



Market Release

January 12, 2012

Ivanhoe Australia Receives \$30.1 million Distribution from Exco Resources' asset sale

MELBOURNE, AUSTRALIA – Robert Friedland, Chairman, and Peter Reeve, Chief Executive Officer of Ivanhoe Australia Limited (IVA:ASX & TSX), are pleased to announce the receipt of the \$30.1 million distribution from Exco Resources Limited.

The distribution, comprised of a capital return and special dividend, follows the finalisation of the sale of Exco's Cloncurry Copper Project to Xstrata.

"This extra funding places us in a solid position in the lead-up to initial production of copper and gold from our Osborne operation this March, increasing our cash balance – including the Exco distribution – to \$166 million as at 31 December 2011," Mr Reeve said.

In total, Ivanhoe Australia has invested approximately \$31 million during the past four and a half years in Exco shares and exploration work on the Ivanhoe Australia/Exco joint venture tenements. This investment has resulted in Ivanhoe Australia's current holding of 22.6% of Exco, an 80% interest in the joint-venture tenements and the receipt of the distribution in December.

Ivanhoe Mines (IVN: TSX, NYSE, NASDAQ) is Ivanhoe Australia's largest shareholder and currently owns, directly and indirectly, approximately 59% of Ivanhoe Australia's issued and outstanding shares.

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