



March 31, 2003

NEW OPEN-ENDED DISCOVERY OF HIGH-GRADE COPPER-GOLD MINERALIZATION IN THE FAR NORTH AREA, TURQUOISE HILL, MONGOLIA

DRILLING INTERCEPTS 164 METRES OF 4.0% COPPER AND 1.42 G/T GOLD, INCLUDING 74 METRES OF 6.0% COPPER AND 2.50 G/T GOLD

INDEPENDENT ENGINEERING STUDY INDICATES THAT FAR NORTH ZONE IS AMENABLE TO LOW-COST, BLOCK CAVING

ULAANBAATAR, MONGOLIA — Ivanhoe Mines Chairman Robert Friedland and Executive Vice-President, Exploration, Douglas Kirwin announced today that widely-spaced drilling along the northern and western extensions of the Far North Zone at Turquoise Hill (Oyu Tolgoi) has discovered an extensive new zone of high-grade chalcopyrite-bornite, copper-gold mineralization, with broad intercepts averaging between 2.5% and 6% copper with strong associated gold values.

The high-grade chalcopyrite-bornite, copper-gold discovery has now been intercepted by 10 holes (344, 355, 363, 365, 365A, 367, 367A, 367B, 383 and 388) over a strike length of greater than 800 metres. The extremely high-grade mineralization contained within the zone is highlighted by Hole 367A, which intercepted 164 metres of 4.00% copper and 1.42 g/t gold, including 74 metres of 6.02% copper and 2.50 g/t gold. A sister hole currently being drilled, 367B, has encountered similar high-grade quartz-bornite-chalcopyrite, beginning at approximately 800 metres down hole. A drill plan map and cross-sections of the high-grade extension zone are attached.

The new zone is currently interpreted to lie between 400 metres (Hole 344) and 1,100 metres (Hole 383) below surface and has an estimated thickness of between 100 metres to 200 metres. The zone remains open in all directions and to depth. Based on detailed induced polarization (IP) and ground magnetic surveys, the zone appears to be open to the north-northeast for up to an additional 600 metres, beyond which it is cut off by a major, east-west-trending post-mineral structure and unmineralized intrusive rocks. Ivanhoe's drilling to the north of this structure failed to intersect any mineralization.

Geologically, the zone is comprised of up to 90% quartz-stockwork veining with disseminated to coarse chalcopyrite, bornite, chalcocite, and minor pyrite. Mineralization appears to be mainly hosted within a dacitic ash-flow tuff. This unit overlies basaltic volcanics, with a quartz stockwork style of mineralization with average grades ranging from 1% to 1.5% copper.

The discovery extends the total north-south strike length of the high-grade mineralized core at Far North to 1.8 kilometres (1.1 miles), well beyond the strike length of 1.1 kilometres used for

the February 26, 2003, independent resource estimate by AMEC E&C Services Limited, of Vancouver, B.C.

“This latest discovery is a product of our exploration team’s dedication and is a confirmation of the geologic modelling that has been the key to the ongoing success of Ivanhoe’s drilling campaign at Turquoise Hill.” Mr. Kirwin said. “The new results significantly increase the grade and expand the scope of the Turquoise Hill discovery. This is a phenomenal group of porphyry gold-copper deposits. ”

“The recent results confirm the continuity of the copper and gold mineralization at the Far North Zone well beyond the previously announced intercepts, and that Far North is much larger than previously estimated,” Mr. Friedland said. “Ivanhoe’s newly-appointed team, comprising some of the world’s leading mineral engineering firms — AMEC, Ausenco, GRD Minproc and SRK — is investigating options to fast-track development at the Far North Zone to provide for an early-stage, high-grade copper and gold mine. The work is being done as part of ongoing scoping and pre-feasibility studies.”

The distinctive style of mineralization in the high-grade extension zone in the Far North area was first recognized in drill hole 344. Hole 344 had a remarkably high-grade intersection of 46 metres grading 4.17% copper and 0.50 g/t gold. Two neighbouring holes, 365A, 100 metres southeast of Hole 344, and Hole 388, 100 metres northeast of Hole 344, also intersected similar chalcopyrite-bornite mineralization within the same lithologic unit. In addition, Hole 363, collared west of Hole 355, intercepted strong chalcopyrite and bornite beginning at a down-hole depth of approximately 770 metres. Holes 367A and 367B, Navi-drilled “daughter holes” fanned from Hole 367, also intercepted intense chalcopyrite and bornite mineralization at down-hole depths of approximately 800 metres. Assays for Hole 367B are pending. Drilling will continue aggressively in this zone with 13 large-capacity diamond-drill rigs.

Highlights of the recent holes completed in the Far North area, for which assays are available, include:

Hole	Comments	From (m)	To (m)	Interval (m)	Gold (g/t)	Copper (%)
OTD344		418	672	254	0.16	1.77
	including	448	494	46	0.50	4.17
OTD355		865	900	35	0.08	1.77
	plus	948	1000	52	0.09	3.01
OTD365A		864	1076.8	212.8	0.10	1.85
	including	948	1000	52	0.09	3.17
OTD367	(hole terminated in strong mineralization due to drilling problems)	942	964.1	22.1	0.12	2.11
OTD367A		830	978	148	0.08	1.54
	plus	1044	1208	164	1.42	4.00
	including	1084	1158	74	2.50	6.02
	plus	1308	1354	46	0.15	1.04

OTD383	(hole terminated in strong mineralization due to drilling problems)	1064	1186	122	0.09	1.57
	including	1136	1186	50	0.16	2.99
OTD388		464	548	84	0.18	3.86

All drill holes, together with updated drill plans and sections, are posted on the Turquoise Hill Project section of the company's website at www.ivanhoemines.com.

New study indicates Far North Zone is amenable to Block Caving

A newly released site-visit report that assessed the geotechnical characteristics of the Far North Zone indicates that the deposit will be amenable to mining by block caving, the lowest-cost, bulk underground mining method available. The report was prepared by SRK Consulting, of Canada, under the direction of Jarek Jakubec, C. Eng. SRK is a leading international engineering firm that specializes in underground mining techniques.

SRK was retained by Ivanhoe in December, 2002, to review bulk underground mining options for the Far North Zone and the deep portions of the Southwest Zone. Initial indications suggest that underground development at Far North could be coincident with open-pit mining at the Southwest, South and Central zones.

Key conclusions from SRK's preliminary report are:

- ❖ The rock mass in the Far North Zone has geological, geotechnical and geometric characteristics that will make it amenable to mining by block-caving methods.
- ❖ The size of opening required to sustain caving is significantly smaller than the footprint of the part of the deposit that is likely to be mined by block caving.
- ❖ The rock mass in the Far North Zone is characterized as an "average" cavable rock mass, similar to those being successfully mined in caving operations in South America, Indonesia and the United States. As a comparison, the rock mass of the Far North Zone appears to be less competent (more cavable) than the ore bodies of caving mines at Palabora in South Africa or Northparkes in Australia.

Pre-feasibility and scoping studies underway

Ivanhoe recently selected a team of leading mineral engineering firms to undertake pre-feasibility and scoping studies of the Turquoise Hill Project. The team is being led by an alliance of AMEC E&C Services Limited, of Canada, and Ausenco Limited, of Australia, and includes GRD Minproc Limited and SRK Consulting.

Investigation of the optimal mining strategy for the deposits at Turquoise Hill forms part of the work currently being undertaken in Perth by the team of independent engineers. This work will be expanded to consider the additional high-grade copper and gold mineralization discovered to the north of the boundaries of the resource model defined by AMEC's February estimate.

Charles Forster, P.Geo., Ivanhoe Mines' Turquoise Hill Manager, a qualified person as defined by National Instrument 43-101, supervised the preparation of the information in this release.

SGS Analabs Pty. Ltd. prepares the split core at the project site and assays all samples at its facility in Ulaanbaatar, Mongolia. Ivanhoe's QA/QC program is monitored by independent consultant Dr Barry Smee, P.Geo., and managed on site by Dale A. Sketchley, M.Sc., P.Geo, to ensure that National Instrument 43-101 requirements for sampling and assaying are met or exceeded. Prepared standards and blanks are inserted at the sample preparation lab on the project site to monitor the quality control of the assay data.

Ivanhoe holds a 100% interest in the Turquoise Hill Project and has exploration rights covering approximately 90,000 square kilometres in central and southern Mongolia. The company produces LME Grade A copper from its Monywa joint venture in Myanmar and iron ore products from ABM Mining's Savage River mine in Australia.

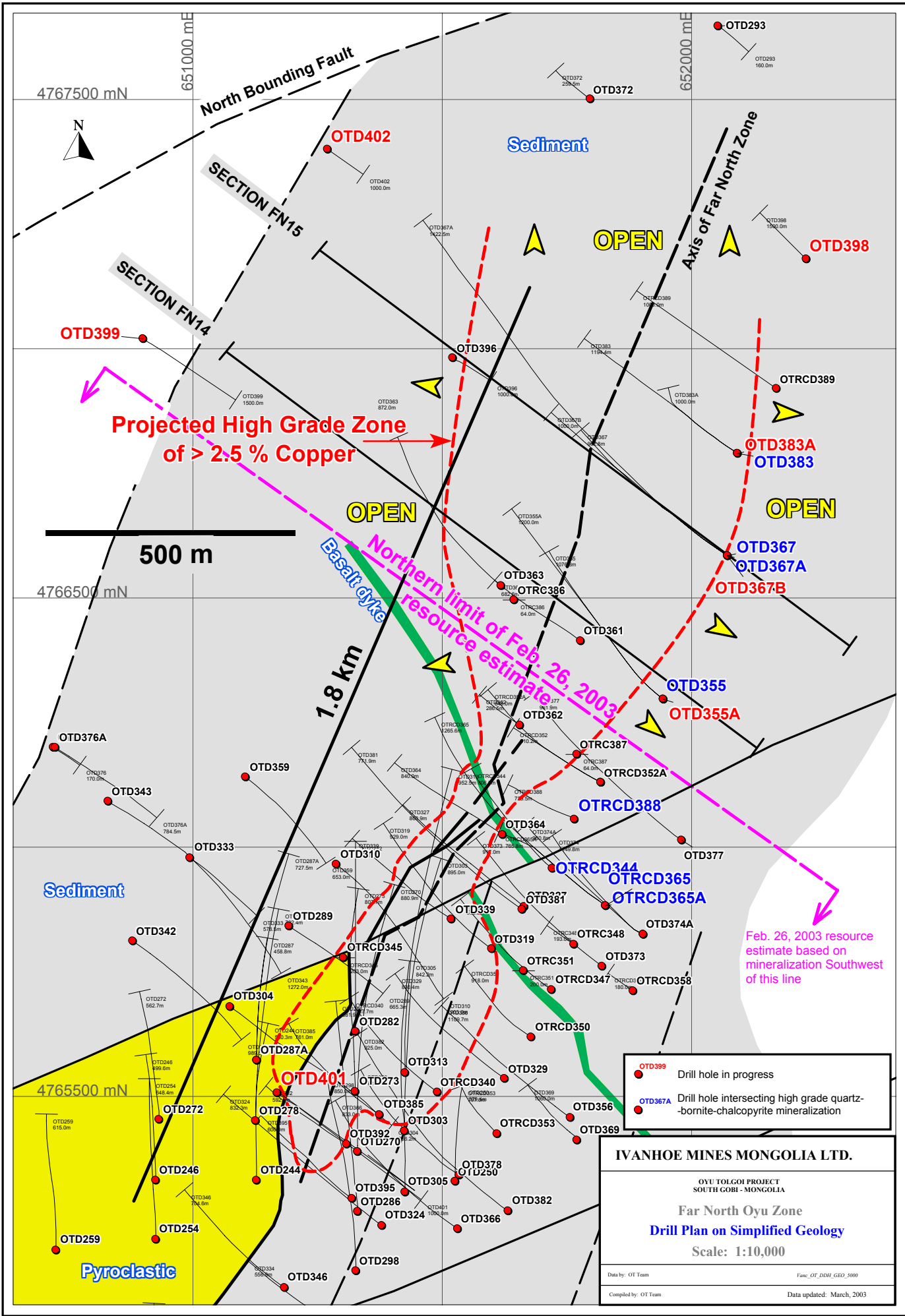
Ivanhoe shares are listed on the Toronto and Australian stock exchanges under the symbol IVN.

Information contacts in North America

Investors: Michael Hitch, P. Geo.: +1.416.888.9089 / 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.



**Projected High Grade Zone
of > 2.5 % Copper**

500 m

1.8 km

Sediment

Pyroclastic

Sediment

OPEN

OPEN

OPEN

OPEN

Feb. 26, 2003 resource estimate based on mineralization Southwest of this line

- OTD399 Drill hole in progress
- OTD367A Drill hole intersecting high grade quartz-bornite-chalcocopyrite mineralization

IVANHOE MINES MONGOLIA LTD.

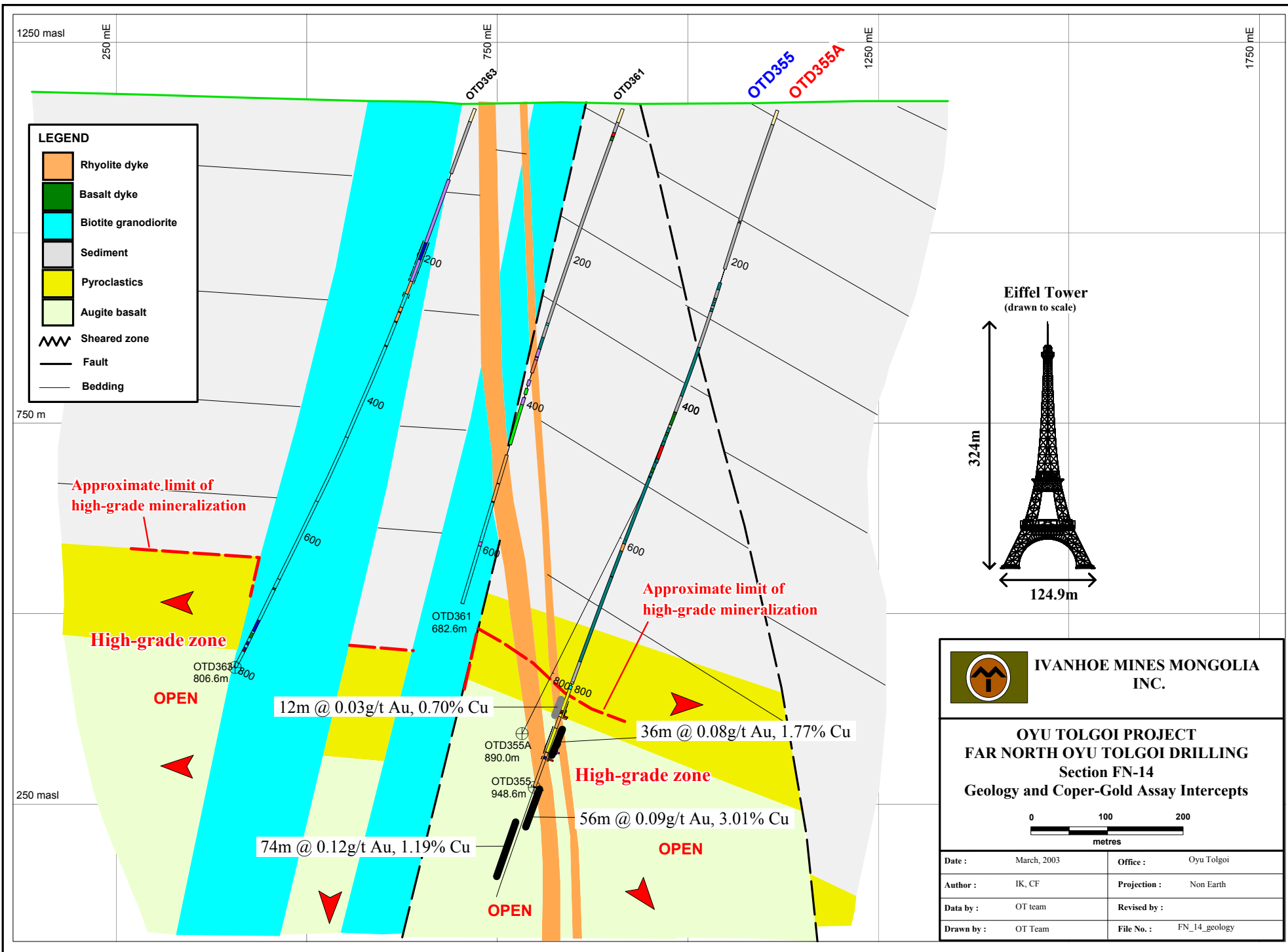
OYU TOLGOI PROJECT
SOUTH GOBI - MONGOLIA

**Far North Oyu Zone
Drill Plan on Simplified Geology**

Scale: 1:10,000

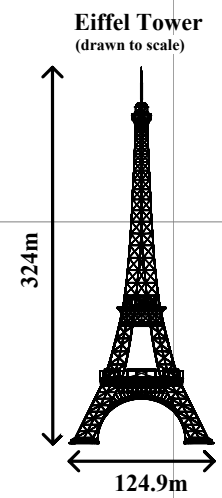
Data by: OT Team Fanc_OT_DDM_GEO_5000

Compiled by: OT Team Data updated: March, 2003



LEGEND

- Rhyolite dyke
- Basalt dyke
- Biotite granodiorite
- Sediment
- Pyroclastics
- Augite basalt
- Sheared zone
- Fault
- Bedding












IVANHOE MINES MONGOLIA INC.

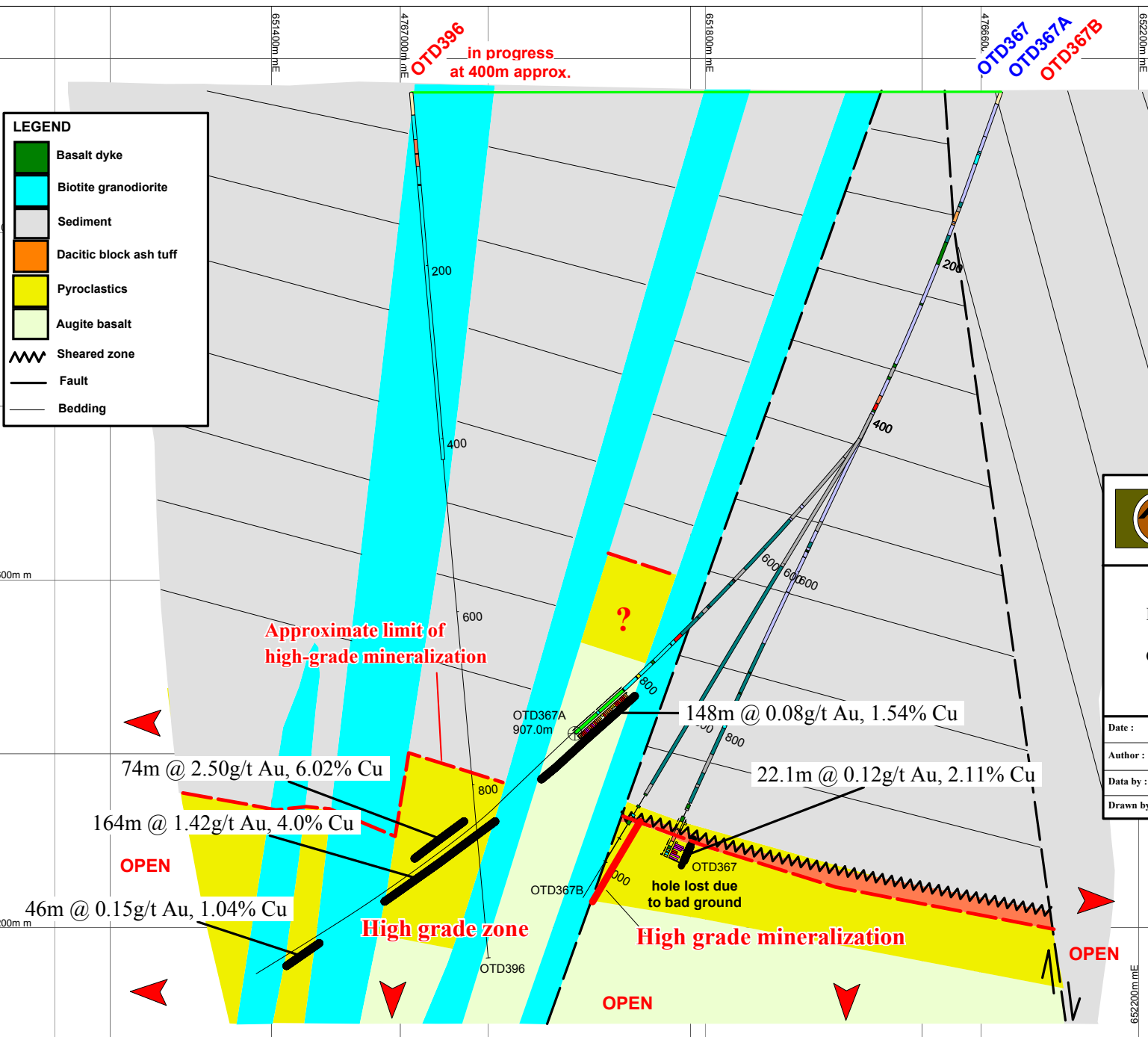
OYU TOLGOI PROJECT
FAR NORTH OYU TOLGOI DRILLING
Section FN-14
Geology and Coper-Gold Assay Intercepts

0 100 200
metres

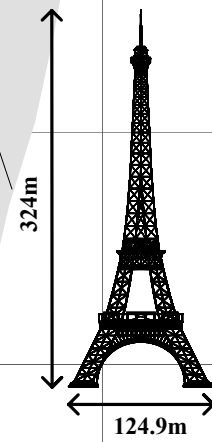
Date : March, 2003	Office : Oyu Tolgoi
Author : IK, CF	Projection : Non Earth
Data by : OT team	Revised by :
Drawn by : OT Team	File No. : FN_14_geology

LEGEND

-  Basalt dyke
-  Biotite granodiorite
-  Sediment
-  Dacitic block ash tuff
-  Pyroclastics
-  Augite basalt
-  Sheared zone
-  Fault
-  Bedding




Eiffel Tower
(drawn to scale)




IVANHOE MINES MONGOLIA INC.

**OYU TOLGOI PROJECT
FAR NORTH OYU TOLGOI DRILLING
Section FN-15
Geology and Coper-Gold Assay Intercepts**



Date :	March, 2003	Office :	Oyu Tolgoi
Author :	IK, CF	Projection :	Non-Earth
Data by :	OT Team	Revised by :	
Drawn by :	IK	File No. :	FN_15_geology

Approximate limit of high-grade mineralization

74m @ 2.50g/t Au, 6.02% Cu

164m @ 1.42g/t Au, 4.0% Cu

OPEN

46m @ 0.15g/t Au, 1.04% Cu

High grade zone

High grade mineralization

OPEN

OPEN

OTD367A 907.0m 148m @ 0.08g/t Au, 1.54% Cu

22.1m @ 0.12g/t Au, 2.11% Cu

OTD367 hole lost due to bad ground

OTD367B

OTD396

OTD396 in progress at 400m approx.

OTD367
OTD367A
OTD367B

1000m

600m

200m

200m

652200m