



June 30, 2004

(THIS NEWS RELEASE, REQUIRED BY APPLICABLE CANADIAN LAWS, IS NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES, AND DOES NOT CONSTITUTE AN OFFER OF THE SECURITIES DESCRIBED HEREIN.)

IVANHOE MINES FILES FINAL PROSPECTUS FOR CDN\$140 MILLION EQUITY OFFERING OF COMMON SHARES

SINGAPORE — Ivanhoe Mines' Chairman Robert Friedland and Deputy Chairman Ed Flood announced today that the company has filed a final short-form prospectus in all provinces of Canada for a previously announced underwritten equity offering of 10,714,285 common shares from treasury at a price of CDN\$7.00 per share, for gross proceeds of CDN\$75 million.

In addition, the underwriters have exercised their option to buy an additional 9,285,715 common shares at CDN\$7.00 per share, for gross proceeds of CDN\$65 million, bringing the total gross proceeds from the offering to CDN\$140 million.

The financing is expected to close on or about July 8th, 2004. Ivanhoe has granted the underwriters an option to buy up to an additional 15% of the total offering (3,000,000 shares) at CDN\$7.00 per share for a period of 30 days from closing.

These securities have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States unless registered under the Act or unless an exemption from registration is available.

Information contacts

Investors: Bill Trenaman: +1.604.688.5755

Media: Bob Williamson: +1.604.688.5755