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IVANHOE MINES ANNOUNCES FINANCING OF US\$100 MILLION

SINGAPORE — Ivanhoe Mines' Chairman Robert Friedland and Deputy Chairman Ed Flood announced today that the company has filed a preliminary short-form prospectus in all provinces of Canada, except Quebec, for an underwritten equity offering of units to raise up to US\$100 million. Each unit will consist of one common share and one half of a common share purchase warrant. Each whole common share purchase warrant will be exercisable for a period of two years from closing. The financing is expected to close on or about December 19th, 2003.

The offering will be conducted through a syndicate co-led by HSBC Securities (Canada) Inc., Griffiths McBurney & Partners and CIBC World Markets. Ivanhoe will grant the underwriters an option to buy up to an additional 15% of the offering for a period of 30 days from the closing of the offering.

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.

Ivanhoe shares are listed on the Toronto and Australian stock exchanges under the symbol IVN. The shares also are listed on NASDAQ under the symbol HUGO.

Information contacts

Investors: Bill Trenaman: +1.604.688.5755 / Media: Bob Williamson: +1.604.688.5755

Forward-Looking Statements: Statements in this release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed under the heading "Risk Factors" and elsewhere in the corporation's periodic filings with Canadian and Australian securities regulators. Such information contained herein represents management's best judgment as of the date hereof based on information currently available. The company does not assume the obligation to update any forward-looking statement.