



I V A N H O E
M I N E S

**S&K MINE'S HIGH-QUALITY CATHODE COPPER
TO COMMAND A PREMIUM PRICE
FOLLOWING RECEIPT OF LME REGISTRATION**

For Immediate Release

December 19, 2001

Singapore – Daniel Kunz, President of Ivanhoe Mines Ltd., announced today that the S&K Copper Mine in Myanmar has reached another international benchmark with the receipt of London Metal Exchange (LME) registration for its cathode copper. With LME registration, S&K copper now qualifies to receive the price premium for cathode that is set each year by leading copper producers. The current premium would increase revenues on sales of S&K copper by approximately US\$30 a tonne (US1.4 cents a pound).

Listing of the “Monywa S&K” brand of Grade A Copper was approved by the LME effective December 13, 2001. The registration certifies that Monywa S&K cathode has a purity level exceeding 99.999% copper, the standard for LME Grade A copper, and that the copper conforms to the specifications covering shape and weight as defined by the special contract rules of the LME. Registration allows the S&K Mine's copper to be sold to LME warehouses.

“LME registration is recognized worldwide as one of the most demanding standards used to evaluate the quality, uniform physical characteristics and reliability of supply of cathode copper, so this is a significant and consistent performance achievement by the S&K Mine,” Mr. Kunz said.

Approximately 26,700 tonnes of S&K copper were sold in 2000. The S&K Mine, which is the first phase of the large Monywa copper project, is operated by Myanmar Ivanhoe Copper Company Limited, a 50/50 joint venture between Ivanhoe Mines and Mining Enterprise No. 1, a state-owned company.

Mr. Kunz has just finished high-level meetings with Japanese, Korean and Chinese lenders who have expressed interest in participating in the planned second phase of the Monywa project. Phase two will involve developing the Letpadaung deposit, 10 kilometres south of the S&K Mine, to produce an additional 125,000 tonnes (275 million pounds) of copper a year. Mr. Kunz said that the interest by lenders, and the recent completion of a viable plan for the supply of electricity to Letpadaung, should enable work to proceed in the near future. Letpadaung has a flow sheet, metallurgy and process design similar to the S&K Mine's.

Ivanhoe also produces gold from the Bakyrchik Mine in Kazakhstan and iron ore products from ABM's Savage River Mine in Australia. Ivanhoe also is developing a high-grade gold discovery in Myanmar, and plans to begin producing gold and silver from a new mine in South Korea in 2002. In Mongolia, Ivanhoe has five gold and copper exploration projects, including the Turquoise Hill discovery in southern Mongolia containing high-grade gold, copper and molybdenum porphyry mineralization. An expanded drilling program to delineate the grade and extent of mineralization is currently underway.

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 identified in the corporation's periodic filings with Canadian Securities Regulators. Forward-looking information contained in this release represents management's current best judgment, based on presently available information. No forward-looking statement can be guaranteed and actual future results may vary materially. The company does not assume the obligation to update any forward-looking statement.