, the Company’s future cash requirements, the Company’s ability to meet its financial obligations as they come due, the Company’s estimates of the quality and quantity of the mineral resources at the Livengood Gold Project, the timing and cost of any future exploration programs at the Livengood Gold Project, and the timing of the receipt of results therefrom, and future general business and economic conditions, including changes in the price of gold are forward-looking statements. Information concerning mineral reserve/resource estimates and the economic analysis thereof contained in the 2021 pre-feasibility study and the Company’s S-K 1300 Technical Report Summary also may be deemed to be forward-looking statements in that they reflect a prediction of the mineralization that would be encountered, and the results of mining it, if a mineral deposit were developed and mined. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate, proposed, planned, potential and similar expressions, or are those, which, by their nature, refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future results or performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the demand for, and level and volatility of the price of, gold, conditions in the financial markets generally, the overall sentiment of the markets for public equity, interest rates, currency rates, and the rate of inflation, general business and economic conditions, including the effect of the COVID-19 pandemic on such conditions, government regulation and proposed legislation (and changes thereto or interpretations thereof), defects in title to claims, or the ability to obtain surface rights, either of which could affect the Company’s property rights and claims, the Company’s ability to secure the necessary services and supplies on favorable terms in connection with its programs at the Livengood Gold Project and other activities, the Company’s ability to attract and retain key staff, particularly in connection with the

permitting and development of any mine at the Livengood Gold Project, the accuracy of the Company's resource estimates (including with respect to size and grade) and the geological, operational and price assumptions on which these are based, the timing of the Company's ability to commence and complete planned work programs at the Livengood Gold Project, the timing of the receipt of and the terms of the consents, permits and authorizations necessary to carry out exploration and development programs at the Livengood Gold Project and the Company's ability to comply with such terms on a safe and cost-effective basis, the ongoing relations of the Company with the lessors of its property interests and applicable regulatory agencies, the metallurgy and recovery characteristics of samples from certain of the Company's mineral properties and whether such characteristics are reflective of the deposit as a whole, the continued development of and potential construction of any mine at the Livengood Gold Project property not requiring consents, approvals, authorizations or permits that are materially different from those identified by the Company, and other risks and uncertainties disclosed in the Company's annual report on Form 10-K filed with the United States Securities and Exchange Commission (the "SEC") and filed as the Company's Annual Information Form filed with certain securities commissions in Canada, and other information released by the Company and filed with the appropriate regulatory agencies. All of the Company's Canadian public disclosure filings may be accessed via www.sedar.com and its United States public disclosure filings may be accessed via www.sec.gov, and readers are urged to review these materials, including the latest technical report filed with respect to the Company's Livengood property.

TOTAL SHAREHOLDER RETURN PERFORMANCE

The Total Shareholder Return Performance graph can be found at page 28 of the Company's Information Circular/Proxy Statement prepared in connection with the AGM.

DIRECTORS AND OFFICERS

BOARD OF DIRECTORS

Marcelo Kim, Chair
Chair and Partner, Paulson & Co.

Stephen A. Lang
*Lead Independent Director and
Former President and CEO,
Centerra Gold Inc.*

Christopher Papagianis
Partner, Paulson & Co.

Anton J. Drescher
*President, Harbour Pacific Capital
Corp.*

Karl L. Hanneman
*CEO, International Tower Hill
Mines Ltd.*

Stuart A. Harshaw
*Formerly V.P. of Ontario
Operations, Vale Ltd.*

Thomas S. Weng
*Co-Founding Partner, Alta Capital
Partners*

EXECUTIVE OFFICERS

Karl L. Hanneman
Chief Executive Officer

David A. Cross
Chief Financial Officer

CORPORATE INFORMATION

OFFICE LOCATIONS:

VANCOUVER HEAD OFFICE

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FAIRBANKS OFFICE

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USA 99701
Phone: 907-328-2800
Toll Free: 855-428-2825

INVESTOR RELATIONS

Copies of International Tower Hill
Mines Ltd.'s Annual Report are
available at no charge. Please direct
requests and other investor relations
questions to:

International Tower Hill Mines Ltd.
Attention: Investor Relations
506 Gaffney Road, Suite 200
Fairbanks, Alaska
USA 99701
Phone: 855-428-2825

TRANSFER AGENT AND REGISTRAR

Computershare Investor Services Inc.

510 Burrard Street, 3rd Floor
Vancouver, British Columbia
Canada V6C 3B9
Phone: 604-661-9400
Fax: 604-661-9549

AUDITORS

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Canada V7Y 1G6

CORPORATE COUNSEL

CANADA:

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Suite 2400 - 745 Thurlow Street
Vancouver, British Columbia
Canada V6E 0C5

U.S.:

Hogan Lovells US LLP
1601 Wewatta Street
Suite 900
Denver, Colorado
USA 80202

STOCK EXCHANGE LISTING

NYSE American

Symbol: **THM**

TSX

Symbol: **ITH**

ANNUAL MEETING

Tuesday, May 23, 2023

9:00 a.m. Pacific Daylight Time
Suite 2400 – 745 Thurlow Street
Vancouver, British Columbia
CANADA V6E 0C5



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