



**IVANHOE
MINES**

FOR IMMEDIATE RELEASE

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IVANHOE MINES EXPANDS DISCOVERY OF LARGE COPPER/GOLD PORPHYRY SYSTEM AT TURQUOISE HILL PROSPECT IN MONGOLIA

Singapore – Ivanhoe Mines Ltd.'s Chairman, Robert Friedland, and Senior Vice-President of Exploration, Douglas Kirwin, announced today that the company's 2000 exploration program at the Turquoise Hill (Oyu Tolgoi) project in Mongolia has substantially expanded a large, copper-gold porphyry system previously discovered by BHP Minerals. Based on a preliminary extrapolation of drill results, Ivanhoe estimates that the porphyry system now has the potential to host up to 750 million tonnes of copper and gold mineralization.

Ivanhoe's 2000 drill program on the project consisted of 109 reverse-circulation drill holes, totalling approximately 9,000 metres. Ivanhoe's holes were drilled into the four known mineralized zones (north, central, south and southwest Oyu zones) to depths ranging between 80 and 130 metres. The program was designed to test a potential high-grade, supergene copper blanket discovered by BHP during a 23-hole drill program in 1997 and 1998. BHP spent approximately US\$2 million on exploration at the property. In addition to drilling, BHP's work included detailed geophysical, geochemical and geological mapping.

At this point, the potential size and grade of the mineralized porphyry zones is conceptual in nature and it is uncertain whether future exploration will result in the discovery of an economic mineral resource. However, Ivanhoe is encouraged by its initial results which, viewed in conjunction with those of the BHP drill program, confirm that the four porphyry zones comprise a mineralized target within an area measuring 3,000 metres by 2,000 metres. A 5,000-metre drill program to help delineate the grade and size of the mineralized zones is planned to begin in late April. The initial drilling will focus on the South Oyu zone, where last year's drilling returned an intersection of 46 metres averaging 1.4% copper and 0.34 grams of gold per tonne. This hole was 300 metres west of BHP's DDH4, which had an intersection of 76 metres averaging 1.6% copper and 0.18 grams of gold per tonne in a hypogene porphyry zone rich in bornite, chalcopyrite and magnetite.

Follow-up drilling also will be conducted on the other three zones, where copper grades in drill intersections within the porphyry ranged from 0.2% to greater than 1.6% over significant widths. Gold grades ranged from 0.01 grams per tonne to 0.4 grams per tonne. The primary hypogene mineralization within the porphyry is chalcopyrite, bornite and magnetite, and the secondary supergene mineralization is dominantly chalcocite.

Analabs Pty. Ltd., of Ulaanbaatar, Mongolia, performed the copper and gold analysis of the Ivanhoe drill holes. A table listing the results from the drill holes, as well as maps and plans of the project area, can be viewed on Ivanhoe Mines' website at www.ivanhoemines.com.

“Our results indicate that the oxidized and leached mineralization that outcrops in the Oyu zones is underlain by a significant gold and porphyry copper system,” Mr. Kirwin said. “Our focus in the initial drilling was to delineate the enriched, supergene blanket discovered by BHP. The results of this drilling outline two potential, near-surface supergene zones containing up to 50 million tonnes of significant copper mineralization. While the copper grades reported from these zones are very encouraging, the potential scope of the porphyry is much larger and clearly warrants a major drill program.”

The Turquoise Hill licence area covers 1,120 square kilometres. It is located in southern Mongolia, approximately 560 kilometres south of the capital city of Ulaanbatar. The project is accessible by road from the provincial center of Dalandzadgad. Ivanhoe Mines may earn all rights to the project by spending a total of US\$6 million on exploration over seven years and paying BHP US\$5 million. Ivanhoe’s earn-in rights are subject to BHP’s limited back-in provisions.

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 ABM Mining’s Savage River mine and Port Latta pellet plant in Australia. Ivanhoe Mines acquired ABM Mining on December 31, 2000. Ivanhoe Mines and ABM had combined revenues of approximately US\$84.8 million (CDN\$127.2 million) in 2000 on net sales of approximately 13,350 tonnes of copper, 2.19 million tonnes of iron ore pellets and 19,400 tonnes of iron ore concentrate.

Ivanhoe is also conducting exploration in Myanmar and South Korea. Ivanhoe owns 70% of the Bakyrchik Gold Project in Kazakhstan and 18.1% of Emperor Mines Limited, the owner and operator of the 120,000-ounce-per-year Emperor Gold Mine in Fiji.

Ivanhoe is a public company traded on the Toronto and Australian stock exchanges under the symbol IVN.

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