



Market Release

August 25 2010

Ivanhoe Australia concludes Settlement for \$250 million Institutional Equity Raising

MELBOURNE, AUSTRALIA – Robert Friedland Chairman, and Peter Reeve, Chief Executive Officer of Ivanhoe Australia Limited (IAL) (IVA-ASX), are pleased to announce that it has raised approximately \$250 million upon the settlement of the institutional placement and the institutional component of its accelerated non-renounceable pro rata entitlement offer.

Ivanhoe Australia has today issued a total of 86,669,832 fully paid ordinary shares at \$2.88 per share (**Shares**) and 43,334,954 options expiring on 20 September 2011 exercisable at \$3.38 (**Options**). The issue of Shares and Options comprises:

- 73,475,387 Shares and 36,737,731 Options issued under the institutional entitlement offer; and
- 13,194,445 Shares and 6,597,223 Options issued under the institutional placement.

The Shares are expected to commence trading on ASX today under the code "IVA".

The Options are expected to commence trading on ASX on 13 September 2010 following settlement of the retail component of the entitlement offer under the code "IVAO".

Ivanhoe Mines (IVN: TSX, NYSE, NASDAQ) is Ivanhoe Australia's largest shareholder and currently owns, directly and indirectly, approximately 63% of Ivanhoe Australia's issued and outstanding shares.

For further information, please contact:

Peter Reeve

Managing Director & CEO

Telephone: 61 3 9090 8802

Email: peterr@ivancorp.net

This information is available on our website: www.ivanhoeaustralia.com