

December 8, 2008

## **Ivanhoe Mines Makes Another High-Grade Discovery of Gold and Copper at the Oyu Tolgoi Project in Mongolia**

### **Discovery Remains Open to Expansion in All Directions**

ULAANBAATAR, MONGOLIA — John Macken, President and CEO of Ivanhoe Mines Ltd., and Doug Kirwin, Executive Vice-President, Exploration, today announced additional details of the exploration drilling at the company's Oyu Tolgoi Project in Mongolia that has discovered a new zone of high-grade gold and copper mineralization, which has characteristics of the earlier high-grade discoveries at the Hugo Dummett and Southwest Oyu deposits.

The Oyu Tolgoi mineralized structural corridor, as currently defined, now has a total strike length in excess of 20 kilometres – encompassing Oyu Tolgoi in the centre and more recent extensions to the south and north onto the joint Ivanhoe-Entrée agreement area.

The latest discovery is highly significant because it indicates that there is a strong probability of an additional gold-rich copper deposit between the previously discovered Heruga Deposit and the Southwest Oyu Deposit. An objective of the ongoing drilling is to establish whether there is a continuous, high-grade mineralized connection between the major Oyu Tolgoi deposits to the north and the more recently discovered Heruga Deposit to the south.

The discovery, which is open to expansion in all directions, is within Ivanhoe Mines' 100%-owned Oyu Tolgoi Mining Licence. It is located in the three-kilometre gap between the Heruga Deposit, which was discovered on the joint Ivanhoe-Entrée licence area in 2007, and Ivanhoe's 100%-owned Southern Oyu deposits that were delineated by Ivanhoe's earlier exploration between 2001 and 2005.

Deep diamond drilling on a section 1.5 kilometres north of the Heruga Deposit and 1.5 kilometres south of the Southwest Oyu Deposit targeted a gradient-array Induced Polarization (IP) chargeability anomaly that extends from Heruga to Southwest Oyu. **Zones of high-grade copper and gold mineralization were intersected over a distance of 369.3 metres grading 0.83 g/t gold, 0.53% copper, and 64 ppm molybdenum (1.09% copper equivalent). This included an intersection of 78.3 metres grading 2.13 g/t gold, 0.82% copper and 126 ppm molybdenum (2.24% copper equivalent) between 2258 and 2336.3 metres downhole. In addition, this also included a sub-interval of 16.3 metres grading 4.70 g/t gold, 1.56% copper and 168 ppm molybdenum (4.64% copper equivalent).**

Visit [www.ivanhoemines.com](http://www.ivanhoemines.com) for pictures of the drill core and maps and sections of the new discovery.

#### **POTENTIAL FOR MAJOR NEW GOLD-RICH COPPER DEPOSIT**

"Based on the high gold and copper grades, as well as the high gold-to-copper ratio encountered, and the style and tenor of the porphyry mineralization, this drillhole could indicate the discovery of a major new gold-rich copper deposit at Oyu Tolgoi comparable in importance to the Hugo Dummett or Southwest Oyu deposits," said Mr. Kirwin. "Clearly, this newly discovered gold-rich copper porphyry

highlights the potential for the largely untested zone between Heruga and the Southern Oyu deposits. The high gold-to-copper ratios are considered to be very significant.”

OTD1484, the first hole drilled in this section, intersected carbonaceous sediments that typically are 200-300 metres above mineralization, then passed through a major fault at 830 metres and back into cover rocks to the final depth of 1507 metres. The second hole in the section, OTD1487, and its continuation, OTD1487A, were designed to intersect mineralization 500 metres below the carbonaceous sediments in OTD1484. Weakly mineralized quartz monzodiorite was intersected in the downhole interval from 1423 metres to 1963 metres, before passing through a major fault and into conglomerate that typically directly overlies mineralization. High-grade copper and gold mineralization then was intersected over approximately half of the 358-metre interval to the end of the hole, with the rest of the interval occupied by later, unmineralized dykes and weakly mineralized post-mineral intrusions. The hole was terminated in high-grade mineralization at a downhole depth of 2336.3 metres (a true depth of 2068 metres below surface) due to drilling difficulties.

### OYU TOLGOI CORRIDOR MAY BE SINGLE ZONE OF PORPHYRY MINERALIZATION

From the Heruga Deposit in the south, the Oyu Tolgoi mineralized structural corridor now extends north by northeast through the Oyu Tolgoi deposits to the lower-grade copper-gold porphyry occurrence at Ulaan Khud, or Airport North Zone, located approximately 10 kilometres north-northeast of the Hugo Dummett Deposit. In addition, the corridor has been well-defined by the regional gradient-array IP surveys conducted by Ivanhoe's geophysical team led by consulting geophysicist, Grant Hendrickson, P.Geo.

“Based on the geophysics, our recent exploration successes at Heruga and this latest discovery hole, we believe that the Oyu Tolgoi structural corridor may represent one single zone of porphyry mineralization, cut by later faults, dykes and post-mineral intrusions,” Mr. Hendrickson said.

Assay results from hole OTD1487A are summarized in the table below.

Hole Number	From (m)	To (m)	Interval (m)	Au (g/t)	Cu (%)	Mo (ppm)	CuEq (%)
OTD1487A	1967	1978	11	0.04	0.12	19	0.16
	1978	1994	16	0.09	1.55	38	1.63
	1994	2028	34	0.02	0.06	8	0.07
	2028	2126	98	0.96	0.88	115	1.56
	2126	2258	132	0.32	0.14	12	0.35
	2258	2336.3	78.3	2.13	0.82	126	2.24
including	2320	2336.3	16.3	4.70	1.56	168	4.64
Overall Hole	1967	2336.3	369.3	0.83	0.53	64	1.09
<p><i>Copper equivalencies were calculated using the following metal prices and formula.</i></p> <p><i>(Au = USD650/oz, Cu=USD1.35/lb, Mo=USD10/lb).</i></p> <p><i>[CuEq=Cu%+((Aug/t*18.98)+(Moppm*0.01586))/29.76]</i></p>							

### Quality Assurance and Quality Control

Dr. David Crane, R.P.Geo., Ivanhoe Mines' Mongolia Exploration Manager, a member of the Australian Institute of Geoscientists and a qualified person as required by NI 43-101, supervised the preparation of the information in this news release.

SGS Mongolia LLC prepared the split core at the project site and assayed 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. In-house, matrix-matched copper-gold-molybdenum standards and blanks are inserted at the sample preparation lab at the project site for quality control monitoring of the assay data.

Ivanhoe Mines shares are listed on the Toronto, New York and NASDAQ stock exchanges under the symbol IVN.

#### Information contacts

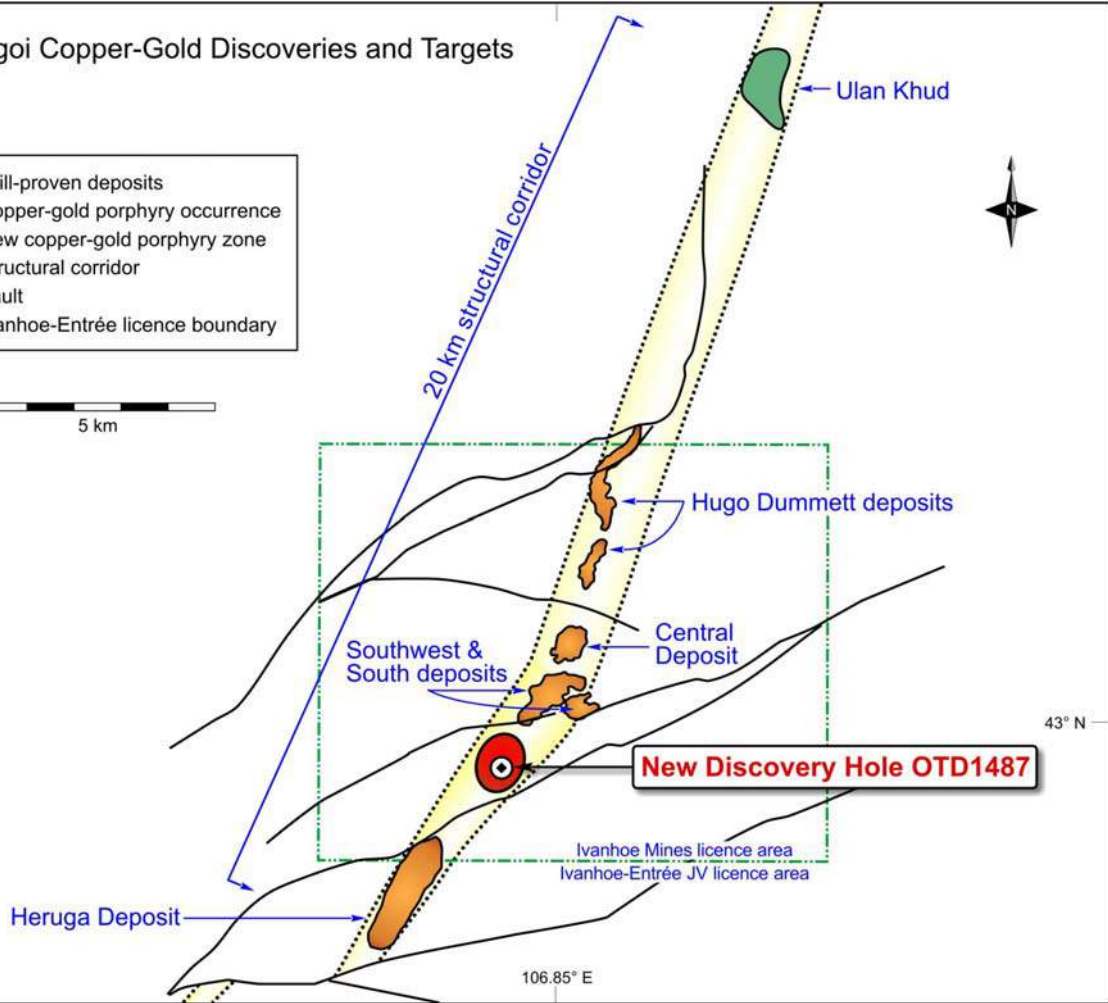
Ivanhoe Mines Investors Relations: Bill Trenaman. Media: Bob Williamson +1.604.688.5755

**Forward-Looking Statements** — This news release contains forward-looking statements. Forward-looking statements are statements which relate to future events such as Ivanhoe's intent to continue drilling at the Oyu Tolgoi Project. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results almost always will vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. Readers are referred to the sections entitled "Risk Factors" in Ivanhoe Mines' periodic filings with Canadian and US Securities Commissions.

# Oyu Tolgoi Copper-Gold Discoveries and Targets

- Drill-proven deposits
- Copper-gold porphyry occurrence
- New copper-gold porphyry zone
- Structural corridor
- Fault
- Ivanhoe-Entrée licence boundary

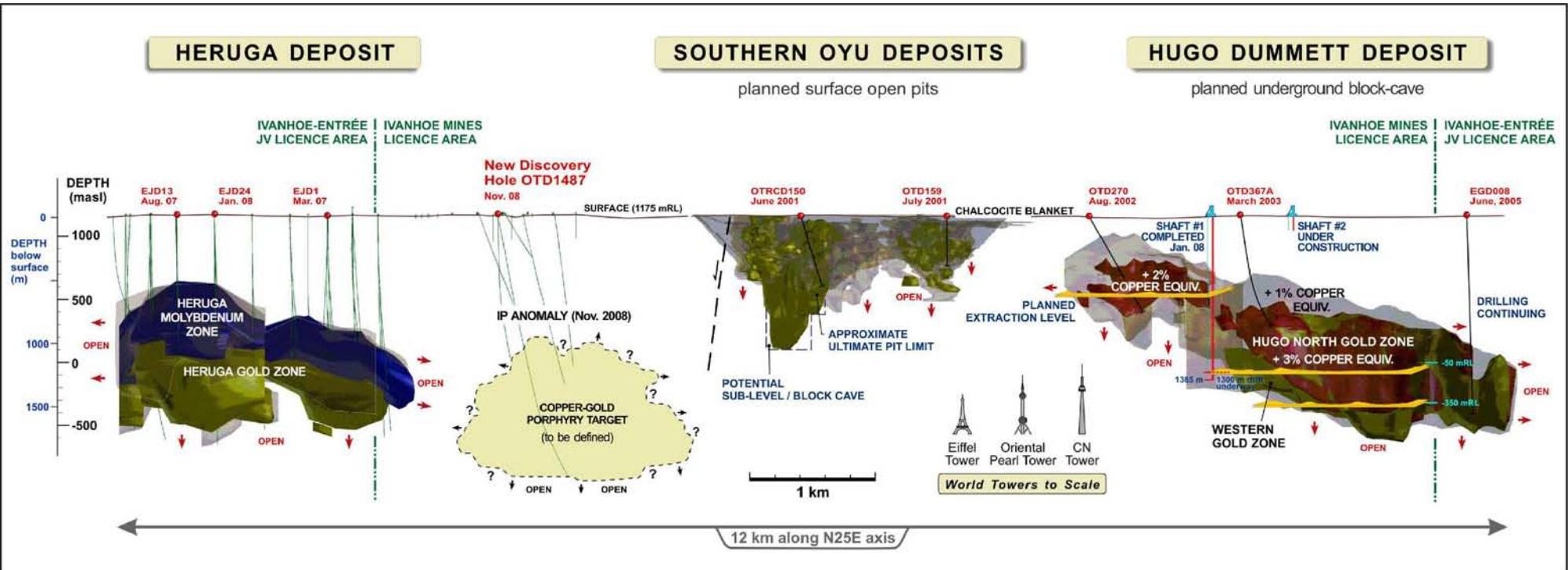
5 km

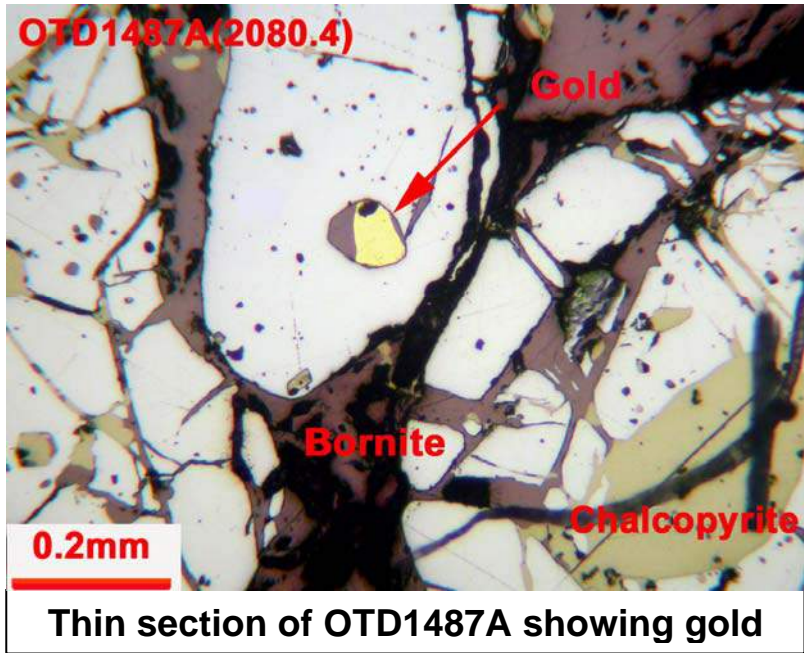
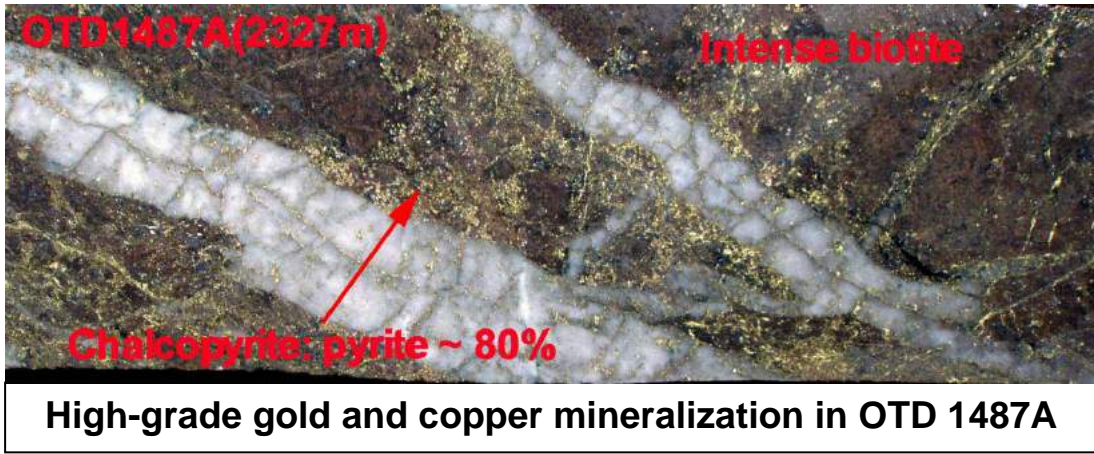


### HERUGA DEPOSIT

### SOUTHERN OYU DEPOSITS

### HUGO DUMMETT DEPOSIT

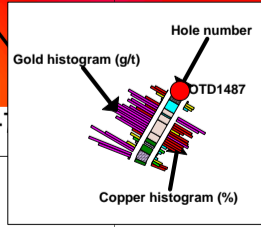
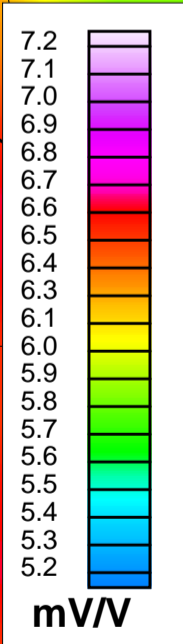
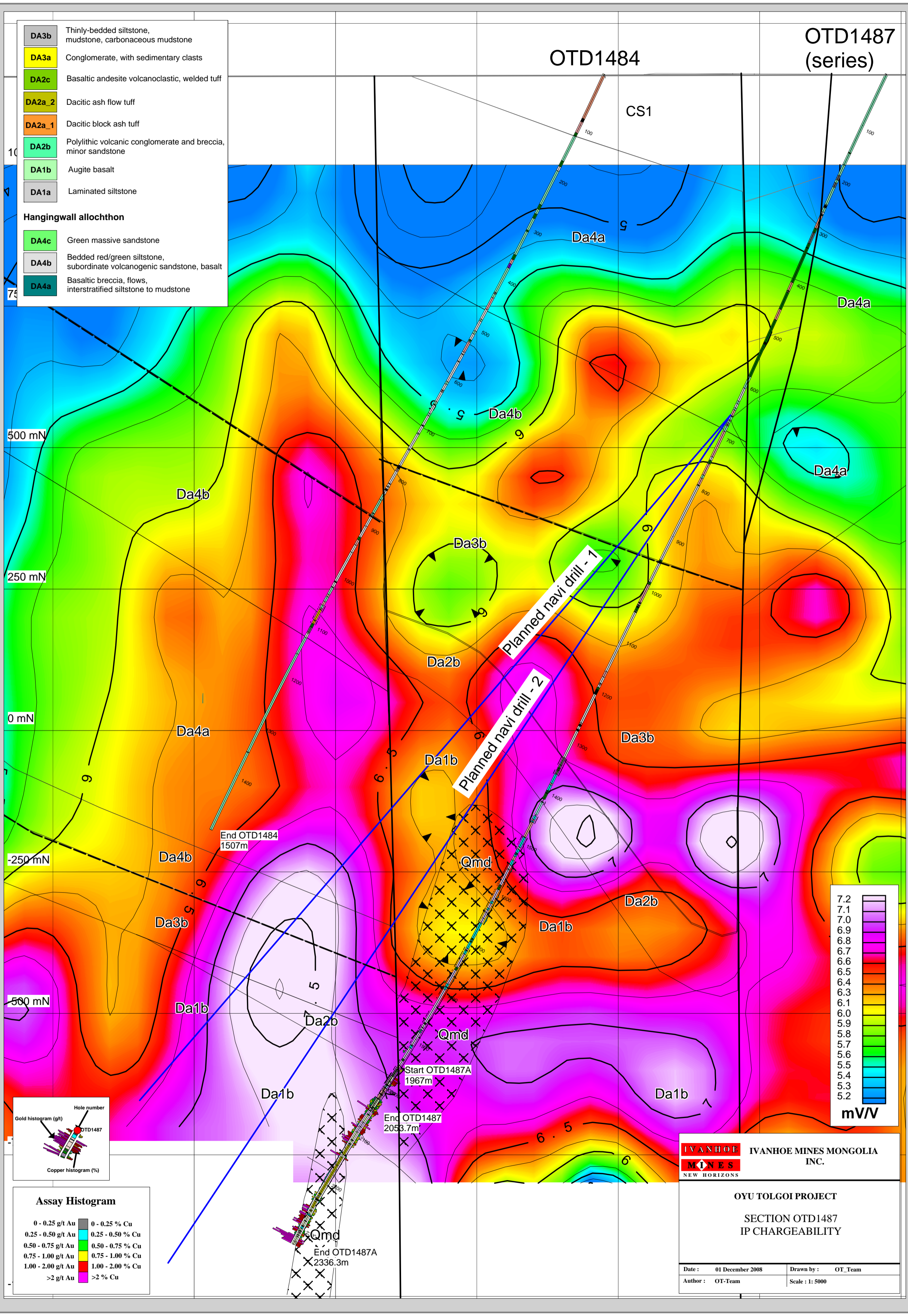




OTD1487 (series)

OTD1484

DA3b	Thinly-bedded siltstone, mudstone, carbonaceous mudstone
DA3a	Conglomerate, with sedimentary clasts
DA2c	Basaltic andesite volcanoclastic, welded tuff
DA2a_2	Dacitic ash flow tuff
DA2a_1	Dacitic block ash tuff
DA2b	Poly lithic volcanic conglomerate and breccia, minor sandstone
DA1b	Augite basalt
DA1a	Laminated siltstone
<b>Hangingwall allochthon</b>	
DA4c	Green massive sandstone
DA4b	Bedded red/green siltstone, subordinate volcanogenic sandstone, basalt
DA4a	Basaltic breccia, flows, interstratified siltstone to mudstone



**Assay Histogram**

0 - 0.25 g/t Au	0 - 0.25 % Cu
0.25 - 0.50 g/t Au	0.25 - 0.50 % Cu
0.50 - 0.75 g/t Au	0.50 - 0.75 % Cu
0.75 - 1.00 g/t Au	0.75 - 1.00 % Cu
1.00 - 2.00 g/t Au	1.00 - 2.00 % Cu
>2 g/t Au	>2 % Cu

**IVANHOE MINES** IVANHOE MINES MONGOLIA INC.  
NEW HORIZONS

**OYU TOLGOI PROJECT**  
SECTION OTD1487  
IP CHARGEABILITY

Date: 01 December 2008    Drawn by: OT\_Team  
Author: OT-Team    Scale: 1: 5000