



**IVANHOE
MINES**

**IVANHOE MINES ACQUIRES SIGNIFICANT NEW MAGNETITE IRON DEPOSIT
NEAR ITS SAVAGE RIVER MINE INFRASTRUCTURE, TASMANIA**

For Immediate Release

March 19, 2001

Singapore — Ivanhoe Mines Ltd.'s Chairman, Robert Friedland, and Deputy Chairman, Gordon Toll, announced today that the company has reached an agreement in principle with Pasminco Limited (PAS: ASX) to acquire the Long Plains magnetite deposit, located eight kilometres south of Ivanhoe's Savage River iron ore (magnetite) mine in Tasmania, Australia. Based on Pasminco's drilling and Ivanhoe's fieldwork, the Long Plains Deposit contains up to 30 million tonnes of magnetite mineralization. Subject to confirmation drilling, the Long Plains Deposit has the potential to significantly increase the resource base of the Savage River Mine.

Ivanhoe Mines will have 15 months to evaluate the deposit. If it proceeds with the acquisition, Ivanhoe will pay Pasminco A\$1.8 million (approximately US\$900,000) in cash or Ivanhoe shares, at Ivanhoe's option, subject to regulatory approval.

Additional exploration is required to determine whether the Long Plains Deposit contains a mineral resource. Further geological field mapping and ground geophysical work will begin immediately to outline the boundaries of the deposit, and additional resource confirmation drilling will begin in the second quarter.

"The Long Plains Deposit provides Ivanhoe with additional, long-term resource potential that should increase the mine life at Savage River well beyond the current eighteen years," said Mr. Toll. "We are focussed on growing our iron ore resources and production through mine site exploration and acquisitions."

Mr. Toll also announced that diamond drilling completed in 2000 has defined significant resources and reserves at Ivanhoe's South Deposit, located approximately two kilometres south of the Savage River Mine. The total identified mineral resource in this new deposit, as reviewed by independent consultants Hatch Beedows, is 11.8 million tonnes at 60.1% magnetite, and proved plus probable reserves are 11.1 million tonnes at 55.6% magnetite. The mineralization remains open at depth and along strike to the south. Pre-stripping at the South Deposit is underway and mining is scheduled to commence in June.

Three additional magnetic intensity anomalies have been identified immediately to the south of Centre Pit. Diamond drilling of the southern magnetic anomaly has delineated a total identified mineral resource of 3.7 million tonnes at 43.2% magnetite. Further evaluation is required to determine if this new deposit contains an ore reserve. Drill testing of the other two new anomalies will commence during the second half of 2001. Maps showing the locations of the Long Plains, South and Central deposits are located on the Savage River Mine page on Ivanhoe's website at www.ivanhoemines.com.

The discovery of additional magnetite mineralization at South Deposit and to the south of Centre Pit in the second half of 2000 has significantly increased the resources and reserves at the Savage River Mine, as highlighted in the following table. The figures, which conform to the Australasian Code for Reporting of Mineral Resources and Ore Reserves, were prepared by Anson Griffith, Senior Mine Geologist, Savage River Mine, who is an Ivanhoe Mines' qualified person.

ORE RESERVES					
May 2000			December 2000		
Class	Tonnes Mt	Grade% magnetite	Class	Tonnes Mt	Grade% magnetite
Proved	45.7	50.2	Proved	53.2	51.2
Probable	43.8	48.5	Probable	49.5	48.6
TOTAL	89.5	49.5	TOTAL	102.7	49.9
IDENTIFIED MINERAL RESOURCES*					
May 2000			December 2000		
Class	Tonnes Mt	Grade% magnetite	Class	Tonnes Mt	Grade% magnetite
Measured	63.5	52.3	Measured	72.6	52.3
Indicated	67.2	51.2	Indicated	68.5	51.3
Inferred	71.2	51.4	Inferred	72.1	51.6
TOTAL	201.9	51.6	TOTAL	213.2	51.7

*Proved and probable ore reserves are included in identified mineral resources.

Ivanhoe Mines acquired the integrated Savage River Mine and Port Latta pellet plant facilities on December 31, 2000. The Savage River Mine, which commenced operations in 1967, has processed between four and six million tonnes magnetite ore a year, producing 1.5 to 2.3 million tonnes of concentrate averaging 67% iron. In 2000, 4.54 million tonnes of ore were milled, producing 2.17 million tonnes of iron ore concentrate. Sales in 2000 totalled 2.19 million tonnes of pellets and chips, and 19,400 tonnes of concentrate, producing revenue of US\$61.5 million. Ivanhoe plans to raise pellet output by 30%, to a rate of 2.79 million tonnes a year plus 190,000 tonnes of concentrate and chips, over the next several years.

Ivanhoe Mines is an international mining company producing LME Grade A copper from its Monywa joint venture in Myanmar and high-quality iron ore products from its wholly-owned Savage River Mine in Australia. The company's shares are traded on the Toronto and Australian stock exchanges under the symbol IVN.

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FORWARD-LOOKING STATEMENTS: This news release contains certain forward-looking statements. All statements, other than statements of historical fact, included herein, including, without limitation, statements regarding future exploration, production and expansion plans of Ivanhoe Mines Ltd. are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Ivanhoe's expectations are disclosed under the heading "Risk Factors", and elsewhere, in Ivanhoe's documents filed from time to time with the Toronto Stock Exchange and other regulatory authorities. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and Ivanhoe does not undertake any obligation to update forward-looking statements should conditions, or management's estimates or opinions, change.