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Ivanhoe Mines welcomes votes in Mongolia's Parliament as key step toward finalization of Oyu Tolgoi agreement

ULAANBAATAR, MONGOLIA — Ivanhoe Mines President John Macken said today that the company welcomes the Mongolian Parliament's approval of amendments to four laws, including the insertion of a sunset provision to cancel the three-year-old, 68% windfall profits tax on copper and gold effective January 1, 2011.

"The votes today by overwhelming majorities of the Members present for the special session of the State Great Khural represent a significant step in Mongolia's commitment to attract foreign investment in the development of the country's mineral resources," Mr. Macken said.

"This expression of confidence in Mongolia's future clears the way for finalization of an agreement with the Government for the construction and operation of Ivanhoe's Oyu Tolgoi copper-gold complex in the South Gobi Region. Now we are in a position to make arrangements with the Government to sign the Oyu Tolgoi Investment Agreement in the near future."

The Mongolian Parliament voted on July 16 to authorize the Government to conclude a long-term, definitive Oyu Tolgoi Investment Agreement with Ivanhoe Mines and its strategic partner, Rio Tinto. Earlier this month, negotiators for the companies and the government settled on terms of a revised agreement that was endorsed by the Cabinet and the National Security Council. The Government then requested a special session of Parliament to consider changes proposed by the Government to four laws to support and facilitate the finalization of the draft Oyu Tolgoi Investment Agreement. Cabinet members have said that the broadly based legislative amendments are intended to benefit the entire mining industry in Mongolia.

Ivanhoe Mines shares are listed on the Toronto, New York and NASDAQ stock exchanges under the symbol IVN.

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