

June 10, 2014

**Ivanhoe Mines completes bought-deal financing  
and concurrent private placement  
and announces exercise in full of over-allotment option**

**VANCOUVER, CANADA** – Robert Friedland, Executive Chairman, and Lars-Eric Johansson, Chief Executive Officer of Ivanhoe Mines (TSX: IVN), announced today that the company has completed its public offering of 83,334,000 units, each consisting of one Class A common share and one Class A common share purchase warrant, which were sold at a price of C\$1.50 per unit for gross proceeds of C\$125,001,000.

The offering, announced on May 20, was conducted through a syndicate of underwriters led by BMO Capital Markets, CIBC and Macquarie Capital Market Canada Ltd. In addition, the underwriters exercised their over-allotment option in full, resulting in the company issuing a further 12,500,100 units and increasing the total gross proceeds received by the company to C\$143,751,150.

The company also has completed a concurrent private placement to Robert Friedland of an additional 16,666,667 units, on the same terms and conditions as the public offering, to raise additional gross proceeds of C\$25,000,001. Mr. Friedland also has 30 days to exercise his option to purchase an additional 2,500,000 units, which became effective as a result of the exercise by the underwriters of their over-allotment option in whole.

The net proceeds of the offering and private placement will be used for the advancement of, and pre-development activities at, the Kamoa and Kipushi Projects in the Democratic Republic of Congo, and for general corporate purposes.

Mr. Friedland beneficially owned 147,966,755 common shares. As a result of the concurrent private placement of 16,666,667 units (or 2.8% of the common shares, before giving effect to the offering and concurrent private placement), Mr. Friedland now beneficially owns 164,633,422 common shares, or 23.6% of the company's outstanding common shares. Should Mr. Friedland exercise his option in full to purchase an additional 2,500,000 common shares (0.35%), and assuming no exercise of any other outstanding warrants or options to acquire common shares, Mr. Friedland then would beneficially own 167,133,422 common shares, or 23.8% (assuming no exercise by him of the 2,500,000 warrants included in his option for 2,500,000 units) of the company's then outstanding common shares. Mr. Friedland has acquired the common shares for investment purposes.

This news release does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and have not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements thereunder.

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## About Ivanhoe Mines

Ivanhoe Mines, 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 and germanium mine, also on the Copperbelt in the DRC, now being drilled and upgraded following an 18-year care-and-maintenance program that ended when Ivanhoe acquired its majority interest in the mine in 2011.

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

## Cautionary statement on forward-looking information

This news release contains “forward-looking statements” or “forward-looking information” within the meaning of applicable Canadian securities legislation. Such statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as “may”, “would”, “could”, “will”, “intend”, “expect”, “believe”, “plan”, “anticipate”, “estimate”, “scheduled”, “forecast”, “predict” and other similar terminology, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. These statements reflect the company’s current expectations regarding future events, performance and results and speak only as of the date of this news release.

Specific statements contained in this news release that constitute forward-looking statements or information include, but are not limited to, the potential exercise by Robert Friedland of the option granted to him to purchase an additional 2,500,000 units and the use of proceeds of the offering.

A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including without limitation, the factors discussed in the Annual Information Form of the company.

Although the forward-looking statements contained in this news release are based upon what management of the company believes are reasonable factors and assumptions, the company cannot assure readers that actual results will be consistent with these forward-looking statements. The company’s actual results could differ materially from those anticipated in these forward-looking statements, as a result of, among others, those factors noted above and those listed in the Annual Information Form under the heading “Risk Factors”. Accordingly, readers should not place undue reliance on forward-looking information. These forward-looking statements are made as of the date of this news release and are expressly qualified in their entirety by this cautionary statement. Subject to applicable Canadian securities laws, the company assumes no obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this news release.