



IVANHOE
MINES

IVANHOE RELEASES ADDITIONAL, HIGH-GRADE GOLD-SILVER DRILLING RESULTS AND ANNOUNCES PLANS FOR NEW MINE IN SOUTH KOREA

For immediate release

October 18, 2001

SINGAPORE — Ivanhoe Mines' President Daniel Kunz announced today that the company plans to begin producing gold and silver from a new mine in South Korea early in 2002.

Ivanhoe recently received a mining permit for its Seongsan Gold/Silver Project in Chollanam-Do province, in southwestern Korea. A full scoping study is now underway to establish the optimal milling and mining parameters.

Initial production will begin from a small, high-grade open pit at the Eunsan deposit, one of the most advanced of several prospects already identified within the Seongsan project area. Drilling is ongoing at the other prospects to define the grades and extent of the gold and silver mineralization. The current development concept is to mine three or more deposits, using a central milling facility.

The Seongsan project area contains outcropping, low-sulphidation, epithermal gold-silver mineralized systems occurring as veins, breccias, stockworks and zones of silification along a cumulative strike length of at least 3.2 kilometres. The veins lie along a structural zone adjacent to a large, operating clay mine. The area has an excellent established infrastructure to support mining.

EUNSAN PROSPECT

The Eunsan low-sulphidation, epithermal gold-silver prospect has been explored with a total of 45 holes, including 28 drilled this year. As with many narrow bonanza-grade, epithermal systems, reserve delineation is highly drill intensive. Rather than spend an inordinate amount of capital drilling, Ivanhoe has chosen to begin mining on a pilot scale in order to determine the actual mining grade and distribution of high-grade mineralization.

The currently delineated high-grade mineralized zone is considered large enough by Ivanhoe's engineering staff to initiate a commercial operation that can be expanded on the back of a successful pilot operation. Metallurgical test work on Eunsan drill-core samples has indicated a gravity separation recovery rate for gold of 67% and a flotation recovery rate of 99%.

Selected Eunsan drill intercepts

DDH	From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)	Gold equivalent (g/t)
EN 027	7	8	1.0	4.48	1382.8	26.09
EN 030	28	30	2.0	18.79	1331.9	39.60
EN 033	48.3	49.5	1.2	99.6	697.0	110.49
	53.15	56.6	3.45	2.93	499.1	10.73
EN 034	53	55	2.0	3.25	489.4	10.90
	53	53.6	0.6	9.59	1425.6	31.87
EN 036	27	28.1	1.1	18.30	28.8	18.75
	30.75	33.4	2.65	16.12	10.9	16.29
EN 037	12	21.7	9.7	4.10	147.0	6.40
	15	16	1.0	11.40	867.4	24.95
EN 038	28	29	1.0	8.56	414.0	15.03
EN 041	14	17.5	3.5	30.14	894.2	44.11
	15.6	16.5	1.0	93.35	1812.6	121.67
EN 042	21.5	23.5	2.0	36.31	3353.8	88.71
	22	23	1.0	62.98	5880.9	154.87
EN 043	23.8	25	1.2	12.48	510.8	20.46
EN 044	119	120	1.0	91.6	341.3	99.35
EN 045	90.5	92	1.5	20.49	17.14	20.75

Results from earlier drill holes EN 001 through EN 026 are available on the website. A longitudinal sketch map showing at the proposed open-pit and underground development at the Eunsan prospect is on page 5 of this release. Gold-equivalent values were based on a silver-gold price equivalent of 64 to 1.

MOISAN PROSPECT

Ivanhoe has drilled 23 holes at the Moisan prospect.

Selected Moisan drill intercepts

DDH	From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)	Gold equivalent (g/t)
MS 009	12.00	13.00	1.00	9.94	52.60	10.76
MS 010	40.00	40.45	0.45	44.32	391.7	50.44
	64.20	64.60	0.40	21.04	59.3	21.97
	72.90	74.20	1.30	27.11	129.3	29.13
	75.15	75.85	0.70	21.41	86.8	22.77
MS 011	15.70	16.15	0.45	7.07	784.2	19.30
MS 012	50.80	52.00	1.20	16.10	35.5	16.65
MS 013	43.75	45.00	1.25	11.20	4.80	11.95
	195.90	197.10	1.20	1.92	229.0	21.88
MS 014	9.75	11.85	2.10	18.30	31.1	18.79
	13.50	14.00	0.50	27.50	33.2	28.02
	22.15	22.50	0.35	141.55	267.8	145.73
	22.50	23.00	0.50	13.59	8.3	13.72

DDH	From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)	Gold equivalent (g/t)
	36.10	37.00	0.90	28.07	86.5	29.42
	38.30	38.70	0.40	34.92	29.9	35.44
MS 015	11.25	11.45	0.20	24.22	161.2	26.74
	56.80	56.95	0.15	21.36	15.7	21.60
MS 016	18.00	18.50	0.50	11.54	49.8	12.32
	40.00	40.50	0.50	28.72	56.7	29.61
	78.40	79.80	1.40	20.11	223.4	23.60
MS 017	10.50	11.00	0.50	53.78	173.6	56.49
	30.00	30.50	0.50	8.90	424.2	15.53
MS 018	67.00	67.80	0.80	14.44	94.6	15.92
MS 019	58.00	59.00	1.00	10.54	40.5	11.17
	65.20	65.70	0.50	120.48	546.6	129.02
	108.00	109.60	1.60	25.91	20.9	26.24
	143.10	143.60	0.50	14.61	12.9	14.81
	144.00	144.50	0.50	30.02	386.0	36.05
MS 023	42.00	42.30	0.30	15.86	391.2	21.97
	82.70	83.20	0.50	271.03	480.6	278.54
	86.00	86.60	0.60	14.85	48.4	15.61
	109.00	109.40	0.40	26.42	9.6	26.57

KUNSAN PROSPECT

During the summer, Ivanhoe made a new discovery of high gold and silver mineralization at the Kunsan prospect, located 2.5 kilometres southeast of the Eunsan prospect. The initial hole drilled to test a gold and silver anomaly over Kunsan Hill averaged 124.45 grams/tonne of gold and 104.1 grams/tonne of silver over a one-half-metre intercept.

Kunsan drill intercepts

DDH	From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)	Gold Equivalent (g/t)
KNOO1	30.0	30.5	0.5	124.45	104.10	126.08
	41.0	41.5	0.5	7.47	8.35	8.77

Complete assay results received to date and maps are available on the South Korea exploration page on Ivanhoe's website at www.ivanhoemines.com. McPhar Geoservices Inc., of the Philippines, crushes and pulverizes the core and channel samples in its own facility on site and couriers the sample pulps to its main laboratory in Manila for fire assay.

Douglas Kirwin, Ivanhoe Mines' Senior Vice-President, Exploration, oversees the company's exploration programs. Charles N. Forster, P. Geo., of Ivanhoe Mines, a "Qualified Person" as defined by National Instrument 43-101 of the Canadian Securities Administrators, has reviewed the technical information contained within this release.

Ivanhoe is also developing a large gold and copper porphyry discovery in Mongolia and a high-grade gold discovery in Myanmar. Additional information on these projects will be released as results become available.

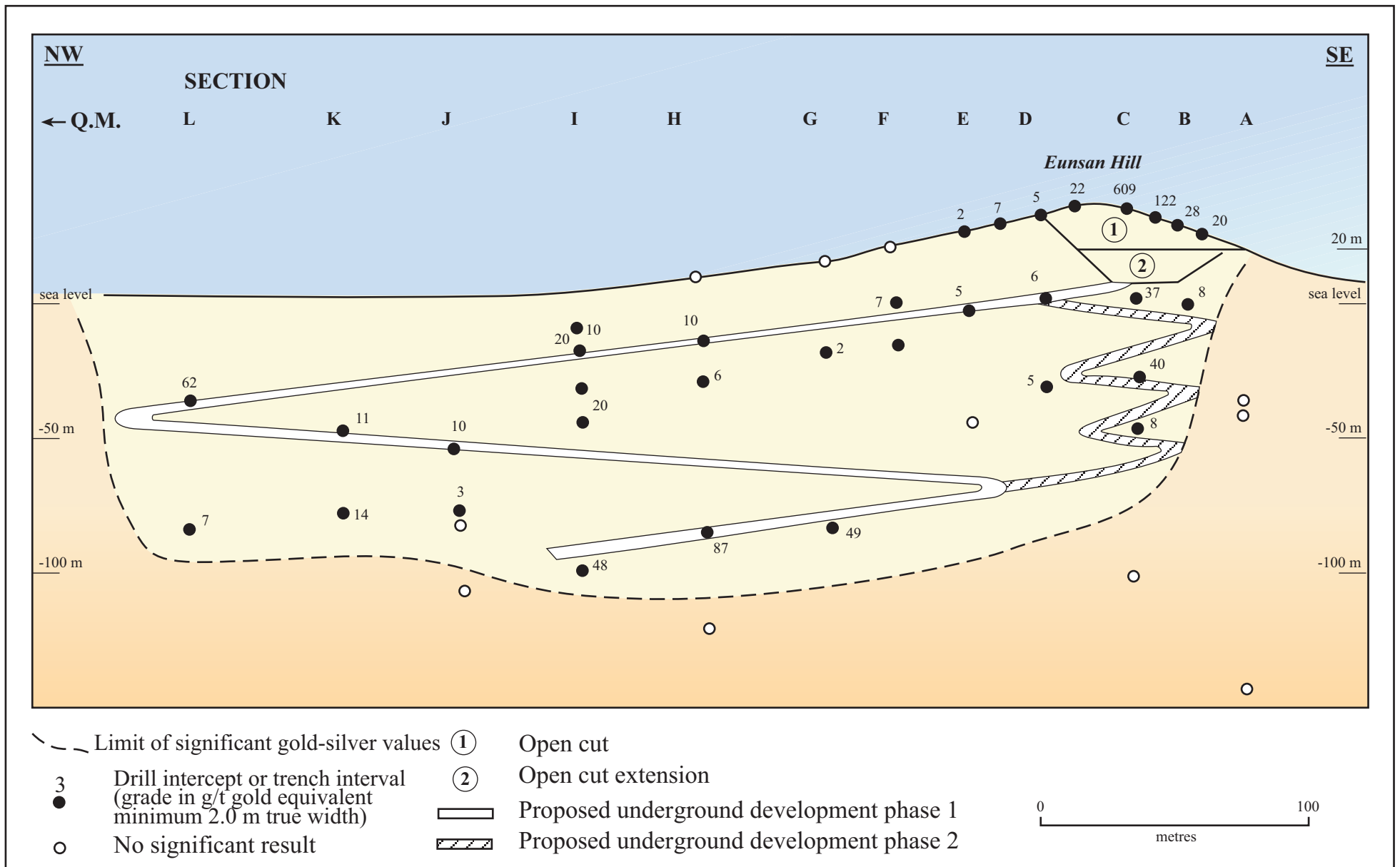
Ivanhoe Mines is an international mining company producing LME Grade A copper from its Monywa joint venture in Myanmar, gold from the Bakyrchik mine in Kazakhstan and iron ore products from ABM's Savage River mine and Port Latta pellet plant in Australia.

Ivanhoe's shares trade 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 identified 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 corporation does not intend to update this information and disclaims any legal liability to the contrary. Charles N. Forster, P. Geo., of Ivanhoe Mines, a "Qualified Person" as defined by National Instrument 43-101 of the Canadian Securities Administrators, has reviewed the technical information contained within this release.



Longitudinal Sketch Map Eunsan Prospect (Looking NE).