



IVANHOE
MINES

For Immediate Release

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INITIAL INDEPENDENT RESOURCE AUDIT OF SOUTHWEST OYU DISCOVERY ZONE AT IVANHOE'S TURQUOISE HILL PROJECT RECEIVED

TORONTO (Prospectors and Developers Association of Canada Convention) — Ivanhoe Mines' Chairman Robert Friedland and Executive Vice-President, Exploration, Douglas Kirwin announced today that the company has received a preliminary resource estimate for the northern portion of the Southwest Oyu Discovery Zone, prepared by an independent authority, AMEC E&C Services Limited, of Toronto, Canada (formerly MRDI of San Mateo, California).

Significant findings in, and arising from, the new report include:

- 1. The Southwest Oyu Discovery Zone contains an estimated inferred resource, above a cut-off grade of 0.30% copper equivalent, totaling:**
 - **588 million tonnes, grading 0.53 grams per tonne of gold and 0.41% copper containing 10 million ounces of gold and 5.3 billion pounds of copper.**
- 2. Using a higher cut-off grade of 0.40% copper equivalent, the inferred resource is:**
 - **458 million tonnes grading 0.62 grams/tonne gold and 0.46% copper containing 9.1 million ounces of gold and 4.6 billion pounds of copper.**

The Turquoise Hill (Oyu Tolgoi) discovery confirms the presence of a major new gold and copper mineral province in Mongolia's southern Gobi Desert region.

The AMEC resource estimate applies only to one of several identified mineralized zones at Turquoise Hill. The estimate is limited to the Southwest Oyu Discovery Zone, located at the northern extremity of Southwest Oyu, where the majority of the drilling has been concentrated.

Four nearby, related, mineralized zones — Central Oyu, North Oyu, South Oyu and Far Southwest Oyu — were not included in the AMEC estimate. These additional zones currently are being defined by exploration drilling and are expected to significantly add to the overall resource estimate.

Recent drilling has indicated the potential for further resource additions to the south, west and north of the high-grade mineralized zone at Southwest Oyu. The high-grade zone is now known to extend to a minimum of 800 metres below surface, and is still open at depth. Ivanhoe plans to update its resource estimate on a quarterly basis as new drill results are received. (For reference, see accompanying drill-plan graphic).

"It's extremely pleasing to have our initial, independent resource estimate, identifying 10 million ounces of gold and over five billion pounds of copper, less than eight months after the discovery of the high-grade porphyry zone at Southwest Oyu," Mr. Friedland said.

“This discovery is a tremendous achievement by our exploration team of Mongolian and expatriate geologists. The very determination of our company to enter the Gobi Desert was a direct consequence of the far-sighted vision of the Mongolian government to enact an excellent and transparent new mining law in 1996. We believe that Turquoise Hill will prove to be just the first new indication of Mongolia’s potential as one of the world’s mineral storehouses. Based on the estimate of ounces of the gold equivalent having been found, as of this date, the cost of the discovery is one dollar for every five ounces of gold equivalent. This achievement by our exploration team must rank as an industry record for creating value in such a short time frame. Considering that the area covered by the AMEC resource estimate is a small fraction of the overall Turquoise Hill project area, we’re confident that we’ve just scratched the surface of this outstanding project and of the potential of this belt of rocks in the Gobi.”

Mr. Kirwin said that the Grasberg Mine in Indonesia, currently the world’s largest gold and copper porphyry mine, commenced open-pit operations in 1990 with reserves of approximately 200 million tonnes at gold and copper grades similar to those outlined at Southwest Oyu. “Based on the many geological similarities between Oyu Tolgoi and Grasberg, there is every indication to believe that Oyu Tolgoi will host additional high-grade gold and copper zones,” Mr. Kirwin said.

The preliminary mineral resource estimate for the Southwest Oyu Discovery Zone incorporates the results of all holes drilled in the zone to March 5, 2002, and is summarized below. The resource estimate has been prepared by AMEC in accordance with Canadian regulatory requirements set out in National Instrument 43-101 and reviewed by AMEC’s Dr. Harry Parker, Chartered Professional Geologist, one of the world’s leading authorities in ore resource estimation.

The resource, which extends to depths of up to 900 metres below surface, would be recoverable by conventional open-pit mining techniques that are widely used today, subject to economic and mining constraints. The estimated overall strip ratio for the restricted area in which the resource has been calculated would be in the order of 1.8:1 of waste to ore. This has the potential to decline, as further drilling better defines and extends the mineralization into areas currently reporting as “waste.” Ivanhoe’s engineering staff believes that an open-pit operation at the Turquoise Hill project could have a scope and cut-off grade similar to Newmont’s Batu Hijau Mine in Indonesia, which currently operates at a mining rate of 120,000 tonnes per day, using a cut-off grade of 0.30% copper equivalent. In addition, the Bajo de la Alumbrera Mine in Argentina, operated by BHP-Billiton, Rio Tinto and MIM at a milling rate of approximately 85,000 tonnes per day, also uses a cut-off grade of 0.30% copper equivalent.

Mr. Friedland said that the proximity of the Turquoise Hill project to the Chinese copper markets confers a highly strategic geographic advantage, from a development and concentrate marketing point of view. “Given that China is by far the world’s largest importer of copper, Turquoise Hill’s location on China’s doorstep means that Mongolian gold and copper will be economically and efficiently delivered to growing markets in China and to export terminals serving other major Asian consuming nations, such as South Korea, Taiwan and Japan. Railway access to the northern border of China also opens up the potential for access to the world’s lowest-cost fabrication, construction and consumable materials market that will confer a significant capital and operating cost advantage in the development of a world-scale mining operation. China and Mongolia both stand to gain important economic advantages from this cross-border trade similar to the benefits of north-south trade between the United States and Canada.”

**Preliminary Mineral Resource Estimate
Southwest Oyu Discovery Zone**

AMEC - March, 2002

Cutoff Grade Copper Eq (%)	Tonnage (Tonnes)	In Situ Grade		Copper (billions of pounds)	Gold (ounces)
		Copper (%)	Gold (g/t)		
0.70	185,100,000	0.63	1.04	2.57	6,189,000
0.65	221,100,000	0.60	0.94	2.92	6,682,000
0.60	259,700,000	0.57	0.86	3.26	7,181,000
0.55	302,600,000	0.54	0.79	3.60	7,686,000
0.50	349,100,000	0.52	0.73	4.00	8,193,000
0.45	399,100,000	0.49	0.67	4.31	8,597,000
0.40	457,800,000	0.46	0.62	4.64	9,126,000
0.35	521,500,000	0.44	0.57	5.06	9,557,000
0.30	587,700,000	0.41	0.53	5.31	10,014,000
0.25	646,400,000	0.39	0.50	5.56	10,391,000
0.20	703,000,000	0.37	0.47	5.73	10,623,000

Supplemental Information

Metal Value and Grade-Equivalent Calculations Ivanhoe Mines – March, 2002

Cutoff Grade Copper Equivalent %	Tonnage (Tonnes)	Gold Equivalent Grade g/t (1)	Gold Ounces Equivalent (2)
0.70	185,100,00 0	2.19	13,033,000
0.65	221,100,00 0	2.03	14,430,000
0.60	259,700,00 0	1.90	15,864,000
0.55	302,600,00 0	1.78	17,317,000
0.50	349,100,00 0	1.67	18,744,000
0.45	399,100,00 0	1.57	20,145,000
0.40	457,800,00 0	1.46	21,489,000
0.35	521,500,00 0	1.37	22,970,000
0.30	587,700,00 0	1.28	24,186,000
0.25	646,421,00 0	1.21	25,147,000
0.20	703,000,00 0	1.14	25,766,000

Notes: (1) Based on US\$300 per ounce gold and US\$0.80 per pound copper. In situ pounds of copper multiplied by US\$0.80 per pound copper and divided by \$US300 per ounce gold added to the in situ ounces of gold. Total ounces are multiplied by 31.1 grams per ounce and then divided by the tonnage to obtain equivalent gold grade (g/t). (2) Gold equivalent grade g/t multiplied by tonnage, then divided by 31.1 gram/ounce. (3) The Gold Equivalent Grade and the Gold Ounces Equivalent shown above in columns 1 and 2 are not weighted for the relative metallurgical recoveries of gold versus copper. The determination of an adjustment factor to account for differences in relative metallurgical recoveries between gold and copper will depend upon the completion of definitive metallurgical testing.

The high-grade gold and copper porphyry mineralization at Southwest Oyu was discovered by Ivanhoe (Hole OTD150) in July, 2001. Southwest Oyu is characterized by a very large geophysical anomaly measuring approximately 1.2 kilometres by 350 metres. It is one of five known mineralized zones within the 12-square-kilometre central core of the Oyu Tolgoi project, none of which outcrop, which suggests that there is excellent potential for the discovery of further buried high-grade deposits on the property.

Delineation drilling has recently been expanded at the Central Oyu Zone, where Ivanhoe's new hole, OTD 187, intersected two broad zones of gold-rich porphyry copper mineralization. **The lower zone intercepted 102 metres grading 1.40 g/t gold and 0.84% copper (2.85 g/t gold equivalent) in basaltic volcanic rocks, at a down-hole depth of between 334 to 436 metres.** Closer to surface, Hole 187 also intersected 138 metres of 0.42 g/t gold and 0.57% copper (1.40 g/t gold equivalent), from a down-hole depth of 90 to 228 metres. Hole 187 is located approximately 1.2 kilometres northeast of Hole 150, Ivanhoe's discovery hole in Southwest Oyu, and is located outside the area encompassed by the AMEC estimate.

Ivanhoe has also moved two drills to the Far Southwest Oyu Zone to further delineate the southwest extension of the Discovery Zone. Last fall, Ivanhoe drilled three holes — Holes 165, 167 and 168 — to test the coincident magnetic anomalies that trend to the southwest of the Discovery Zone and to follow up on BHP's Hole 005, which intersected 142 metres of 0.93 g/t gold and 0.53% copper beginning at 68 metres. The Far Southwest Zone has the potential to host a significant tonnage of gold and copper mineralization.

Scoping Study And Quality Assurance/Quality Control

In light of the impressive initial resource estimate, Ivanhoe has initiated an internal scoping study to benchmark the current project status and to evaluate options for the development of an economic mining operation at Turquoise Hill. The objective of Ivanhoe's current drilling program is to delineate the necessary critical mass in terms of tonnes and grade to support a world-class, open-pit mining complex at Turquoise Hill.

The study will evaluate the potential for the development of the Discovery Zone and the potential for a subsequent expansion of operations to encompass other known mineralized zones, including the Far Southwest Oyu and Central Zones.

The information in this press release is reported under a quality-control program supervised by Charles Forster, P.Geol., Ivanhoe Mines' Turquoise Hill Manager, who is an appropriately qualified person as defined by National Instrument 43-101. Analabs Pty. Ltd. assays all samples at its facility in Ulaanbaatar, Mongolia. Ivanhoe now inserts blind standards on a 1-in-20 basis at Analabs' sample preparation facility at the Oyu Tolgoi site. ALS Chemex Labs in Vancouver, Canada, also performs check assays on a 1-in-20 basis. Ivanhoe's quality control program has been reviewed by AMEC and Roscoe Postle Associates, of Toronto, Canada, and Ivanhoe has incorporated resultant recommendations into its program. Assay results from all holes drilled to date are available in the Turquoise Hill Project Section on Ivanhoe's website at www.ivanhoemines.com.

An independent technical report on the Turquoise Hill project also was recently completed by Roscoe Postle Associates.

Turquoise Hill Project

The Turquoise Hill Project is located in Mongolia's South Gobi region, approximately 80 kilometres north of the Chinese border. Ivanhoe holds 100% of the Turquoise Hill Project, subject to BHP-Billiton's 2% NSR or a limited back-in right. Ivanhoe is required to spend US\$3 million in Phase 2 to complete the requirements of the BHP-Billiton agreement.

RECENT DRILLING - 2002

Oyu Tolgoi Project

- Drill Collar
- Andesitic volcanics
- Rhyolite dikes
- Equigranular syenite
- Feldspar porphyry
- ⋯ IP Chargeability in 7%
- ⋯ IP Chargeability in 5%
- ⋯ Magnetic High



800N

North

OTD187

OTD159

0+00

Central



Approximate Coverage
of Resource Estimate
(400 metres square)

Southwest

OTD185

OTD190

OTD189

-800S

OTD184

OTD183

OTRCD150

OTD180

OTD197

OTD195

OTD167

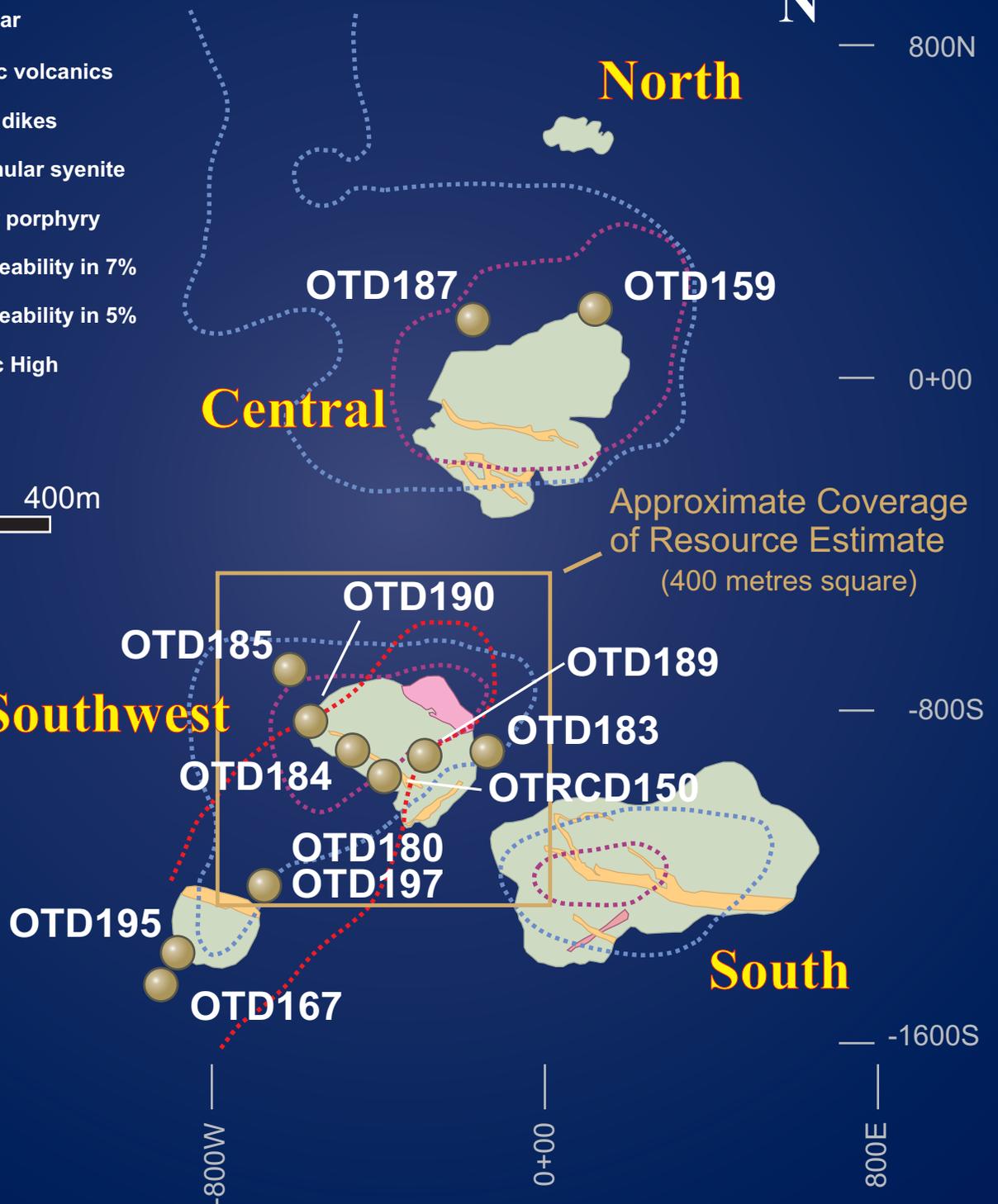
South

-1600S

-800W

0+00

800E



Ivanhoe currently holds exploration licences covering approximately 33,600 square kilometres (12,970 square miles). Ivanhoe acquired its exploration licences after completing extensive field investigations of more than 350 mineral occurrences throughout Mongolia during the past five years.

Ivanhoe shares are traded on the Toronto and Australian stock exchanges under the 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 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. Malcolm Lake, P. Eng., of Ivanhoe Mines, a "Qualified Person" as defined by National Instrument 43-101 of the Canadian Securities Administrators, has reviewed the technical information.