

Ivanhoe Mines issues financial results and review of operations for the third quarter of 2008

Ivanhoe has financial reserves to continue to advance its flagship copper and gold development properties

SINGAPORE – Ivanhoe Mines Ltd. today announced its results for the third quarter that ended September 30, 2008. (Note: all figures are in U.S. dollars, unless stated in another currency.)

Summary of significant achievements and developments since July 1, 2008

- Ivanhoe Mines remains focused on opportunities to advance the company's flagship Oyu Tolgoi copper-gold project in Mongolia's South Gobi Region. A start on construction of the planned mine at Oyu Tolgoi has been delayed by a series of Mongolian political events during the past year, including a national general election. Ivanhoe Mines and its strategic partner, Rio Tinto, recently reiterated to the Mongolian Government their readiness to participate in a resumption of discussions to conclude an Investment Agreement for Oyu Tolgoi. The new coalition government has declared that the development of major mineral deposits, including Oyu Tolgoi, is a matter of high priority.
- A Working Group of elected members of Mongolia's State Great Hural (National Parliament) now has prepared two draft resolutions that would direct the Government to speed up the process, begin working with Ivanhoe Mines and Rio Tinto and submit a proposed Investment Agreement to the Parliament to clear the way for construction to start on the Oyu Tolgoi mining complex. The resolutions also would end the year-long wait for possible changes to Mongolia's Minerals Law and direct the Government to initiate discussions with the investors based on the provisions of the existing 2006 Minerals Law. Votes on the resolutions are expected to be held in the near future.
- Exploration drilling in southern Oyu Tolgoi has discovered high-grade gold and copper mineralization that is similar to the earlier high-grade discoveries at the Hugo Dummett or Southwest Oyu deposits. Assay results are pending. The discovery is in the four-kilometre gap between the Heruga Deposit and Ivanhoe's 100%-owned Southern Oyu deposits that were delineated by Ivanhoe's exploration several years ago. Drilling is continuing, with an objective of establishing whether there is a continuous, high-grade mineralized connection between the more recently discovered Heruga Deposit and the major deposits to the north.
- Drilling at Oyu Tolgoi also has successfully extended the Heruga Deposit approximately 200 metres to the north, onto ground held 100% by Ivanhoe Mines. The bulk of Heruga identified to date is on ground held in an 80%-20% joint venture between Ivanhoe Mines and Entrée Gold respectively.
- Ivanhoe Mines received \$47.0 million from Rio Tinto on September 30, 2008, for the purchase of large equipment to be used in the construction of the Oyu Tolgoi copper and gold mining complex in Mongolia, or elsewhere as Rio Tinto deems appropriate. Ivanhoe Mines received a further \$74.5

million on November 12, 2008, as part of the agreement, bringing the aggregate amount received from the sale of the equipment to approximately \$121.5 million.

- SouthGobi Energy Resources made the first deliveries on sales of coal from its new Ovoot Tolgoi open-pit mine in southern Mongolia – a major milestone as SouthGobi begins to establish itself as a competitive producer in the Asian coal market. SouthGobi, 78.9% owned by Ivanhoe Mines, also increased its working interest in the Mamahak Coal Project in East Kalimantan, Indonesia, from 56% to 85% for a consideration of \$13.2 million, comprised of \$8.0 million in cash and 320,000 SouthGobi common shares.
- Ivanhoe Mines is continuing to seek opportunities to realize its objective to daylight value for shareholders from mineral resource projects that have been assembled within the company's portfolio of assets over the years and supported through direct investments.
- The A\$125 million IPO of Ivanhoe Australia was successfully completed and trading was initiated on the Australian Stock Exchange on August 6th under the symbol IVA. A portion of the IPO proceeds was used to repay an amount of A\$38 million owed to parent company Ivanhoe Mines as an inter-corporate loan that had been advanced to fund Ivanhoe Australia's initial exploration program in the state of Queensland. Ivanhoe Australia subsequently reported mineral inventories at three of its Cloncurry district projects, and new copper-gold and molybdenum discoveries from ongoing exploration.
- In Kazakhstan, Ivanhoe Mines and three Kazakh strategic partners – Sumeru, JSC AK Altynalmas and Medoro Partners – completed an agreement on October 3, 2008, to form a new mining and exploration company, Altynalmas Gold Ltd. The new venture consolidates within Altynalmas Gold 100% ownership of the Bakyrchik Gold Mine and also of the nearby, 15-kilometre-long Kryzyl Gold Project – consisting of the Bakyrchik Venture's Kyzyl Shear Project and Sumeru's Bolshevik Gold Project. The Bakyrchik Mining Venture previously was 70% owned by Ivanhoe Mines and 30% owned by JSC AK Altynalmas.
- The demonstration rotary-kiln roaster plant at the Bakyrchik Gold Mine, in northeastern Kazakhstan, is being commissioned this month and will enable the mine to resume gold production.

Ivanhoe Mines' President and Chief Executive Officer John Macken said that Ivanhoe Mines is well positioned with quality assets and a significant cash position of approximately US\$460.8 million, on a consolidated basis, at September 30, 2008.

"We believe that shares in soundly established companies that have strong working capital positions, excellent project portfolios, experienced partners and proven management teams, such as Ivanhoe Mines, will hold very attractive upside appeal for investors in coming months.

"We expect that the world's key economic drivers —including major infrastructure investments, industrialization and urbanization in China and India, for example — will resume higher rates of growth and help to underpin strengthening demand for many commodities, including copper and coal."

Mr. Macken said that Ivanhoe Mines, like other mining companies, is evaluating the developments in capital markets that have added new conditions and restraints on access to debt and equity financing.

"We are reviewing our 2009 capital investment program in light of the current and anticipated, global economic environment. We are prepared to reconsider our projected pre-construction spending on the Oyu Tolgoi Project and, if necessary, act decisively to further curtail spending if sufficient progress is not made toward the timely conclusion of an Investment Agreement with the Mongolian Government."

MONGOLIA: Ivanhoe Mines' Oyu Tolgoi Copper-Gold Project

Completion of Oyu Tolgoi Investment Agreement declared a priority by new Mongolian Government

A paramount priority for Ivanhoe Mines and its strategic partner, Rio Tinto, is the completion of an acceptable Investment Agreement with the Government of Mongolia to permit the investors to proceed with full-scale construction of the Oyu Tolgoi mine and ore-processing complex.

Since Mongolia's national general election in June 2008, Prime Minister Sanjaa Bayar, members of the Cabinet and members of the State Great Hural have publicly endorsed the objective of ensuring that Oyu Tolgoi is placed into production as quickly as possible. Speaking in September, the Prime Minister described his policy of "accelerated development" of Oyu Tolgoi and other large mineral deposits as an "historic" economic growth opportunity for Mongolia.

The governing Mongolian People's Revolutionary Party (MPRP) won a clear majority in the June election, gaining 58% of the 76 seats in Parliament. (The winners of four seats have not yet been officially declared). Following the election, the MPRP and opposition Democratic Party (DP) agreed to formally establish a joint government for the next four years. On September 19, the Mongolian Parliament officially ratified all members of the new coalition Government. Under terms of the joint-government agreement, the MPRP holds 60% of the cabinet seats, with the balance allocated to DP members. The terms of the joint-government agreement include a commitment by Mongolia's two dominant political parties to assign a high priority to putting "large strategic mineral resource deposits...into economic circulation."

Senior management representatives of Ivanhoe Mines and Rio Tinto met with Prime Minister Bayar in September to discuss the remaining steps necessary to achieve a fair and equitable Investment Agreement for Oyu Tolgoi. As part of a joint-company statement issued on October 17, Bret Clayton, Rio Tinto's Chief Executive, Copper & Diamonds, and a Director of Ivanhoe Mines, said that the companies were "encouraged by the initial steps that have been taken by the new Mongolian government and by the communications that we have had with government representatives." Mr. Clayton also added: "We are looking forward to engaging with the government as soon as possible to complete a competitive Investment Agreement that recognizes the realities of the current international investment environment."

In October, an all-party Parliamentary Working Group was established to make recommendations on proposed changes to the 2006 Minerals Law, based on a review of several proposed amendments that had been before the previous Parliament but were not voted on before the election in June. However, after discussions, MPs on the Working Group have proposed an alternative approach. The Working Group has circulated resolutions that would direct the Government to initiate early discussions with Ivanhoe Mines and Rio Tinto for an Oyu Tolgoi Investment Agreement that would be based on the provisions of the existing 2006 Minerals Law. The resolutions would scrap the proposed Minerals Law amendments from the previous Parliament and establish guidelines for Investment Agreements to be concluded for the development of Oyu Tolgoi, and also for the large Tavan Tolgoi coal deposit.

Prime Minister Bayar has made it clear in public statements that he believes an Investment Agreement for Oyu Tolgoi can be concluded without the need for further consideration of amendments to the 2006 Minerals Law. The Parliamentary Working Group's intention, subject to joint-government concurrence, is to present the draft resolutions to the Parliament. When ratified, the resolutions would provide a broad mandate to speed up the process to complete an Investment Agreement and help to ensure that

Oyu Tolgoi can begin generating needed economic benefits for Mongolia. Votes on the resolutions are expected to be held in the near future.

Ivanhoe Mines and Rio Tinto remain ready to restart the process for completion of an Investment Agreement, given a reasonable basis for negotiations. In the meantime, the companies are continuing to assess the implications for the Oyu Tolgoi Project and its development schedule as a result of the delays in approval that have been experienced in Mongolia, the sharp declines in commodity prices in recent months and continuing uncertainty in international financial markets.

Oyu Tolgoi exploration concentrated on gap between Heruga and Southern Oyu deposits

Exploration during Q3'08 was concentrated on deep diamond-drilling into the four-kilometre gap between the Heruga and Southern Oyu deposits. In Q3'08, two rigs completed 6,261 metres of drilling in this area. Drilling was conducted on two target areas. On one, 20 metres north of the Entrée Joint Venture boundary inside Ivanhoe Mines' Oyu Tolgoi Mining Licence, the Heruga Deposit mineralization was extended approximately 200 metres to the north. On the other, half-way between Heruga and the Southern Oyu deposits, drilling discovered new, high-grade gold and copper mineralization that is similar to the earlier high-grade discoveries at the Hugo Dummett or Southwest Oyu deposits. Core from this discovery is being assayed.

Underground development at Oyu Tolgoi

Good progress continued to be made during the first half of the quarter on horizontal tunnelling between the bottom of Shaft No. 1 and an underground portion of the Hugo Deposit orebody at Oyu Tolgoi. The tunnelling advanced a total of 199 metres during July and early August. Geotechnical data are being continuously collected as the development advances and specialized geotechnical equipment has been installed in the first of three planned monitoring stations.

On August 16, 2008, a portion of an empty fuel tank being lowered down Shaft No. 1 broke loose from its hoisting harness at the 205-metre level and fell approximately 1,100 metres to the bottom of the shaft. Standard safety precautions routinely observed during such operations ensured that no employees were in direct danger from the falling equipment. The incident caused damage to the shaft infrastructure, including ventilation ducting and electrical cabling. Underground development tunnelling is expected to resume before the end of 2008 following completion of repairs.

Construction of underground infrastructure continued during Q3'08. Work included the construction and commissioning of the electrical sub-station and construction of the workshop and permanent sump facilities. Concrete was poured in all areas adjacent to the station at the 1,300-metre level to ensure that adequate drainage and housekeeping standards are maintained as workplace congestion increases in coming years.

Ivanhoe Mines received \$47 million from Rio Tinto for purchase of Oyu Tolgoi mining equipment

On September 30, 2008, Ivanhoe Mines received \$47.0 million from Rio Tinto for the purchase of large equipment to be used in the construction of the Oyu Tolgoi copper and gold mining complex in Mongolia.

The \$47.0 million is the first tranche of funds under an equipment-sale agreement that was executed in August 2008 between Ivanhoe Mines and Rio Tinto. The agreement provides for Rio Tinto to purchase certain project equipment already purchased or ordered by Ivanhoe Mines while Ivanhoe Mines and

RioTinto continue to engage the Government of Mongolia in discussions on an acceptable Investment Agreement. Ivanhoe Mines received a further \$74.5 on November 12, 2008, as part of the agreement, bringing the aggregate amount received from the sale of the equipment to approximately \$121.5 million. Ivanhoe Mines will use these funds for future development of Oyu Tolgoi. In addition, Rio Tinto can require Ivanhoe Mines to purchase the equipment that has been sold to Rio Tinto – and any other equipment purchased by Rio Tinto as part of this agreement – if an acceptable Investment Agreement is reached with the Government of Mongolia. Ivanhoe Mines also has a right of first refusal to repurchase the equipment if Rio Tinto deems it appropriate to use the equipment elsewhere.

Engineering and development advancing in readiness for mine construction

During Q3'08, capital project work concentrated on the progression of engineering, the ongoing construction of some site infrastructure and planning for the start of full-scale construction that is dependent on the completion of an Investment Agreement with the Government of Mongolia. Approximately 600 people were associated with engineering, construction and mining during Q3'08.

Principal priorities remain overall management, engineering support, accounting and all project-related commercial activities. A core focus of the team in Q3'08 was forward planning for construction release. This involves the refinement of detailed schedules, updated costs estimates and construction execution plans.

Engineering work on the concentrator, conducted mostly in North America, is 72% complete and has addressed design requirements for a larger facility. Contracts related to civil work and structural steel designs, as well as bidding for the mechanical, electrical, and piping package, have been evaluated.

Engineering is largely completed for the major infrastructure components, with support from third-party engineering firms in China and North America. Projects consist of a large-diameter water pipeline to supply the concentrator and camp, an 80-kilometre road to China, an airstrip, a temporary diesel-fuelled power station and general site infrastructure. Detailed engineering on the key packages is approaching completion; detailed design on most packages is expected to be completed in late 2009.

The engineering and construction execution work for Shaft No. 2 continued in North Bay, Canada and is scheduled to be completed Q1'09. Construction of the shaft at Oyu Tolgoi was suspended in December 2006 and the site remains on care and maintenance. Most long-lead equipment has been ordered and is awaiting manufacture. Engineering for the coal-fired power plant, being conducted in Beijing, is 30% complete.

Safety performance remained comparatively good on an industry basis, but declined relative to the first two quarters. The site recorded two lost-time injuries, one medical aid and two first-aid treatments during the third quarter. A significant milestone in August saw the drilling crews complete one full year without a lost-time injury. A focus continues to be on safety awareness and job training for the Mongolian underground crews.

Oyu Tolgoi strategic planning continuing on schedule

During the quarter, work continued on schedule on the engineering for the Lift 1 underground block-cave at Oyu Tolgoi. Emphasis was placed on finalizing the mine design and detailing the rock-handling system to transport ore from the cave to the surface. Work also continued on development scheduling, ventilation and services.

In Q3'08, the Senior Underground Mine Engineer joined the Strategic Production Planning Team based in Salt Lake City, Utah, and began Phase 2 of the strategic production planning evaluations for the

Hugo North Deposit. The Phase 2 evaluations will test a single-model approach for the two-lift design of Hugo North.

MONGOLIA

COAL PROJECTS

SOUTHGOBI ENERGY RESOURCES (78.9% owned)

First sales of coal from Ovoot Tolgoi Mine in Mongolia

The Ovoot Tolgoi coal mine is approximately 45 kilometres north of the Mongolia–China border. The mine is operating 24 hours a day, with four production crews.

During Q3'08, SouthGobi commenced initial sales of coal from the Ovoot Tolgoi mine to customers in China. Three coal products have been established for export from the Ovoot Tolgoi mine – thermal coal, premium thermal coal and metallurgical coal. Coal trucks were loaded at the Ovoot Tolgoi mine site and crossed the border into China on September 22, 2008. This coal shipment is part of a one-year contract, with 300,000 tonnes to be loaded at the Ovoot Tolgoi mine gate in 2008. A second sales contract also is in place for an additional 400,000 tonnes in 2008.

New coal discovery 10 kilometres from Ovoot Tolgoi Mine

On October 8, 2008, SouthGobi announced the discovery of a new coal formation 10 kilometres southeast of the Ovoot Tolgoi mine. The new occurrence was discovered through field reconnaissance work. Two trenches approximately three metres deep have been excavated and multiple seams have been uncovered, with up to 15 metres of apparent thickness. To date, the coal field has been defined over a strike length of approximately 1,800 metres.

Based on the successful trenching results, a drilling program has commenced. Initial results have identified multiple coal seams up to 18 metres in apparent thickness. The goal of this initial drilling program is to determine the coal structure, as well as coal quality. Quality results are pending.

INDONESIA

COAL PROJECTS

SOUTHGOBI ENERGY RESOURCES (78.9% owned)

SouthGobi increased its working interest in Mamahak Coal Project, Indonesia

In September 2008, SouthGobi announced that it had increased working interest in the Mamahak Coal Project in East Kalimantan, Indonesia, from 56% to 85% for consideration of \$13.2 million, comprised of \$8.0 million in cash and 320,000 SouthGobi common shares.

The Mamahak Project is ideally located to supply the Japanese, Korean, Indian and Chinese coastal markets and complements SouthGobi's established strategic advantage in Mongolia.

AUSTRALIA

IVANHOE AUSTRALIA (82.9% owned)

A\$125 million IPO successfully completed; trading initiated on the Australian Stock Exchange

On August 5, 2008, Ivanhoe Mines announced the completion of subsidiary Ivanhoe Australia's initial public offering (IPO).

The IPO consisted of 62.5 million new shares at an offer price of A\$2.00 per share, raising gross proceeds of A\$125.0 million. Ivanhoe Australia plans to use a major portion of the IPO proceeds to finance ongoing exploration and development activities on its Cloncurry Project, in northwestern Queensland. Also, A\$38.4 million of the IPO proceeds was used to partially repay a portion of the A\$91.0 million inter-company loan from Ivanhoe Mines. The remaining unsecured loan balance will mature in five years, with interest accruing after 18 months at the rate of BBR (Bank Bill Rate) plus 2.50% per annum.

Ivanhoe Australia, now approximately 82.9% owned by Ivanhoe Mines, began trading on the Australian Stock Exchange on August 6 under the symbol IVA.

Study of potential mine at Mount Elliott discovery planned in 2009

In September, Ivanhoe Australia issued JORC resource estimates for three Cloncurry projects: Mount Elliott, the Starra Line and Mount Dore.

Mount Elliott, the largest of the three projects to date, also is one of the largest mineralized systems ever discovered in the historic Cloncurry mining district. It is projected that Mount Elliott could be developed with open pit, sub-level and block-caving mining methods, using a conventional copper-gold flotation recovery process. A scoping study to assess the viability of developing Mount Elliott into a significant mining project is planned following the completion of an updated JORC resource estimate expected in early 2009.

The extensive Cloncurry inventory in a politically stable region with a long history of mining and established infrastructure gives Ivanhoe Australia a distinct advantage in the current economic climate relative to many other development projects in less developed regions.

Cloncurry IOCG Project reports ongoing discoveries

Ivanhoe Australia is exploring the eastern succession of the Mount Isa Inlier for copper, gold and uranium. Ivanhoe Australia's key projects are Mount Elliott, Mount Dore and the Starra Line.

In October, Ivanhoe Mines reported the discovery of a significant extension to the Mount Dore sulphide zone and an extremely high-grade, 40-metre-wide molybdenum intersection at Mount Dore.

Ivanhoe Australia spent \$17.0 million on the Cloncurry Project in Q3'08, compared to \$7.6 million in Q3'07. The increase of \$9.4 million is largely due to the inclusion in Q3'08 of \$7.0 million in non-cash stock compensation expense for qualifying rights issued to employees and directors of Ivanhoe Australia at the time of its IPO.

Ivanhoe Australia currently holds 15 mineral exploration permits and 20 mining leases that total 1,679 square kilometres. Applications have been filed for five additional exploration permits covering 636 square kilometres.

Work in Q3'08 continued to focus on in-fill drilling at Mount Elliott and extensional drilling at Mount Dore.

KAZAKHSTAN

Bakyrchik Gold Mine to form part of new gold company with Ivanhoe partners

On October 3, 2008, Ivanhoe Mines, which held a 70% interest in the Bakyrchik Gold Project in north-eastern Kazakhstan, closed an agreement with several Kazakh strategic partners to consolidate 100% ownership of the project, and other gold-mining assets in Kazakhstan, in a new company: Altynalmas Gold Ltd. (Altynalmas Gold). The final completion of the combination transaction is subject to various regulatory approvals in Kazakhstan, which are expected to be received in Q4'08. Altynalmas Gold initially will focus on the development of its highly prospective Kyzyl Shear assets. Ivanhoe Mines now owns 49% of Altynalmas Gold and will account for its investment using the equity method for Q4'08.

Construction of the demonstration plant at the Bakrychik Gold Project was completed at the end of Q3'08, with commissioning commencing in Q4'08. The production ramp-up will commence in November 2008, with the plant targeted to reach its planned capacity of 100,000 tonnes per annum in Q1'09. The plant uses roasting to oxidize the ore, followed by conventional grinding and cyanidation. Bakyrchik has a stockpile of ore that will provide the initial feed for the plant, with production of underground ore planned to begin in Q3'09.

CHINA

Exploration continues in Northern China, focusing on high-quality projects for acquisition

Reconnaissance field exploration in central Inner Mongolia and surrounding provinces continued during Q3'08. The program initially is targeting known unlicensed and licensed gold, silver, base metal, copper and nickel-PGM occurrences and deposits. Work involves detailed data reviews, field traverses and systematic sampling of all occurrences and deposits. The program's purpose is to identify high-quality, semi-advanced and grass-roots projects for acquisition through licence-bidding application over unlicensed targets and joint-venture formation with, or direct purchase from, the existing licence holders.

FINANCIAL RESULTS (all figures are in U.S. dollars, unless specified in another currency)

In Q3'08, Ivanhoe Mines recorded a net loss of \$88.0 million (or \$0.23 per share), compared to a net loss of \$83.1 million (or \$0.22 per share) in Q3'07, representing an increase of \$4.9 million. Results for Q3'08 were affected by \$59.7 million in exploration expenses, \$5.1 million in general and administrative expenses, \$2.4 million in accretion expense and \$4.1 million in interest expense on the convertible credit facility, \$20.0 million in mainly unrealized foreign exchange losses, and \$10.7 million in income from discontinued operations.

Exploration expense of \$59.7 million in Q3'08 decreased \$15.1 million from \$74.8 million in Q3'07. The \$59.7 million in exploration expenses consisted mainly of \$37.9 million spent in Mongolia for Oyu Tolgoi and Ovoot Tolgoi (\$63.9 million in Q3'07). Also included in Q3'08 exploration expense is \$17.0 million in costs incurred by Ivanhoe Australia (\$7.6 million in Q3'07). The increase of \$9.4 million is largely due

to \$7.0 million in non-cash stock compensation expense incurred in Q3'08 for qualifying rights issued to employees and directors of Ivanhoe Australia at the time of its IPO.

Liquidity and Capital Resources

Recent developments in capital markets have restricted access to debt and equity financing for many companies. As a result, the Company is reviewing its 2009 capital spending requirements. The Company also is assessing its options for financing future capital expenditures in light of prevailing conditions in international credit markets.

At September 30, 2008, consolidated working capital was \$426.7 million, including cash and cash equivalents of \$460.8 million, compared with working capital of \$65.7 million and cash of \$145.7 million at December 31, 2007. (At November 14, 2008, the company's consolidated cash position was \$428 million.) Included in the September 30, 2008, cash and cash equivalents balance of \$460.8 million was \$38.6 million of SouthGobi's cash and cash equivalents and \$55.6 million of Ivanhoe Australia's cash and cash equivalents, which were not available for Ivanhoe Mines' use.

The bulk of Ivanhoe Mines' expenditures can be deferred based on the status of Ivanhoe Mines' cash resources. Based on Ivanhoe Mines' financial position at September 30, 2008, Ivanhoe Mines believes that its existing funds should be sufficient to fund its minimum obligations, including planned Bakyrchik Project obligations and general corporate activities, for at least the next 12 months.

SELECTED QUARTERLY DATA

(\$ in millions of U.S. dollars, except per share information)

	Quarter Ended			
	Sep-30 2008	Jun-30 2008	Mar-31 2008	Dec-31 2007
Exploration expenses	(\$59.7)	(\$67.3)	(\$57.3)	(\$96.6)
General and administrative	(5.1)	(7.5)	(6.8)	(9.0)
Share of income from investment held for sale	-	-	-	-
Foreign exchange (losses) gains	(20.0)	(1.0)	(1.3)	2.3
Gain on sale of long-term investments	-	201.4	-	-
Net (loss) income from continuing operations	(98.7)	118.3	(69.6)	(265.5)
Income from discontinued operations	10.7	9.2	6.0	11.9
Net (loss) income	(88.0)	127.5	(63.6)	(253.6)
Net (loss) income per share - basic				
Continuing operations	(\$0.26)	\$0.32	(\$0.19)	(\$0.71)
Discontinued operations	\$0.03	\$0.02	\$0.02	\$0.04
Total	(\$0.23)	\$0.34	(\$0.17)	(\$0.67)
Net (loss) income per share - diluted				
Continuing operations	(\$0.26)	\$0.29	(\$0.19)	(\$0.71)
Discontinued operations	\$0.03	\$0.02	\$0.02	\$0.04
Total	(\$0.23)	\$0.31	(\$0.17)	(\$0.67)

	Quarter Ended			
	Sep-30 2007	Jun-30 2007	Mar-31 2007	Dec-31 2006
Exploration expenses	(\$74.8)	(\$79.1)	(\$53.5)	(\$70.4)
General and administrative	(7.0)	(5.9)	(5.2)	(8.9)
Share of income from investment held for sale	-	-	0.4	7.4
Foreign exchange gains (losses)	2.1	6.7	0.8	(3.7)
Gain on sale of long-term investments	-	-	1.0	2.7
Net (loss) from continuing operations	(90.0)	(78.7)	(55.4)	(73.5)
Income from discontinued operations	6.8	4.6	8.6	4.8
Net (loss)	(83.1)	(74.2)	(46.8)	(68.7)
Net (loss) income per share - basic				
Continuing operations	(\$0.24)	(\$0.21)	(\$0.15)	(\$0.21)
Discontinued operations	\$0.02	\$0.01	\$0.02	\$0.01
Total	(\$0.22)	(\$0.20)	(\$0.13)	(\$0.20)
Net (loss) income per share - diluted				
Continuing operations	(\$0.24)	(\$0.21)	(\$0.15)	(\$0.21)
Discontinued operations	\$0.02	\$0.01	\$0.02	\$0.01
Total	(\$0.22)	(\$0.20)	(\$0.13)	(\$0.20)

Ivanhoe Mines' results for the three and nine months ended September 30, 2008, are contained in the Consolidated Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations, available on the SEDAR website at www.sedar.com and Ivanhoe Mines' website at www.ivanhoemines.com.

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

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Forward-looking statements

Certain statements made herein, including statements relating to matters that are not historical facts and statements of our beliefs, intentions and expectations about developments, results and events which will or may occur in the future, which constitute “forward-looking information” within the meaning of applicable Canadian securities legislation and “forward-looking statements” within the meaning of the “safe harbor” provisions of the *United States Private Securities Litigation Reform Act of 1995*. Forward-looking information and statements are typically identified by words such as “anticipate,” “could,” “should,” “expect,” “seek,” “may,” “intend,” “likely,” “plan,” “estimate,” “believe” and similar expressions suggesting future outcomes or statements regarding an outlook. These include, but are not limited to, statements respecting anticipated business activities; planned expenditures; corporate strategies; proposed acquisitions and dispositions of assets; discussions with third parties respecting material agreements; the expected timing and outcome of Ivanhoe Mines’ discussions with representatives of the Government of Mongolia for an Investment Agreement in respect of the Oyu Tolgoi Project; future coal sales from SouthGobi Energy’s coal mines and projects, the planned formation of a of new gold company with Ivanhoe partners in Kazakhstan, the expected production of gold from the rotary-kiln demonstration plant at the Bakyrchik Gold Project, the success of the resource delineation and exploration programs at Ivanhoe Australia’s Cloncurry projects, the impact of amendments to the laws of Mongolia and other countries in which Ivanhoe Mines carries on business; and other statements that are not historical facts. All such forward-looking information and statements are based on certain assumptions and analyses made by Ivanhoe Mines’ management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. These statements, however, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information or statements. Important factors that could cause actual results to differ from these forward-looking statements include those described under the heading “Risks and Uncertainties” elsewhere in this release. The reader is cautioned not to place undue reliance on forward-looking information or statements. This release also contains references to estimates of mineral reserves and mineral resources. The estimation of reserves and resources is inherently uncertain and involves subjective judgments about many relevant factors. The accuracy of any such estimates is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation, which may prove to be unreliable. There can be no assurance that these estimates will be accurate or that such mineral reserves and mineral resources can be mined or processed profitably. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Except as required by law, the Company does not assume the obligation to revise or update these forward-looking statements after the date of this document or to revise them to reflect the occurrence of future unanticipated events.