

IVANHOE MINES

NEW HORIZONS

October 4, 2013

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Ivanhoe Mines closes non-brokered private placement

TORONTO, CANADA – Robert Friedland, Executive Chairman of Ivanhoe Mines (TSX: IVN; formerly Ivanplats, TSX: IVP), and Lars-Eric Johansson, Chief Executive Officer, announced today that the company has closed its previously announced private-placement financing.

The company has raised C\$108 million through the issuance of 54 million new Class A common shares at C\$2.00 per share. Mr. Friedland subscribed for C\$25 million of the offering, effectively proportionate to his holding in the company.

The proceeds of the offering will advance the development of the company's Kamo a copper discovery and the Kipushi zinc-copper-lead-germanium-precious metals project, and for general corporate purposes.

About Ivanhoe Mines

Ivanhoe Mines (TSX: IVN; formerly Ivanplats, TSX: IVP), with offices in Canada, the United Kingdom and South Africa, is advancing and developing its three principal projects:

- The Kamo a copper discovery in a previously unknown extension of the Central African Copperbelt in the DRC's Province of Katanga.
- The Platreef Discovery of platinum, palladium, nickel, copper, gold and rhodium on the Northern Limb of the Bushveld Complex in South Africa.
- The historic, high-grade Kipushi zinc, copper, lead, germanium and precious metals mine, also on the DRC Copperbelt and now being dewatered and upgraded to support a future return to production of copper, zinc and other metals following an 18-year care-and-maintenance program.

Ivanhoe Mines also is evaluating other opportunities as part of its objective to become a broadly based international mining company.

Information contacts

Investors

Bill Trenaman +1.604.331.9834

Media

North America: Bob Williamson +1.604.512.4856

South Africa: Jeremy Michaels +27.11.088.4300

Website www.ivanhoemines.com

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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 here and elsewhere in the company's periodic filings with Canadian securities regulators. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should" and similar expressions, are forward-looking statements. Information provided in this document is necessarily summarized and may not contain all available material information.

Statements in this release that constitute forward-looking statements or information include, but are not limited to: statements regarding the company's intent to use the proceeds of the offering to advance the development of the company's Kamoia discovery and the Kipushi project, and for general corporate purposes.

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 "Risk Factors" in the company's most recently filed MD&A. Readers are cautioned not to place undue reliance on forward-looking information or statements.