



August 12, 2003

IVANHOE MINES ACQUIRES THREE NEW GOLD AND GOLD/COPPER PROJECTS IN INNER MONGOLIA, CHINA

Beijing, China — Ivanhoe Mines' Chairman Robert Friedland and Executive Vice-President, Exploration, Douglas Kirwin announced today that the company has entered into a comprehensive joint venture with a Chinese government entity/corporation to explore for and develop gold, copper, silver, molybdenum and other minerals on three advanced projects in the Autonomous Region of Inner Mongolia, China.

Ivanhoe has the right to earn up to 80% in each of the three new projects. The company is keeping the names and locations of the projects confidential for competitive reasons, as exploration efforts in and around the target areas are ongoing. Inner Mongolia, one of China's largest distinct regions, covers 1.18 million square kilometres and forms part of China's northern border with Mongolia and Russia. The rapidly growing industrialized region has large deposits of rare-earth minerals, base and precious metals, and coal.

Ivanhoe's initial assessment of the three new projects indicates the presence of high-grade, multi-phase, gold and gold-copper-silver mineralization with extensive alteration and structural continuity. The projects were selected following an extensive reconnaissance program to identify high-priority targets based upon geologic models developed at Ivanhoe's Turquoise Hill (Oyu Tolgoi) gold and copper porphyry project in southern Mongolia, as well as other epithermal-style deposits Ivanhoe's geological team has worked on.

Ivanhoe is completing a detailed geological evaluation of each project and is undertaking an aggressive exploration program of geophysics, soil sampling, trenching and diamond drilling to determine the full extent of the high-grade mineralization.

The three new projects are in addition to the Oblaga gold-copper-molybdenum project, also located in Inner Mongolia, which Ivanhoe is exploring in a joint venture with Inner Mongolia Huayu Geology and Minerals Exploration Co. Ltd., an affiliate of China Non-Ferrous Metals Industries Corporation of Beijing. Oblaga is approximately 220 kilometres south-southwest of the Turquoise Hill Project. Ivanhoe joint-ventured the Oblaga Project and its surrounding exploration license in May, 2003, because its geologic and tectonic settings are similar to the porphyry belt in neighboring Mongolia that hosts Turquoise Hill and several other highly prospective gold-copper discoveries. Details of the Oblaga Project are in Ivanhoe's May 15, 2003, news release at www.ivanhoemines.com.

Ivanhoe owns a 100% interest in the Turquoise Hill gold and copper project in Mongolia and holds exploration rights covering approximately 96,000 square kilometres in central and southern Mongolia, where additional copper and gold discoveries have been made.

Douglas Kirwin, a qualified person as defined by National Instrument 43-101, supervised the preparation of the information in this release.

Ivanhoe shares are listed on the Toronto and Australian stock exchanges under symbol IVN.

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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.