



**IVANHOE
MINES**

For immediate release

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DRILLING INDICATES SIGNIFICANT DISCOVERY AT FAR NORTH ZONE AT IVANHOE'S TURQUOISE HILL PROJECT, MONGOLIA

ULAANBAATAR, MONGOLIA — Ivanhoe Mines' Chairman Robert Friedland and Executive Vice-President, Exploration, Douglas Kirwin announced today that ongoing exploration drilling at the Turquoise Hill (Oyu Tolgoi) Project in Mongolia has intersected wide intercepts of visually significant chalcopyrite mineralization at the Far North Oyu Zone, approximately four kilometres north of the project's high-grade gold and copper discovery zone at Southwest Oyu, and approximately two kilometres north of the Central Zone.

The Far North Zone is on the northern portion of a large circular structure indicated by induced polarization (IP) geophysical surveys, with the Central Zone on the southern limb of the same structure. To date, the primary chalcopyrite mineralization in the Far North Zone has been intersected by two widely-spaced holes, OTD244 and OTD246, approximately 200 metres apart. Both holes intersected more than 400 metres of visually significant chalcopyrite in basaltic volcanics, with minor molybdenite and bornite, beginning at down-hole depths of between 120 and 150 metres. Hole 244 was terminated in significant copper mineralization at a down-hole depth of 580 metres, which is that particular drilling rig's maximum depth capability. Hole 246 is still drilling in significant mineralization at a current down-hole depth of more than 500 metres. Assays for copper and gold are pending.

"This discovery confirms that we have multiple centres of porphyry mineralization at Turquoise Hill," Mr. Kirwin said. "Given the high strength and very large extent of the induced polarization survey overlying the Far North Zone, this new discovery has the potential to dramatically enlarge the scope of the Turquoise Hill project."

Four new high-capacity drilling rigs recently arrived at Turquoise Hill, bringing Ivanhoe's current number of rigs in Mongolia to 11. Three rigs have been assigned to the Far North Zone to delineate the extent of the new discovery.

Douglas Kirwin, a qualified person as defined by National Instrument 43-101, supervised the preparation of the information in this release.

Ivanhoe is a diversified mining company, producing LME Grade A copper from its Monywa joint venture in Myanmar, iron ore products from ABM Mining's Savage River Mine in Australia, and gold and silver from its Silver Hill (Eunsan) Mine in South Korea. Ivanhoe also is actively exploring for gold, platinum group metals and base metals throughout Asia.

Ivanhoe has approximately US\$52 million in cash and US\$15 million in marketable securities. Ivanhoe's shares are listed 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.