



Ivernia Inc.
44 Victoria Street, Suite 300
Toronto, Ontario, Canada
M5C 1Y2

Notice of Annual and Special Meeting of Shareholders

Notice is hereby given that the annual and special meeting of shareholders (the "Meeting") of Ivernia Inc. (the "Company") will be held in the Howland Room, The National Club, 303 Bay Street, Toronto, Ontario, Canada on Wednesday, June 17, 2009 at 10:00 a.m. (Toronto time) for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Company for the year ended December 31, 2008 together with the report of the auditors thereon;
2. to elect directors;
3. to appoint auditors and authorize the board of directors of the Company to fix their remuneration;
4. to consider and, if deemed advisable by the shareholders, to pass, with or without variation, a resolution in the form set out in Schedule "A" to the accompanying management information circular of the Company (the "Circular") approving the amendment to and reconfirmation of the Shareholders Rights Plan Agreement dated as of May 2, 2006 (the "Shareholders' Rights Plan"); and
5. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Accompanying this notice are the Circular containing details of the matters to be dealt with at the Meeting, the Company's 2008 Annual Report containing the audited consolidated financial statements of the Company for the year ended December 31, 2008 together with management's discussion and analysis thereon, and a form of proxy.

Shareholders who are unable to attend the Meeting in person are requested to complete and sign the accompanying form of proxy and return it by mail in the enclosed return envelope or by facsimile. Shareholders may also be able to submit a proxy by use of the internet in the manner set out in the form of proxy. To be effective, proxies must be received by the Company's transfer agent, Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario, Canada M5J 2Y1 (toll-free facsimile 1 866 249 7775 or, outside North America, facsimile number 1 416 263 9524, or over the internet at www.computershare.com/ca/proxy/ivernia), prior to 10:00 a.m. on June 15, 2009 (Toronto time) or two business days prior to the date on which the Meeting or any adjournment thereof is to be held, or may be deposited with the Chairman of the Meeting at any time prior to the commencement of the Meeting or any adjournment thereof.

DATED at Toronto, Ontario, Canada this 15th day of May, 2009.

By Order of the Board of Directors

A handwritten signature in black ink that reads 'John Pitcher'.

JOHN PITCHER
Secretary



IVERNIA INC.
MANAGEMENT INFORMATION CIRCULAR

May 15, 2009

Solicitation of Proxies

This management information circular (the "Circular") is furnished in connection with the solicitation of proxies by the management of Ivernia Inc. (the "Company" and, together with its subsidiaries, "Ivernia") for use at the annual and special meeting of shareholders of the Company (the "Meeting") to be held on Wednesday, June 17, 2009 at 10:00 a.m. (Toronto time) in the Howland Room, The National Club, 303 Bay Street, Toronto, Ontario, Canada and at any adjournment thereof for the purposes set forth in the accompanying notice of meeting.

The solicitation will be primarily by mail. However, proxies may be solicited by telephone or in writing by directors, officers or designated agents of the Company. The cost of solicitation will be borne by the Company.

Appointment of Proxyholders

The persons named in the accompanying form of proxy are directors or officers of the Company. **A registered holder of common shares of the Company ("Common Shares") has the right to appoint a person, who need not be a shareholder of the Company, other than the persons designated in the accompanying form of proxy, to attend and act on behalf of the shareholder at the Meeting.** To exercise this right, a shareholder must strike out the name of any person named in the accompanying form of proxy and insert such other person's name in the designated space provided, or complete another appropriate form of proxy.

To be valid, a proxy returned by mail or by facsimile must be dated and signed by the shareholder or his or her attorney authorized in writing or, if the shareholder is a corporation, by a duly authorized officer or attorney. All proxies must be received by the Company's transfer agent, Computershare Investor Services Inc. ("Computershare"), 100 University Avenue, 9th Floor, Toronto, Ontario, Canada M5J 2Y1 (toll-free facsimile 1 866 249 7775 or, outside North America, facsimile number 1 416 263 9524), prior to 10:00 a.m. (Toronto time) two business days prior to the date on which the Meeting or any adjournment thereof is to be held, or may be deposited with the Chairman of the Meeting at any time prior to the commencement of the Meeting or any adjournment thereof. Shareholders may also be able to submit proxies over the internet in the manner set out in the form of proxy.

Non-Registered Holders

Only registered holders of Common Shares ("Registered Holders") or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a person (a "Non-Registered Holder") are registered either (i) in the name of an intermediary (an "Intermediary") that the Non-Registered Holder deals with in respect of the Common Shares, such as a bank, trust company, securities dealer or broker or a trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan, or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant.

There are two kinds of Non-Registered Holders, those who object to their name being made known to the Company (referred to as “objecting beneficial owners” or “OBOs”), and those who do not object to the Company knowing their name (referred to as “non-objecting beneficial owners” or “NOBOs”). In accordance with National Instrument 54-101 of the Canadian Securities Administrators, the Company has opted this year to distribute copies of the notice of meeting, this Circular, the audited consolidated financial statements of the Company for the year ended December 31, 2008 together with management’s discussion and analysis thereon and the form of proxy (collectively, the “meeting materials”) to NOBOs directly through Computershare. The meeting materials will continue to be distributed to OBOs through clearing agencies and Intermediaries, who often use a service company to forward meeting materials to Non-Registered Holders.

The meeting materials are being sent to both Registered Holders and Non-Registered Holders of the Common Shares. If you are a Non-Registered Holder, and the Company or its agent has sent these meeting materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

If you are a NOBO, by choosing to send the meeting materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed the responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Voting by Objecting Beneficial Owners (OBOs) - Intermediaries are required to forward the meeting materials to an OBO unless the OBO has waived his or her right to receive them. Generally, an OBO who has not waived the right to receive meeting materials will receive from his or her Intermediary a voting instruction form which must be completed and signed by the OBO and returned in accordance with the directions of the Intermediary. Should an OBO wish to attend and vote at the Meeting in person or to appoint a third party to represent the OBO at the Meeting, the OBO should write his or her name, or such third party’s name, in the space provided for that purpose on the voting instruction form and return it in accordance with the directions of the Intermediary. The Intermediary will send the OBO a form of proxy which has already been signed by the Intermediary (typically by a facsimile stamped signature), which is restricted as to the number of Common Shares beneficially owned by the OBO and which names the OBO or such third party as proxyholder. This form of proxy need not be signed by the OBO. In this case, the OBO should deposit this form of proxy with Computershare in accordance with the instructions set out under “Appointment of Proxyholders” above.

Voting by Non-Objecting Beneficial Owners (NOBOs) - NOBOs can expect to receive with the meeting materials a voting instruction form from Computershare, which should be completed and returned to Computershare in the envelope provided or by following the instructions contained on the voting instruction form. Computershare will tabulate the results of the voting instruction forms received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Common Shares represented by the voting instruction forms they receive. Should a NOBO wish to attend and vote at the Meeting in person or to appoint a third party to represent the NOBO at the Meeting, the NOBO should follow the instructions set out on the voting instruction form provided by Computershare.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. **Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies or Computershare, as the case may be, including those regarding when and where a voting instruction form or form of proxy is to be delivered.**

Revocation of Proxies

A Registered Holder who has given a proxy may revoke it by depositing an instrument in writing (including another proxy of later date) executed by the shareholder or by the shareholder's attorney authorized in writing at the Company's registered office at any time up to and including two business days prior to the day of the Meeting or any adjournment thereof, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law including by attending the Meeting in person. Any such revocation will have effect only in respect of those matters upon which a vote has not already been cast pursuant to the authority conferred by a previously deposited proxy.

A Non-Registered Holder who wishes to revoke a voting instruction form, a proxy or a waiver of the right to receive meeting materials should contact his or her Intermediary or Computershare, as the case may be, for instructions.

Voting by Proxy

The Common Shares represented by the accompanying form of proxy will be voted or withheld from voting on any ballot that may be called for at the Meeting in accordance with the shareholder's instructions and, if the shareholder has specified a choice with respect to any matter to be acted on at the Meeting, the shares will be voted accordingly. **In the absence of such instructions, Common Shares represented by such proxies will be voted: (i) FOR the election as directors of the Company of the nominees named in this Circular; (ii) FOR the appointment of PricewaterhouseCoopers LLP, Chartered Accountants, as auditors of the Company and the authorization of the board of directors of the Company to fix their remuneration; and (iii) FOR the resolution reconfirming the Shareholders' Rights Plan, all as more particularly described elsewhere in this Circular.**

The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the accompanying notice of meeting and any other matters which may properly come before the Meeting or any adjournment or adjournments thereof. As of the date of this Circular, management is not aware of any such amendment, variation or other matter proposed or likely to come before the Meeting. However, if any such amendment, variation or other matter properly comes before the Meeting, the persons named in the accompanying form of proxy will vote the Common Shares represented thereby in accordance with their judgment.

Voting Shares and Principal Holders

The Company is authorized to issue an unlimited number of Common Shares and an unlimited number of preference shares issuable in series. As of May 15, 2009, the record date for the Meeting, there were 180,152,552 Common Shares and no preference shares issued and outstanding. All of the outstanding Common Shares are entitled to be voted at the Meeting and each resolution identified in the accompanying notice of meeting will be an ordinary resolution requiring for its approval a majority of the votes cast in respect of the resolution.

Except as described under "Voting by Proxy" above with respect to the election of directors, each holder of Common Shares is entitled to one vote for each Common Share shown as registered in such holder's name on the list of shareholders prepared as of the close of business on May 15, 2009 with respect to all matters to be voted on at the Meeting unless otherwise provided in respect of any particular matter to be acted on herein. However, in the event of any transfer of Common Shares by any such holder after such date, the transferee is entitled to vote those Common Shares if such transferee produces a certificate in his or her name or a properly endorsed share certificate or otherwise establishes that such transferee owns the Common Shares, and requests, not later than ten days before the Meeting, that such transferee's name be included by Computershare in the list of shareholders entitled to vote at the Meeting.

To the knowledge of the directors and senior officers of the Company, no person beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the Common Shares except as follows:

Name	Number of Common Shares	Percentage of Outstanding Common Shares
Sentient Global Resources Fund II, LP ⁽¹⁾⁽²⁾	35,047,927	19.45%

(1) Together with their affiliates, associates and nominees.

(2) Sentient Global Resources Fund II, LP is a limited partnership formed under the laws of the Cayman Islands.

Exchange Rate Information

Unless otherwise noted, all references herein to \$ means Canadian dollars. Certain financial information relating to the Company contained in this Circular is expressed in United States dollars ("US dollars" or "US\$"). The following table sets out the rates of exchange for Canadian dollars ("C\$") per US dollar in effect at the end of the periods indicated and the average rates of exchange during such periods based on the noon spot rate quoted by the Bank of Canada:

	12 months ended December 31	
	2008	2007
Rate at end of period (C\$/US\$)	1.2246	0.9881
Average rate for period (C\$/US\$)	1.0660	1.0748

PARTICULARS OF MATTERS TO BE ACTED UPON

Election of Directors

The articles of the Company provide that the board of directors of the Company (the "Board") shall consist of a minimum of two and a maximum of twelve directors, the number of which may be fixed from time to time by a resolution of the Board. The Company currently has six directors. The number of directors proposed to be elected at the Meeting is seven.

The following table lists certain information as at the date hereof concerning the nominees for election as directors of the Company. Each director must be re-elected by the shareholders of the Company at each annual meeting of shareholders. The information as to principal occupations and the number of Common Shares beneficially owned or over which control or direction is exercised by each nominee has been furnished by the respective nominees individually.

Name	Position with Company and Principal Occupation Within the Past Five Years	Period(s) of Service as a Director	Common Shares Beneficially Owned or Subject to Control or Direction
Pieter Britz ⁽⁶⁾ New South Wales, Australia	Senior Investment Manager, The Sentient Group, since 2007; prior thereto, Vice-President, Global Mining and Metals, Royal Bank of Canada from 2004.	Nominee	Nil ⁽⁶⁾
J. Trevor Eyton ⁽¹⁾⁽²⁾⁽³⁾ Ontario, Canada	Chairman and Director of the Company. Member of the Senate of Canada.	2000 – present	153,600

Name	Position with Company and Principal Occupation Within the Past Five Years	Period(s) of Service as a Director	Common Shares Beneficially Owned or Subject to Control or Direction
Alan M. De'ath ⁽⁴⁾ Ontario, Canada	President, Chief Executive Officer and Director of the Company; from June 2000 to July 2003, was a Vice President of the Company.	2000 – 2002 ⁽⁵⁾ ; 2003 – present	343,365
Walter Murray ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ Ontario, Canada	Director of the Company. Retired as Vice Chairman of RBC Capital Markets Inc. in 2005.	2000 – present	86,955
Peter Cassidy ⁽⁴⁾⁽⁶⁾ New South Wales, Australia	Director of the Company. Principal and co-founder of The Sentient Group Limited.	2005- present	Nil ⁽⁶⁾
David N. Murray ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ Leicestershire, England	Director of the Company. Retired as CEO of Avgold Ltd. and Avmin Ltd. in 2004.	2007 – present	Nil
Chen Zhi ⁽⁴⁾⁽⁷⁾ Yunnan Province, Peoples Republic of China	Director of the Company. Member of China's Yunnan Provincial People's Congress; Former Board Chairman of Yunnan Metallurgical Group – 2007.	2008-Present	Nil

(1) Member of the Audit Committee.

(2) Member of the Compensation Committee.

(3) Member of the Corporate Governance Committee.

(4) Member of the Safety, Health and Environmental Committee.

(5) Mr. De'ath was a director of the Company from December 2000 until his resignation in January 2002 in connection with a reduction in the size of the Board.

(6) Mr. Britz is an Investment Professional with and Mr. Cassidy is a director of The Sentient Group Limited, which is the general partner of Sentient Global Resources Fund II, LP ("Sentient"). Sentient holds 35,047,927 Common Shares. See "Voting Shares and Principal Holders".

(7) Under an agreement between the Company and Yunnan Metallurgical Group ("YMG") dated November 30, 2007 the Company agreed to nominate one individual designated by YMG for election to the Board. Mr. Chen Zhi is that nominee.

Management of the Company does not anticipate that any of the nominees for election as directors will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the accompanying form of proxy reserve the right to vote for another nominee in their discretion. Each director elected will hold office until the next annual meeting of shareholders of the Company or until his successor is elected or appointed.

As a result of a delay in filing its 2002 audited annual consolidated financial statements and certain other disclosure documents within the periods required by Canadian securities regulators, each of the Company's directors and officers voluntarily consented to the issuance by the Ontario Securities Commission on May 22, 2003 of a "management and insider cease trade order". The order prohibited trading by them and certain other insiders in securities of the Company until the Company completed all its required disclosure filings, which were delayed as a result of continuing negotiations with Sentient concerning a joint venture agreement relating to the development of the Magellan mine and the obtaining of financing for the Company, the outcome of which would impact the presentation of the Company's financial statements. Following the entering into of the joint venture agreements, all outstanding disclosure filings were completed and the temporary cease trade order was allowed to lapse on July 23, 2003.

Board and Committee Attendance

	Board	Audit	Compensation	Corporate Governance	Safety, Health and Environment
Total number of Meetings in 2008	6	5	3	3	2
J. Trevor Eyton	6	5	3	3	N/A
Alan De'ath	6	N/A	N/A	N/A	N/A
Walter Murray	6	5	3	3	N/A
Peter Cassidy	6	N/A	N/A	N/A	1
David Murray	6	4	3	3	2
Jay Kellerman ⁽¹⁾	2	N/A	N/A	N/A	N/A
Patrick Scott ⁽²⁾	5	N/A	N/A	N/A	N/A
Chen Zhi ⁽¹⁾	1	N/A	N/A	N/A	-

(1) Mr. Kellerman resigned as a director on April 22, 2008 and Mr. Chen Zhi was appointed as a director on that date.

(2) Mr. Scott resigned as a director on December 18, 2008.

Other Directorships

J. Trevor Eyton is a director of Brookfield Asset Management Inc., Silver Bear Resources Inc. and Nayarit Gold Inc., David Murray is a director of Gold Fields Limited, and Walter Murray is a director of Hydro One Inc.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Compensation Committee, which is comprised of three independent directors, is the principal decision making entity within the Company relating to compensation of senior management. In carrying out its duties, the Compensation Committee seeks to attract and retain talented senior management, reward individual performance, provide a competitive level of compensation and benefits, reinforce business strategies and corporate priorities, and link the interests of senior management with those of the Company's shareholders. In initially determining the base salary of a senior manager and in assessing whether an adjustment to compensation is appropriate in his annual review, a number of factors are considered, including the experience level of the individual, his particular responsibilities related to the position, his overall performance, external competitiveness, and general market conditions for individuals with the particular skill set. The Company's executive compensation program may include base salary, an annual cash-based incentive and participation in the Option Plan (as hereinafter defined). The Compensation Committee considers and, if thought fit, approves the issuance of options in accordance with the Option Plan. Such option grants are dependent upon individual performance, competitive conditions and the number and terms of currently outstanding options.

In 2005 the Compensation Committee retained D. Rainville & Associates ("Rainville") to provide independent advice to the Compensation Committee on certain matters regarding compensation for the Company's senior management and independent directors. Since being initially retained, Rainville has from time to time provided the Company with analysis of market trends and practices with respect to executive pay levels, made recommendations for peer group composition and offered guidance generally on executive compensation plan design. However, the decisions made by the Compensation Committee are the sole responsibility of that Committee and while advice and information provided by Rainville may assist the Compensation Committee in its deliberations they are one component of many. During 2008 Rainville

received fees of \$10,500 for advice provided to the Compensation Committee. Rainville does not provide any other services to the Company except as herein described.

Compensation Guiding Principles

The process for determining senior management compensation allows for discretion by the Compensation Committee. Notwithstanding this discretion, the Compensation Committee has adopted the following set of Compensation Guiding Principles, intended to reflect both the Company's understanding of stakeholder expectations and normative market practice:

Program Objectives: To reflect and support the values and expectations of shareholders and employees; to motivate senior management and reinforce the attainment of business goals; to promote retention of key executives through offering attractive and competitive rewards relative to organizations with similar operating characteristics; and to recognize company and individual performance and accomplishments.

Peer Group Comparison: The primary group for compensation benchmarking are publicly traded mining companies domiciled in Canada with a market capitalization range or operating revenue range similar to that of Ivernia. See "Peer Group" below. In addition to the information provided by publicly traded companies, the Committee may also reference mining industry survey data from Canada and Australia.

Internal/External Pay Comparisons: An important consideration for determining pay levels is external competitiveness, recognizing the importance of having a market acceptable compensation program. The degree of internal "equity" between executives will be dependent upon the experience, contribution and value that each management member brings to the Company.

Pay Positioning: Base salaries for Company executives are targeted within the third quartile between the 50th and the 75th percentile of the market, reflecting the experience of the current incumbents. Despite this target, total direct compensation opportunities including salary, bonus and long term incentives will generally be commensurate with corporate performance. Indirect compensation, including benefits and perquisites are positioned relative to market.

Pay Variability: A significant portion of Ivernia's executive compensation will be variable, based on the performance of the Company. Variable rewards are in the form of annual cash incentive awards and long term incentives. Annual cash incentives reflect market practice, with emphasis on Ivernia's financial results. The principal form of long term incentives is stock options, reinforcing a continued strong alignment between shareholder value and compensation.

Share Ownership and Participation: To align management's interest directly with the interests of shareholders, share participation, either in the form of options or outright ownership, is an important element of the compensation program.

Components of Executive Compensation

Compensation of executive officers for the year ended December 31, 2008 includes base salary, annual incentive payments, equity compensation in the form of stock options and other annual compensation as noted below. The following table details each element of compensation, the manner of payment and what it is designed to award.

Compensation element	How it is paid	What it is designed to reward
Base salary	Cash	<ul style="list-style-type: none"> Overall general performance reflecting the level of responsibility of each executive and his experience, knowledge and capabilities
Annual Incentive	Cash	<ul style="list-style-type: none"> Company-wide performance objectives and achievement of individual goals Overall contribution to Company's business, operations, financial results and performance
Long term incentive	Stock options	<ul style="list-style-type: none"> Initially granted to new hires as a component of overall compensation - thereafter to reward contribution to the long term performance of the Company
Other elements of compensation		Program objectives
Health, dental, life insurance and disability program		<ul style="list-style-type: none"> Designed to provide benefits comparable to peer companies
Perquisites		<ul style="list-style-type: none"> Part of the overall competitive positioned executive remuneration program

Generally, the annual incentive program provides eligible employees with a bonus opportunity in the range of 40% to 50% of the employee's base salary for meeting Board determined target performance levels (corporate and personal) up to a maximum of 60% to 75% dependent upon the individual's position within the Company to be based on a sliding scale for under or over achievement against those targets. However, given that the Company's sole operating asset, the Magellan Mine in Western Australia, was under care and maintenance during 2008, the Compensation Committee determined that it was not appropriate to set target performance levels in respect of 2008. Rather, the Board set operational goals for the Company and senior management, including obtaining the necessary regulatory approvals to ship lead concentrate through the Port of Fremantle and planning and obtaining approvals to remove the stockpiled lead concrete from the Port of Esperance. Therefore, for the annual incentive bonus payable in respect of 2008, performance against these goals, together with other discretionary factors, will be considered by the Compensation Committee. Annual incentive payments for senior management in respect of 2008 have yet to be considered by the Compensation Committee, which generally deliberates regarding annual incentive awards for senior management during the second quarter in respect of the previous financial year.

Peer Group

The peer group, which comprises publicly traded mining companies domiciled in Canada with a market capitalization range or operating revenue range which would be similar to that of the Company if its sole operating asset, the Magellan Mine in Western Australia, was fully operational (the "Peer Group"), is determined by the Compensation Committee. The Magellan Mine was placed on temporary care and maintenance in April, 2007 as a result of a regulatory order prohibiting shipment of lead concentrate. Accordingly, while the Company is not now an operating entity, the Committee believes that a peer group comprised of operating companies is, in the circumstances, appropriate.

Members of the Peer Group are reviewed annually and, if necessary, changes made to reflect mergers, takeovers and other corporate activities. The following are members of the Peer Group as presently constituted:

Anvil Mining Limited	Breakwater Resources
Centerra Gold	Dundee Precious Metals
European Goldfields	FNX Mining Company
Frontera Copper	Golden Star Resources
North American Palladium	Northgate Minerals
Pan American Silver	Quadra Mining
Uranium One	Western Canadian Coal

Competitive Benchmarks and Other Considerations

Annually, the Compensation Committee reviews cash and equity based compensation relative to the Peer Group. In so doing, it targets base salaries for the Company's senior management to be within the third quartile (between the 50th and the 75th percentile of the market), with overall total direct compensation commensurate with performance.

In June, 2008, based on Peer Group pay practices provided by Rainville, the Committee determined that the salaries of the President and Chief Executive Officer, Mr. Alan De'ath, the then Chief Operating Officer, Mr. Patrick Scott, and the then Chief Financial Officer, Mr. Mario Stifano, ranked in the 25th to 50th percentile compared with salaries paid for similar offices in the Peer Group. At that time the base salaries of Messrs De'ath, Scott and Stifano were \$450,000, \$326,000 and \$253,000, respectively. The Committee concluded that although the target annual incentives were consistent with market awards at that time, the Company's total target cash compensation was, at that time, below market median. In addition, the Compensation Committee concluded that the then most recent stock option grants which had been made in December, 2006 were below the 25th percentile in the case of the Chief Executive Officer and Chief Financial Officer and the Chief Operating Officer's was only slightly below median. Notwithstanding the fact that the overall compensation of the three members of senior management was significantly below the targeted cash compensation, the Compensation Committee decided not to increase their salaries for 2008, concluding that an increase in compensation while the Magellan Mine remained under care and maintenance was not justified. Likewise, no annual incentive payments were made to senior management in 2008 in respect of 2007 for the same reasons. In November, 2008, Mr. De'ath was awarded one million stock options with an exercise price of \$0.10, vesting as to one third on each of the first, second and third anniversaries of the grant. At that time Mr. Stifano had resigned from his position as Chief Financial Officer and discussions had been initiated with Mr. Scott regarding the closing of the Sydney office which would have the effect of making his position as Chief Operating Officer redundant. The Compensation Committee decided to award Mr. De'ath options given that he had not received any increase in compensation, that he had made considerable efforts on behalf of the Company after the suspension of operations at the Magellan Mine and with Mr. Scott's departure that he would be assuming the additional role of Chief Operating Officer. The number of options awarded to Mr. De'ath was based on the very low stock price, that 500,000 options held by him were to expire in March, 2009 and the belief by the Compensation Committee that as Chief Executive Officer he should have the largest option position within the Company.

Mr. Robert Wickham was appointed Executive Vice President, Finance and Corporate Development on October 1, 2008 and, upon Mr. Stifano's formal resignation on October 15, 2008, assumed the additional responsibility as Chief Financial Officer. Prior to Mr. Wickham being hired the Compensation Committee determined that his proposed aggregate annual cash compensation of \$400,000 and \$60,000 in respect of benefits was above the 75th percentile for a Chief Financial Officer in the Peer Group and that an initial grant

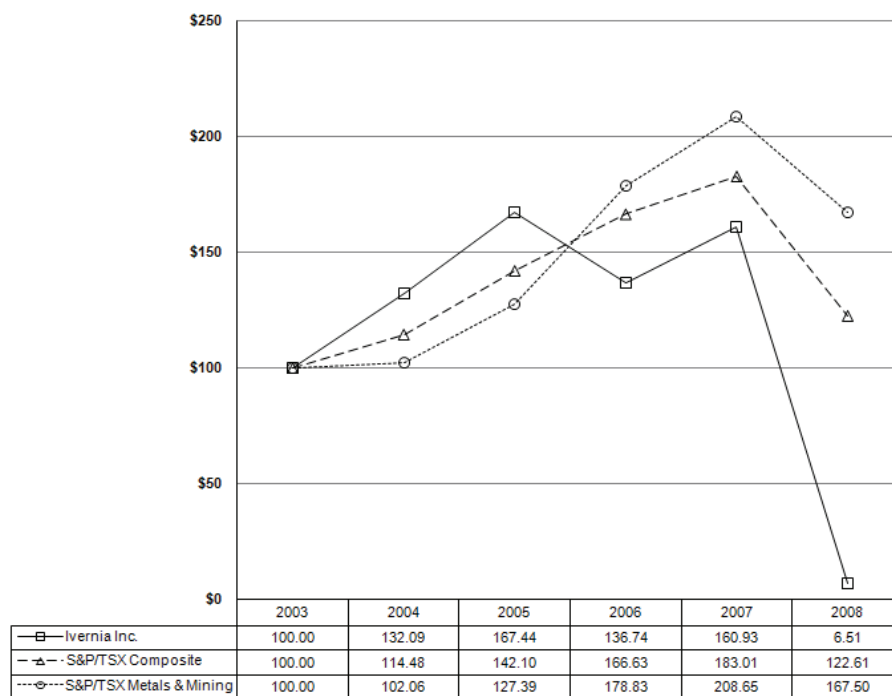
of 750,000 options could be considered to be high in comparison with the scale of grants within the Company. In arriving at an appropriate compensation package for him, the Compensation Committee recognized that Mr. Wickham's responsibilities within the Company would go well beyond those of a Chief Financial Officer, that he was a highly experienced and seasoned senior executive with an extensive background in financing matters and that he was joining the Company at a time when circumstances were such that his expertise and experience could make an immediate positive impact on the Company. Accordingly, the Compensation Committee concluded that the compensation package being awarded to him was appropriate in the circumstances. The options granted vest as to one third on each of the first, second and third anniversaries of the grant.

Mr. Hooper was appointed Vice President, Exploration and Development effective October 13, 2008. The compensation package awarded Mr. Hooper, including the grant of 200,000 options was considered to be appropriate by the Compensation Committee recognizing Mr. Hooper's experience, seniority and comparison to similar positions within the Peer Group.

Performance Chart

The following graph illustrates, over the past five financial years of the Company, the cumulative shareholder return of an investment in Common Shares of the Company compared to the cumulative return of an investment in the S&P/TSX Composite Index and the S&P/TSX Metals and Mining Index, assuming that C\$100 was invested on December 31, 2003 and, where applicable, reinvestment of dividends.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN ⁽¹⁾
 Among Ivernia Inc., the S&P/TSX Composite Index
 and the S&P/TSX Metals & Mining Index



(1) The Company has previously compared its cumulative shareholder return with the cumulative return of an investment in the S&P/TSX Metals and Minerals Index. Such index has been discontinued by the TSX and replaced with the S&P/TSX Metals and Mining Index shown here.

The five year cumulative shareholder return reflects, among other things, general developments in the business of the Company, and more recently, certain factors beyond the Company's control, including an overall decline in general economic conditions, as well as an overall increase in market volatility. During the most recently completed financial year, the continued care and maintenance status of the Magellan Mine, general economic conditions and market volatility have presented significant challenges for the Company and senior management.

As discussed above under "Components of Executive Compensation", compensation for the Company's executive officers is comprised of different elements. These include elements relating to factors that do not directly correlate to the market price of the Common Shares, such as base salary, as well as elements that more closely correlate to the Company's performance and changes in the market price of its Common Shares, such as annual incentive awards and awards of stock options. The base salary of an executive officer is based on his experience, responsibilities, position, performance, and market comparisons. In this regard, base salaries of the NEOs (as defined below) remained relatively stable over the measurement period given that these factors do not fluctuate with changes in the market value of the Common Shares. At the same time, compensation elements relating to performance have generally declined in correlation to the price of the Common Share; for example, the Company did not pay annual incentive awards to its NEOs in 2008, in respect of 2007.

Option Plan and Option-Based Awards

The following table sets forth certain summary information concerning the Company's Option Plan (as hereinafter defined) as at December 31, 2008, which is the Company's only equity compensation plan.

	Number of common shares to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options (C\$)	Number of common shares remaining for future issuance (excluding common shares to be issued upon exercise of outstanding options)
Employee Stock Option Plan (approved by shareholders)	7,371,666	0.92	1,328,168

At the Annual and Special Meeting of the shareholders of the Company held June 16, 2008 the shareholders approved the Employee Stock Option Plan (2008) (the "Option Plan"), the stated purpose of which is to assist and encourage directors, officers, employees and consultants to work towards and participate in the growth and development of the Company by providing them with the opportunity, through stock options, to acquire an ownership interest in the Company.

The Company has reserved 9,800,000 Common Shares for the purpose of the Option Plan which represents 5.4% of the total issued shares outstanding as of December 31, 2008. The maximum number of Common Shares that may be reserved for issuance to insiders of the Company generally or to any one person under the Option Plan is 10% and 5%, respectively, of the number of Common Shares outstanding at the time of reservation. The exercise price for Common Shares subject to an option is determined by the Board at the time of grant and may not be less than the market price of the Common Shares at the time the option is granted. Under the Option Plan, options are exercisable as to 25% immediately on the date of grant, with an additional 25% becoming exercisable on or after each of the first, second and third anniversaries of the date of grant, subject to the right of the Board to determine at the time of a particular grant that such options will become exercisable on different dates. Most options granted in 2008 vested as to one third on each of the first, second and third anniversary of the grant. An option may be exercisable for a term of up to ten years and may not be assigned. The Option Plan provides that options will expire prior to their stated expiry date if: (i) the optionholder dies, resigns, is dismissed without cause or attains mandatory retirement age, unvested

options expire on the date of the triggering event and vested options are exercisable for 12 months following the date of that event; or (ii) the optionholder is dismissed for cause, all options held by him expire immediately.

The Board may amend or discontinue the Option Plan at any time, without obtaining the approval of shareholders of the Company unless required by the relevant rules of the Toronto Stock Exchange, provided that no such amendment may increase the aggregate maximum number of Common Shares that may be subject to stock options under the Option Plan, change the manner of determining the minimum option price, extend the term under any option beyond ten (10) years or the date on which the option would otherwise expire under the Option Plan, expand the assignment provisions of the Option Plan or, without the consent of the holder of the option, alter or impair any option previously granted to an optionholder under the Option Plan; and, provided further, for greater certainty, that, without the prior approval of the Company's shareholders, stock options issued under the Option Plan shall not be repriced, replaced, or regranted through cancellation, or by lowering the option price of a previously granted stock option. Pre-clearance of the Toronto Stock Exchange of amendments to the Option Plan will be required to the extent provided under the relevant rules of the Toronto Stock Exchange. Any proposed amendment to the Option Plan requires the approval of the Compensation Committee.

The total number of options outstanding as of December 31, 2008 was 7,371,666 which represented 4.1% of the total issued shares outstanding as of that date.

The eligibility for, and the number of options to be granted, to new hires below the level of executive officer are determined by the Chief Executive Officer after consultation with the new hires' direct report. The number of options to be awarded in each individual case is based upon the seniority of the new hire, his level of responsibility and the number of options held by existing employees with equivalent seniority. Each year, following the performance reviews of employees, senior management report the results of the reviews of their direct reports as well as a recommendation as to the grant of options, if any. The Chief Executive Officer, in consultation with his senior management team, discusses the appropriate number of options for each employee.

Once having determined an appropriate award of options for new hires and for annual awards, the Chief Executive Officer makes a recommendation to the Compensation Committee which considers all factors including the recommendation of the Chief Executive Officer as well as the number of options already held by the proposed recipient prior to approving the grants. The exercise price for the grants is determined by the Committee, but cannot be less than the trading price of the shares of the Company.

Compensation of Executive Officers

The following table sets forth the compensation paid by the Company during its most recently completed financial year to the Chief Executive Officer, the current and former Chief Financial Officer and the two most highly compensated executive officers other than the Chief Executive Officer and Chief Financial Officer whose total compensation was for the financial year ended December 31, 2008, individually, more than \$150,000 (collectively, the "Named Executive Officers" or "NEOs").

Summary Compensation Table

Name and Principal Position	Salary (C\$) ⁽¹⁾	Option based awards ⁽²⁾ (C\$)	Non equity-incentive plan compensation (C\$) ⁽³⁾		All other Compensation (C\$)	Total Compensation (C\$) ⁽⁴⁾
			Annual incentive plans	Long term incentive plans		
Alan De'ath, President and Chief Executive Officer ⁽⁵⁾	450,000	23,311	See Note 3, below	See Note 3, below	90,050	563,361
Robert Wickham, Executive Vice-President, Corporate Development and Chief Financial Officer ⁽⁶⁾	100,000	17,483	See Note 3, below	See Note 3, below	31,667	149,150
Bruce Hooper, Vice-President, Exploration ⁽⁷⁾	50,274	4,662	See Note 3, below	See Note 3, below	4,525	59,461
Patrick Scott, Former Executive Vice-President and Chief Operating Officer ^{(8) (9)}	302,489	Nil	N/A	N/A	30,583	333,072
Mario Stifano, Former Chief Financial Officer ⁽¹⁰⁾	200,292	Nil	N/A	N/A	68,226	268,518

- (1) Base salary earned by the NEO for the fiscal year. The salaries for Mr. Wickham and Mr. Hooper have been prorated to reflect their respective start dates, October 1, 2008 and October 13, 2008. Their annual base salaries are \$400,000 and A\$275,110 (C\$235,200 as at December 31, 2008), respectively. The salary for Mr. Stifano has been prorated to reflect the date of his resignation, October 15, 2008.
- (2) The options granted vest over a three year period and have a term of five years. The values reported represent the grant date fair value of the options, calculated in accordance with the Black-Scholes pricing model. The key assumptions and estimates used for the calculation of the grant date fair value under this model include a risk-free interest rate of 3%, an expected term of five years for the options and volatility of 120%. The Company chose the Black-Scholes pricing model as it is a commonly used and accepted method for calculating the value of option awards.
- (3) Annual incentive payments for senior management in respect of 2008 have yet to be considered by the Compensation Committee which generally deliberates regarding annual incentive awards for senior management during the second quarter in respect of the previous financial year.
- (4) The amounts disclosed do not include the NEO's annual incentive payments in respect of 2008 as these amounts have yet to be determined.
- (5) Mr. De'ath was appointed to his position in July, 2003. His annual salary is \$450,000 plus an annual amount equal to 17.5% of his annual salary payable as directed by Mr. De'ath in lieu of payments in a registered pension which, in 2008, amounted to \$78,500 and is included in the amount shown under "All other Compensation". In addition, he received, or the Company paid on his behalf, \$7,761 in respect of disability insurance and \$3,789 in respect of life insurance premiums, which amounts are also included under "All other Compensation".
- (6) Mr. Wickham was appointed to his position effective October 1, 2008. His annual salary is \$400,000 plus \$60,000 in benefits per annum to be paid as directed by Mr. Wickham. The amount shown under "All other Compensation" comprises \$16,667 which he received when he joined the Company and \$15,000, the pro rata portion of his \$60,000 annual benefit payment.
- (7) Mr. Hooper was appointed to his position effective October 13, 2008. His annual salary is A\$275,110 (C\$235,200 as at December 31, 2008). The amount shown under "All other Compensation" is a superannuation payment of 9% of his salary.
- (8) The Company entered into a service agreement on May 3, 2006 (the "Service Agreement") with PS Associates Pty Ltd ("PS Ltd"), of which Mr. Scott is the principal, for the providing of certain corporate services including Mr. Scott serving as Chief Operating Officer of the Company. PS Ltd. entered into a new three year service agreement with the Company effective January 1, 2007. By agreement between the Company and PS Ltd. dated November 4, 2008, (the "Workout Agreement") the Service Agreement was terminated effective May 3, 2009 and certain of its terms amended to provide that Mr. Scott would provide only those services as may be requested by the President of the Company from time to time. In accordance with the terms of the Workout Agreement, PS Ltd. will be paid a bonus of A\$50,000 as it has performed the covenants of that agreement in a satisfactory manner. Mr. Scott resigned as the Executive Vice-President and Chief Operating Officer and as a director of the Company effective December 18, 2008 and received an ex gratia payment of A\$34,000 (C\$30,583), which is shown under the column "All other Compensation".

- (9) All fees paid to PS Ltd are denominated in Australian dollars and for the purpose of this table have been converted into Canadian dollars at the monthly average exchange rates.
- (10) Mr. Stifano was appointed to his position effective June 15, 2005 and resigned effective October 15, 2008. Mr. Stifano was also entitled to an amount equal to 17.5% of his annual salary in lieu of payments into a registered pension. The amount of \$68,226 shown in the "All other Compensation" column represents the aggregate of: (a) \$35,051, being 17.5% of his 2008 salary; (b) \$5,060 in accrued vacation pay paid to him when he left the Company; (c) \$3,115 in respect of insurance premiums; and (d) \$25,000 received as an ex gratia payment when he left the Company.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Alan De'ath	20,000	5.05	Dec. 2, 2009	Nil	Nil	N/A
	400,000	1.65	June 15, 2010	Nil	Nil	N/A
	300,000	1.55	Dec. 18, 2011	Nil	Nil	N/A
	1,000,000	0.10	Nov. 20, 2013	Nil	Nil	N/A
Robert Wickham	750,000	0.10	Oct. 1, 2013	Nil	Nil	N/A
Bruce Hooper	200,000	0.10	Oct. 13, 2013	Nil	Nil	N/A
Patrick Scott	300,000	1.55	May 3, 2010	Nil	Nil	N/A
Mario Stifano	250,000	1.55	Oct 15, 2009	Nil	Nil	N/A
	150,000	1.55	Oct. 15, 2009	Nil	Nil	N/A

None of the options granted to NEOs of the Company were in the money as at December 31, 2008.

Incentive Plan Awards - Value Vested or Earned during the Year

Name	Option-based awards - Value vested during the year	Share-based awards - Value vested during the year	Non equity incentive plan compensation - value earned during the year
Alan M. De'ath	Nil ⁽¹⁾	N/A	See Note 4, below
Robert Wickham	Nil	N/A	See Note 4, below
Bruce Hooper	Nil	N/A	See Note 4, below
Patrick Scott	Nil ⁽²⁾	N/A	N/A
Mario Stifano	Nil ⁽³⁾	N/A	N/A

(1) 100,000 options exercisable at \$1.55 per share and 100,000 options exercisable at \$1.65 per share vested during 2008.

(2) 100,000 options exercisable at \$1.55 per share vested during 2008.

(3) 133,334 options exercisable at \$1.55 per share vested during 2008.

(4) Annual incentive payments for senior management in respect of 2008 have yet to be considered by the Compensation Committee which generally deliberates regarding annual incentive awards for senior management during the second quarter in respect of the previous financial year.

Termination and Change of Control Benefits

The Company has entered into employment contracts with Messrs De'ath, Wickham and Hooper, being the NEOs who were in the employment of the Company on December 31, 2008.

Alan De'ath (President and Chief Executive Officer)

Termination

Mr. De'ath entered into an employment agreement with the Company dated February 7, 2007 which was amended and restated as of October 1, 2008. Mr. De'ath's employment agreement provides for the payment and provision of compensation in the event of his involuntary termination (either by the Company without cause or by Mr. De'ath for "Good Reason"). For the purpose of Mr. De'ath's Employment Agreement, "Good Reason" includes: (a) a material change to his position, authority, duties or responsibilities; (b) any reduction in his salary or benefits (as amended from time to time); and (c) any requirement that he move outside of Toronto, Ontario.

The following is a summary of the amounts payable to Mr. De'ath under his employment agreement in the event of his involuntary termination:

- (a) an amount equal to two times his annual salary in effect prior to his termination, payable in a lump sum within 5 days of his termination together with any salary and vacation pay accrued to the date of his termination, but unpaid;
- (b) continued contribution under all benefit plans in effect prior to his termination for a period of two years provided that if the administrators of such plans will not permit Mr. De'ath's continued coverage, the Company will pay him the monetary value of the contribution necessary to maintain his coverage for a period of two years;
- (c) the leasing costs of any vehicle provided to him, together with any operating costs normally paid for by the Company with respect to such vehicle, and the amount of any monthly office parking, annual professional dues and expenses associated with professional development requirements, all as in effect prior to termination, for a period of two years;
- (d) continued payment of annual club dues and expenses paid for by the Company prior to termination, for a period of two years;
- (e) allow the exercise of vested stock options or share appreciation rights and accelerate the vesting of any stock options which would have vested within three months of his termination (the exercise of which would still be subject to the Employee Stock Option Plan);
- (f) an amount equal to 17.5% of the aggregate total amounts referred to in (a), (g) and (h), hereof in lieu of his participation in a pension plan;
- (g) payment of the projected bonus for the fiscal year in which his termination occurred, prorated to the date of termination, assuming 100% achievement of the bonus under any applicable bonus plan;
- (h) an amount equal to two times the greater of: (a) the full target bonus for the then current fiscal year pursuant to the bonus plan or arrangement then in effect; or (b) the average of his bonus earnings under any applicable bonus plan for the three fiscal years prior to his termination; and
- (i) \$25,000 for executive outplacement services.

Mr. De'ath is subject to terms restricting non-competition and non-solicitation of customers or employees, for a period of one year after the date of termination, and he is required to maintain the confidentiality of the Company's confidential information.

Change of Control

Mr. De'ath entered into a Key Employee Termination Benefits Agreement with the Company dated February 7, 2007 which was amended and restated effective October 1, 2008 (the "KETBA"), which provides for the payment and provision of compensation in the event of his "Involuntary Termination" within twelve months of a "Change of Control". For the purpose of Mr. De'ath's KETBA, "Involuntary Termination" includes: (a) his termination by the Company without cause; (b) any requirement that he move outside of Toronto, Ontario; (c) a material reduction in his title, reporting relationship, responsibilities or authority; (d) any reduction in his salary (as may have been increased from time to time); and (e) any termination or reduction in the aggregate value of his remuneration or benefits as set out in his Employment Agreement. For the purpose of Mr. De'ath's KETBA, "Change of Control" means a change in the legal or effective control of the Company or the creation of a control block.

The following is a summary of the amounts payable to Mr. De'ath in the event of an Involuntary Termination:

- (a) an amount equal to two times his annual salary in effect prior to his Involuntary Termination or on the date of Change of Control (whichever is higher), payable in a lump sum within 5 days of his Involuntary Termination together with any salary and vacation pay accrued to the date of his Involuntary Termination, but unpaid;
- (b) continued contribution under all benefits plans in effect prior to his Involuntary Termination or on the date Change of Control (whichever is greater), for a period of two years provided that if the administrators of such plans will not permit Mr. De'ath's continued coverage, the Company will pay him the monetary value of the contribution necessary to maintain his coverage for a period of two years; ;
- (c) the leasing costs of any vehicle provided to him, together with any operating costs normally paid for by the Company with respect to such vehicle, all as in effect prior to his Involuntary Termination or the date of Change of Control (whichever is more beneficial), for a period of two years;
- (d) continued payment of annual club dues and expenses paid for by the Company prior to his Involuntary Termination or the date of Change of Control (whichever is more beneficial), for a period of two years;
- (e) allow the exercise of vested stock options or share appreciation rights, subject to the terms of the Option Plan;
- (f) an amount equal to 17.5% of the aggregate total amounts referred to in (a), (g) and (h), hereof;
- (g) payment of the projected bonus for the fiscal year in which his Involuntary Termination occurred, prorated to the date of Involuntary Termination, assuming 100% achievement of the bonus under any applicable bonus plan; and
- (h) an amount equal to the greater of: (i) two times the full target bonus earnings for the then fiscal year under any applicable bonus plan; or (ii) two times the average of his bonus earnings under any applicable bonus plan for the three fiscal years prior to his Involuntary Termination.

In addition to the foregoing, under the Option Plan, in the event of a change of control as therein defined any unvested options shall forthwith vest and become fully exercisable at any time up to 30 days following notification by the Company to the option holder of such change of control.

Robert Wickham (Executive Vice President, Finance and Corporate Development and Chief Financial Officer)

Termination

Mr. Wickham entered into an Employment Agreement with the Company dated September 29, 2008, which provides for the payment and provision of compensation in the event of his involuntary termination (either by the Company without cause or by Wickham for “Good Reason”). For the purpose of Mr. Wickham’s Employment Agreement, “Good Reason” includes: (a) a material change to his position, authority, duties or responsibilities; (b) any reduction in his total cost remuneration package (as set out in the Employment Agreement and as amended from time to time); and (c) any requirement that he move outside of Toronto, Ontario.

The following is a summary of the amounts payable to Mr. Wickham under his employment agreement in the event of his involuntary termination:

- (a) an amount equal to: (i) one times his total cost remuneration, if terminated within the first twelve months of his employment; or (ii) two times his total cost remuneration package, if terminated at any time thereafter, at the rate in effect prior to his termination, payable in a lump sum within 5 days of his termination together with any salary and vacation pay accrued to the date of his termination, but unpaid;
- (b) continued contribution under the medical benefit plan for a period of: (i) one year, if terminated within the first twelve months of his employment; or (ii) for a period of two years, if terminated at any time thereafter provided that if the administrator of such plan will not permit Mr. Wickham’s continued coverage, the Company will pay him the monetary value of the contribution necessary to maintain his coverage for a period of two years;
- (c) the amount of any monthly office parking, annual professional dues and expenses associated with professional development requirements paid for by the Company prior to his termination, for a period of: (i) one year, if terminated within the first twelve months of his employment; or (ii) for a period of two years, if terminated at any time thereafter;
- (d) continued payment of annual club dues and expenses paid for by the Company prior to termination, for a period of two years;
- (e) allow the exercise of vested stock options or share appreciation rights and accelerate the vesting of any stock options which would have vested within three months of his termination (the exercise of which would be subject to the Option Plan);
- (f) payment of the projected bonus for the fiscal year in which his termination occurred, prorated to the date of termination, assuming 100% achievement of the bonus under any applicable bonus plan;
- (g) an amount equal to one times (if terminated within the first twelve months of his employment) or two times (if terminated at any time thereafter) of the greater of: (i) his full target bonus earnings for the then fiscal year under any applicable bonus plan; or (ii) his average bonus earnings under any applicable bonus plan for the three fiscal years prior to his Involuntary Termination; and
- (h) \$25,000 for executive outplacement services.

In addition to the foregoing, Mr. Wickham is subject to terms restricting non-competition and non-solicitation of customers or employees, for a period of one year after the date of termination, and he is required to maintain the confidentiality of the Company’s confidential information.

Change of Control

Mr. Wickham entered into a Key Employee Termination Benefits Agreement with the Company dated October 1, 2008, which provides for the payment and provision of compensation in the event of his “Involuntary Termination” within twelve months of a “Change of Control”. For the purpose of Mr. Wickham’s Key Employee Termination Benefits Agreement, “Involuntary Termination” includes: (a) his termination by the Company without cause; (b) any requirement that he move outside of Toronto, Ontario; (c) a material reduction in his title, reporting relationship, responsibilities or authority; (d) any reduction in his total cost remuneration package (as set out in the Employment Agreement and as increased from time to time); and (e) any termination or reduction in the aggregate value of his remuneration or benefits as set out in his Employment Agreement. For the purpose of Mr. Wickham’s Key Employee Termination Benefits Agreement, “Change of Control” means a change in the legal or effective control of the Company or the creation of a control block.

The following is a summary of the amounts payable to Mr. Wickham in the event of an Involuntary Termination:

- (a) an amount equal to two times his total cost remuneration package in effect prior to his Involuntary Termination or on the date of Change of Control (whichever is higher), payable in a lump sum within 5 days of his Involuntary Termination together with any salary and vacation pay accrued to the date of his Involuntary Termination, but unpaid;
- (b) continued contribution under the medical benefits plan in effect prior to his Involuntary Termination or on the date Change of Control (whichever is greater), for a period of two years provided that if the administrator of such plan will not permit Mr. Wickham’s continued coverage, the Company will pay him the monetary value of the contribution necessary to maintain his coverage for a period of two years;;
- (c) continued payment of annual club dues and expenses paid for by the Company prior to his Involuntary Termination or the date of Change of Control (whichever is more beneficial), for a period of two years;
- (d) allow the exercise of vested stock options or share appreciation rights and accelerate the vesting of any stock options which have not vested, the exercise of which would be subject to the Option Plan;
- (e) payment of the projected bonus for the fiscal year in which his Involuntary Termination occurred, prorated to the date of Involuntary Termination, assuming 100% achievement of the bonus under any applicable bonus plan; and
- (f) an amount equal to the greater of: (i) two times the full target bonus earnings for the then fiscal year under any applicable bonus plan; or (ii) two times the average of his bonus earnings under any applicable bonus plan for the three fiscal years prior to his Involuntary Termination.

As noted above, in addition to the foregoing, under the Option Plan in the event of a change of control as therein defined any unvested options shall forthwith vest and become fully exercisable at any time up to 30 days following notification by the Company to the option holder of such change of control.

Bruce Hooper (Vice President – Exploration and Development)

Mr. Hooper entered into an Employment Agreement with the Company on July 28, 2008 which provides that it can be terminated by the Company on three months’ notice or payment in lieu thereof. There is no change of control provision in Mr. Hooper’s employment contract. However, as noted above, under the Option Plan in the event of a change of control as therein defined any unvested options shall forthwith vest and become fully exercisable at any time up to 30 days following notification by the Company to the option holder of such change of control.

Estimated Incremental Payment on Change of Control or Termination

The following table provides details regarding the estimated incremental payments from the Company to Messrs. De'ath, Wickham and Hooper under the above described agreements in the event of a change of control or termination without cause, assuming the event took place on December 31, 2008:

Name	Triggering Event	Base Salary/ Total Cost Remuneration Package \$	Bonus (\$)	Options ⁽¹⁾ (\$)	Other Benefits	Total
Alan De'ath	Termination	900,000	675,000	Nil	379,853	1,954,853
	Change of Control	900,000	1,012,500	Nil	413,915	2,326,415
Robert Wickham	Termination	400,000	90,000	Nil	93,487	583,487
	Change of Control	800,000	840,000	Nil	136,974	1,776,974
Bruce Hooper	Termination	50,274	-	Nil	Nil	50,274

- (1) The closing price of a share of the Company on the Toronto Stock Exchange on December 31, 2008 was \$0.07. Accordingly, none of the options held by the individuals and exercisable (as described in the above agreement) were in the money.

Under the Option Plan in the event of a change of control as therein defined any unvested options shall forthwith vest and become fully exercisable at any time up to 30 days following notification by the Company to the option holder of such change of control. In addition, the option agreements between the Company and Mr. De'ath and Wickham in respect of the 1,000,000 and 750,000 options, respectively, granted on November 20, 2008 provide that in the event of involuntary termination of the option holder any optioned shares granted and scheduled to vest within three months of such termination date shall then become immediately exercisable.

Director Compensation

The Company pays an annual retainer of \$35,000 to each non-executive director and supplemental retainers of \$35,000 and \$10,000 to the Chairman of the Board and the Chairman of the Audit Committee, respectively. Executive directors, namely Mr. De'ath, do not receive compensation in respect of their services as a director of the Company. A non-executive director who attends a Board or committee meeting, whether in person or by telephone, is paid \$1,000 per meeting. All reasonable expenses incurred by a director in attending meetings of the Board, a committee or shareholders meeting, together with all expenses properly and reasonably incurred by any director in the conduct of the Company's business or in the discharge of his duties as a director are paid by the Company. Historically the Company has granted options under the Option Plan to new members of the Board. The Compensation Committee may, in its discretion, grant additional options to directors for their service as members of the Board or any committee of the Board.

The following table provides information respecting compensation paid to Ivernia’s non-executive directors during the financial year ended December 31, 2008:

Name	Fees earned (\$) ⁽¹⁾	Share-based awards (\$)	Option-based awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)	All other compensation (\$)	Total (\$)
Peter Cassidy	46,000	Nil	2,331	Nil	Nil	48,331
Trevor Eyton	89,000	Nil	2,913	Nil	Nil	91,913
Jay Kellerman	12,208	Nil	Nil	Nil	Nil	12,208
David Murray	56,000	Nil	2,331	Nil	Nil	58,331
Walter Murray	64,000	Nil	2,331	Nil	Nil	66,331
Chen Zhi	25,792	Nil	2,331	Nil	Nil	27,123

- (1) “Fees earned” include annual retainers and fees for board and committee attendance. Please see the following table for a further breakdown.
- (2) The values reported represent the grant date fair value of the options, calculated in accordance with the Black-Scholes pricing model. The key assumptions and estimates used for the calculation of the grant date fair value under this model include a risk-free interest rate of 3%, an expected term of five years for the options and volatility of 120%. The Company chose the Black-Scholes pricing model as it is a commonly used and accepted method for calculating the value of option awards.

The following table breaks down the non-executive directors’ compensation for the financial year ended December 31, 2008:

Name	Chairman Retainer (\$)	Board Annual Retainer (\$)	Committee Chair Retainer (\$) ⁽²⁾	Aggregate Board Attendance Fee (\$)	Aggregate Committee Attendance Fee (\$)	Total Fees (\$)
Peter Cassidy	Nil	35,000	Nil	6,000 (Six meetings)	5,000 (Five meetings)	46,000
Trevor Eyton	35,000	35,000	Nil	6,000 (Six meetings)	13,000 (13 meetings)	89,000
Jay Kellerman ⁽¹⁾	Nil	10,208	Nil	2,000 (Two meetings)	Nil	12,208
David Murray	Nil	35,000	Nil	6,000 (Six meetings)	15,000 (15 meetings)	56,000
Walter Murray	Nil	35,000	10,000	6,000 (Six meetings)	13,000 (13 meetings)	64,000
Chen Zhi	Nil	24,792	Nil	1,000 (One meeting)	Nil	25,792

- (1) Mr. Kellerman resigned as a director on April 22, 2008 and Mr. Zhi was appointed a director on that date.

Incentive Plan Awards for Directors

The following table provides information regarding incentive plan awards for each non-executive director outstanding as of December 31, 2008:

Outstanding Share-Based Awards and Option-Based Awards

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Peter Cassidy	45,000	1.65	June 15, 2010	Nil	N/A	N/A
	50,000	1.55	Dec. 18, 2011	Nil	N/A	N/A
	100,000	0.10	Nov. 20, 2013	Nil	N/A	N/A
Trevor Eyton	20,000	5.35	April 14, 2010	Nil	N/A	N/A
	90,000	1.65	June 15, 2010	Nil	N/A	N/A
	80,000	1.65	June 15, 2012	Nil	N/A	N/A
	100,000	1.55	Dec. 18, 2011	Nil	N/A	N/A
	125,000	0.10	Nov. 20, 2013	Nil	N/A	N/A
David Murray	50,000	1.55	Feb. 7, 2012	Nil	N/A	N/A
	100,000	0.10	Nov. 20, 2013	Nil	N/A	N/A
Walter Murray	45,000	1.65	June 15, 2010	Nil	N/A	N/A
	80,000	1.65	June 15, 2012	Nil	N/A	N/A
	75,000	1.55	Dec. 18, 2011	Nil	N/A	N/A
	100,000	0.10	Nov. 20, 2013	Nil	N/A	N/A
Chen Zhi	100,000	0.10	Nov. 20, 2013	Nil	N/A	N/A

None of the options granted to the non-executive directors of the Company were in the money as of December 31, 2008.

Incentive Plan Awards – Value Vested or Earned during the Year

Name	Option-based awards – Value vested during the year	Share-based awards – Value vested during the year	Non equity incentive plan compensation – value earned during the year
Peter Cassidy	Nil ⁽¹⁾	N/A	N/A
J. Trevor Eyton	Nil ⁽²⁾	N/A	N/A
David Murray	Nil ⁽³⁾	N/A	N/A
Walter Murray	Nil ⁽⁴⁾	N/A	N/A
Chen Zhi	Nil	N/A	N/A

(1) 27,917 options exercisable at \$1.55 and \$1.65 per share vested during 2008.

(2) 75,833 options exercisable at \$1.25, \$1.55 and \$1.65 per share vested during 2008.

(3) 16,666 options exercisable at \$1.55 per share vested during 2008.

(4) 56,250 options exercisable at \$1.55 and \$1.65 per share vested during 2008.

DIRECTORS' AND OFFICERS' INSURANCE

The Company has purchased policies of insurance for the benefit of its directors and officers against liability incurred by them in the performance of their duties as directors and officers of the Company or its principal operating subsidiary, Magellan Metals Pty Ltd. The amount of premium paid for these policies, which was paid by the Company, was \$129,497. The annual policies are limited to a total of \$25 million per claim per policy period, subject to a deductible of \$75,000.

	Limit	Premium	Deductible
Primary Policy	\$10,000,000	\$59,184	\$75,000
1 st Excess Policy	\$10,000,000	\$46,013	Nil
2 nd Excess Policy (Side A - DIC)	\$5,000,000	\$24,300	Nil
Total	\$25,000,000	\$129,497	\$75,000

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Effective June 30, 2005, the Canadian Securities Administrators (the “CSA”) have adopted National Instrument 58-101 (“NI 58-101”), which requires the Company to disclose on an annual basis its corporate governance practices. NI 58-101 and the associated National Policy 58-201 deal with matters such as the constitution and independence of corporate boards, their functions, the effectiveness and education of Board members and other items dealing with sound corporate governance. The Company’s approach to corporate governance is described below.

The Board has considered the CSA’s guidelines for corporate governance and believes that its approach to corporate governance is appropriate and effective for the Company and its shareholders.

Independence of Directors

The Company’s Board has been led by an independent Chairman since the year 2000 and the Company believes that the separation of the positions of CEO and Chairman contributes to allowing the Board to function independently of management. The Chairman is responsible for calling and presiding over Board meetings and for ensuring that all Board meetings are conducted in a manner consistent with Board adopted policies and procedures. To better align the interests of the Board with those of the shareholders the majority of the nominees for election to the Board are independent within the meaning of NI 52-110. An

independent director for such purposes is one who is free from any direct or indirect relationship which could, in the view of the Board, reasonably interfere with a director's independent judgement. Of the seven nominees, Alan De'ath, the President and CEO is an executive officer of the Company and therefore not independent. The Board does not consider any of the other directors to have any direct or indirect material relationship with Ivernia. The independent directors hold informal meetings as and when deemed necessary at which executive officers and management are not present in order to facilitate candid discussion amongst the independent directors.

A director or executive officer of the Company with a material interest in any transaction or agreement is required to recuse themselves from any Board decision relating to such transaction or agreement in order to ensure that directors exercise independent judgement in considering such transactions and agreements.

Code of Business Conduct and Ethics

The Board has adopted a Code of Business Conduct and Ethics (the "Code"). The Code is applicable to directors, officers and employees of the Company. It addresses several issues, including conflicts of interest, protection and proper use of Company assets and opportunities, confidentiality of Company information, fair dealing, compliance with laws and reporting of any illegal or unethical behaviour. The Board is responsible for monitoring compliance with the Code and no waiver has ever been granted to a director or executive officer in connection therewith. The Board also adopted procedures allowing interested parties (i) to submit accounting and auditing complaints to the Board and the Audit Committee; and (ii) to communicate directly with the Chairman, who presides over all non-management director sessions. The Code provides that concerns of employees regarding any potential or real wrongdoing in terms of accounting or auditing matters may be submitted to any member of the Board or the Audit Committee. The Code is available under the Company's profile at www.sedar.com or by contacting the Company's Secretary.

Mandate of the Board

The Board has implemented a formal written Board mandate. A copy of the Board's mandate is attached hereto as Schedule "C". The frequency of the meetings of the Board and the nature of agenda items depend upon the state of the Company's affairs and the opportunities or risks which the Company faces from time to time. The Board holds a minimum of four meetings each financial year. In addition, communications between the Board and senior management regularly occur apart from scheduled Board and committee meetings.

Senator J. Trevor Eyton, an independent director, is the Chairman of the Board. A formal mandate sets out the roles and responsibilities of the Chairman as follows: ensuring that the Board works as a cohesive team and providing the leadership needed to achieve this and possesses adequate resources to support its work and that it receives the relevant information it requires; seeing to the periodic assessment of the effectiveness of the Board and annually evaluating the performance of the Board's members on an individual basis; presiding over Board meetings; ensuring that the unfolding of Board meetings facilitates discussions and provides adequate time for effective evaluation and discussion of the business at hand; ensuring that the Board fulfils its responsibilities in an effective manner; where responsibilities are delegated to committees or individual directors, ensuring that such responsibilities are carried out effectively and results thereof are reported to the Board; with the assistance of the Chief Executive Officer and the Corporate Governance Committee, contacting prospective Board candidates in order to ascertain their interest in joining the Board; acting as liaison between the Board and management and, working closely with the Chief Executive Officer, ensuring that the Company promotes a healthy corporate governance culture; acting in an advisory capacity to the Chief Executive Officer and to other senior management members on all matters concerning the interests and management of the Company; ensuring that the independent directors have the opportunity to meet at their discretion; and presiding over annual and special meetings of the shareholders.

The Board developed written position descriptions for the chairs of the respective committees of the Board. The Chairman of the Board and the chairs of the various committees, with the exception of the Safety, Health and Environmental Committee, have all held these positions for an extended period of time and their roles are understood and reinforced by the other experienced Board and committee members. The chairs of the committees are further guided by the principles of the committee terms of reference.

Composition of the Board

The directors of the Company have determined that six of the seven nominees for election at the Meeting are independent within the meaning of NI 52-110. Alan De'ath is non-independent by virtue of him being a member of management.

In an effort to properly orient new directors to the Company, each new director is provided with a copy of the Company's various committee mandates, the Company's Disclosure Policy, the Insider Trading Policy and the Code. The Board further considers what additional orientation or education is appropriate for new directors as and when they are elected or appointed. During 2006 the Company implemented formal assessments for the Board, its committees and the individual directors with respect to their effectiveness and contributions. These assessments aid in determining what additional areas for continuing education are required. During 2008 the Company continued with these practices and further implemented a formal assessment of the effectiveness of the Chairman of the Board. Management from time to time arranges and provides information sessions to its directors advising them of the latest trends.

In addition to those matters which must by law be approved by the Board, management seeks Board approval for any transaction which is out of the ordinary course of business or could be considered to be material to the business of the Company.

Committees

The Board has established four committees which each operate under their respective written terms of reference: the Audit Committee, the Compensation Committee, the Corporate Governance Committee and the Safety, Health and Environmental Committee. Each of these committees, with the exception of the Safety, Health and Environmental Committee on which Mr. De'ath sits, is composed entirely of independent directors within the meaning of NI 58-101 and other applicable securities laws.

Audit Committee

The Audit Committee is responsible for assisting the Board in fulfilling its responsibilities for the oversight of the quality and integrity of the accounting, auditing, internal control and financial reporting practices of the Company. The Audit Committee is also responsible for ensuring that management of the Company has designed and implemented appropriate accounting systems, policies and practices as well as an effective internal control system. Among other things, the Audit Committee is charged with reviewing the Company's annual and interim financial statements and certain other financial disclosure and making recommendations to the Board relating thereto; reviewing the Company's accounting policies and any changes thereto; assessing the steps management has taken to minimize financial and other risks facing the Company; and working with the Company's auditors in a number of areas relating to the Company's accounting systems, internal controls and annual audit plan. In addition, the Board may refer appropriate questions relating to the financial position of the Company and its subsidiaries to the Audit Committee for its consideration. The Audit Committee meets at least four times per year. The current members of the Audit Committee are Walter Murray (Chairman), J. Trevor Eyton and David Murray. Certain information relating to the Audit Committee members is set forth in the Company's Annual Information Form dated March 31, 2009, under the headings "Directors and Officers - Audit Committee" and "External Auditor Service Fees", and a copy of the Audit Committee terms of reference is set out in Appendix 1 thereto. A copy of the

Company's Annual Information Form is available under the Company's profile at www.sedar.com or by contacting the Company's Secretary.

Compensation Committee

The Compensation Committee is responsible for reviewing and making recommendations to the Board with respect to all matters pertaining to the appointment, compensation and benefits of senior management of the Company, as well as any other significant human resource or organizational policies generally impacting employees of the Company. The Compensation Committee reviews the performance of the Chief Executive Officer and other officers and senior employees of the Company and management's succession planning. In addition, the Compensation Committee is empowered to grant stock options under the Company's Option Plan in accordance with the terms of such plan. The current members of the Compensation Committee are J. Trevor Eyton (Chairman), Walter Murray and David Murray.

Corporate Governance Committee

The Corporate Governance Committee is responsible for reviewing and making recommendations to the Board with respect to all matters pertaining to the Company's corporate governance policy, including structure, organization and composition (other than Board membership), and the development of appropriate systems and procedures to enable the Board to exercise and discharge its responsibilities. The Corporate Governance Committee is also responsible for recommending suitable candidates for election or appointment to the Board from time to time. In addition, it is the Corporate Governance Committee's responsibility to review and recommend appropriate changes from time to time in the Company's approach to corporate governance matters, including terms of reference for Board committees; membership of Board committees; retirement ages for directors; the relationship between the Board and senior management; procedures for Board and committee meetings; and compensation of directors for service on the Board and committees thereof. The current members of the Corporate Governance Committee are J. Trevor Eyton (Chairman), David Murray and Walter Murray.

Safety, Health and Environmental Committee

The Safety, Health and Environmental Committee is responsible for reviewing and ensuring management of the Company have in place the proper safety, health and environmental policies and procedures for its continuing operations. The Safety, Health and Environmental Committee is also responsible for monitoring and ensuring ongoing adherence to the Company's safety, health and environmental policies and procedures. The current members of the Safety Health and Environment Committee are David Murray (Chairman), Peter Cassidy, Alan De'ath, Walter Murray and Chen Zhi.

Financial Whistle Blowing

The Board has adopted internal financial whistle blowing procedures regarding questionable accounting, internal accounting controls and audit matters, on a basis that preserves the anonymity of an employee complainant. All complaints are made to either the Chairman of the Audit Committee or to the Company's General Counsel, and are subsequently investigated and action taken where required. Any complainant seeking to maintain his or her confidentiality will have his or her anonymity fully protected. As at the date hereof no complaints have been lodged.

Shareholder Communication

The Company communicates regularly with its shareholders. While management is available to shareholders to respond to questions and concerns on a prompt basis, the Chief Executive Officer, the Chief Financial Officer and the Director of Investor Relations and Corporate Communications are primarily

responsible for investor relations. The Board believes that management's communications with shareholders and the avenues available for shareholders and others interested in the Company to have their inquiries about the Company answered are responsive and effective.

Relationship with Management

The Board's access to information relating to the operations of the Company, through the membership on the Board of the Chief Executive Officer and, as necessary, the attendance by other members of management at the request of the Board, are key elements to the effective and informed functioning of the Board. The Board expects the Company's management to take the initiative in identifying opportunities and risks affecting the Company's business and finding ways to deal with these opportunities and risks for the benefit of the Company.

The Board believes that appropriate structures and procedures are in place to ensure that the Board can function independently of management, including (i) the appointment of a Chairman who is independent of management and is charged with ensuring that the Board discharges its responsibilities; (ii) periodic meetings of the Board without management present; and (iii) the Corporate Governance Committee whose responsibilities include monitoring the relationship between the Board and senior management.

The Board approves and develops, on an ongoing basis in conjunction with management, the scope of management's responsibilities and the corporate objectives for which management, and the Chief Executive Officer in particular, are responsible for meeting. The Board has adopted a formal position description for the Chief Executive Officer.

The Board has adopted no formal procedure for enabling individual directors to engage outside advisers at the expense of the Company. Any such proposed engagement would be considered by the Corporate Governance Committee under its general mandate to develop appropriate systems and procedures to enable the Board to exercise and discharge its responsibilities.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Mr. Peter Cassidy, a director of the Company, is the founder and a principal of Sentient Executive GP II, Limited (for the general partner of Sentient Global Resources Fund II, LP and as custodian of Sentient Global Resources Trust II) ("Sentient II") which, according to public filings, owned 35,047,927 shares of the Company as at December 31, 2008 and on March 27, 2009 was issued US \$16.9 million principal amount of secured promissory notes (the "Notes") which are convertible into common shares of the Company. Mr. Pieter Britz, a nominee for election as a director, is an Investment Professional with The Sentient Group Limited. In addition, pursuant to a Subscription Agreement dated May 8, 2009, Sentient Executive GP III Limited (for the General Partner of Sentient Global Resources Fund III and SGRF III Parallel I, LP) ("Sentient III") ("Sentient II and Sentient III being sometimes referred to herein as "Sentient") agreed to purchase an additional US \$4 million of Notes which transaction is scheduled to close on May 29, 2009. The Notes were issued as part of a restructuring of the original promissory notes held by Sentient II (among others), as such notes were due to mature on April 27, 2009 (the "2009 Note Restructuring"). The original notes were amended and restated as follows: (a) the maturity was extended from April 27, 2009 to April 27, 2013; (b) interest and fees of US\$3 million outstanding on the original notes were added to the principal amount; (c) interest increased to 8% from 6% with one-half thereof being payable, at the Company's option, by payment in kind by way of the issuance of additional Notes; and (d) the conversion price changed from US\$1.08 to US\$0.11 per share. On March 18, 2009 Ivernia made an application to the Toronto Stock Exchange (the "TSX") under the provisions of Section 604(2) of the TSX Company Manual for an exemption from its requirement that shareholders approve the 2009 Note Restructuring, the issue of the Notes and possible issue of additional Notes on the basis that the Company was in serious financial difficulty. The independent committee of the Board (comprised of three independent directors), and Board, other than Peter Cassidy, who

recused himself from consideration of the transaction due to his status as an “interested party” in the transaction and a “related party” of Ivernia as a result of Sentient II’s current shareholdings in the Company and the fact that he is a principal of Sentient, determined that the Company met the applicable TSX and National Instrument 61-101 financial hardship and related party exemption requirements and that the financing was reasonable in the circumstances and was designed to improve the Company’s financial situation. RBC Capital Markets assisted the independent committee and the Board in considering various financing alternatives. On March 20, 2009, the TSX granted conditional listing approval and accepted notice of the placement of the Notes. Assuming full conversion of all Notes, including the US \$4 million principal amount which is the subject of the subscription agreement dated May 8, 2009, and taking into account Sentient II’s existing shareholding, Sentient would own 225 million shares, being 41.7% of all issued and outstanding shares on a fully diluted basis. Sentient and the Company have executed and delivered an agreement (the “Governance Agreement”) which gives Sentient certain rights in respect of the governance of Magellan Metals Pty Ltd, (“Magellan Metals”) the Company’s principal operating subsidiary, for so long as Sentient II holds not less than US\$4 million principal amount of Notes. Pursuant to the Governance Agreement Sentient II has the right to nominate one member of the two-person board of directors of Magellan Metals, there are restrictions on the granting of certain security interests by Magellan Metals and approval of matters outside of the normal course of business. For certain financial matters, in cases where there is a disagreement at the board level, matters may be submitted to the holders of Notes for their approval. A copy of the Governance Agreement has been filed under the Company’s filings at www.sedar.com.

Mr. Chen Zhi, a director of the Company, is past Chairman of the Board of Directors of Yunnan Metallurgical Group Co., Ltd (“YMG”) which as at December 31, 2008, owned 14,692,488 shares of the Company. The Company and YMG entered into an agreement dated November 30, 2007 (the “YMG Agreement”) which provides for a number of strategic initiatives including: potential new base metal opportunities for joint investment; a joint and coordinated effort between the two companies to ensure successful operations at the Magellan Mine; a long-term commercial concentrate agreement whereby YMG agreed to purchase approximately 50% of Magellan’s annual forecasted lead concentrate production at market terms; the exchange of technical expertise on Magellan and other future base metal projects. On April 15, 2008, the Company completed a C\$22 million private placement to YMG through its Australian subsidiary by way of the issuance from treasury of 14,692,488 common shares of the Company at a price of \$1.50 per share.

Except as otherwise disclosed in this Circular, no insider of the Company or proposed nominee for election as a director of the Company, nor any of their respective associates or affiliates, has had any material interest, direct or indirect, in any transaction since the commencement of the Company’s last financial year or in any proposed transaction which has materially affected or will materially affect the Company or any of its subsidiaries.

Except as otherwise disclosed in this Circular, no person who has been a director or senior officer of the Company since the commencement of the Company’s last financial year, nor any proposed nominee for election as a director of the Company, nor any of their respective associates or affiliates, has any material interest, direct or indirect, in any matter to be acted upon at the Meeting.

APPOINTMENT OF AUDITORS

At the Meeting, it is proposed to re-appoint PricewaterhouseCoopers LLP, Chartered Accountants (“PWC”), as auditors of the Company to hold office until the next annual meeting of shareholders at a remuneration to be fixed by the Board. PWC and its affiliates and predecessors have been the auditors of the Company and its predecessor, Ivernia West plc, since 1988.

The aggregate fees billed by PWC for audit and audit-related services in relation to the Company during the financial year ended December 31, 2008 were C\$266,000. The aggregate fees billed by PWC for all

non-audit services rendered in relation to the Company during the year were C\$215,000. These non-audit related fees related primarily to tax-related matters. The Audit Committee has determined that the nature of the non-audit services rendered during 2008, and the aggregate fees billed in respect of those services, were consistent with maintaining the auditors' independence.

The Board recommends that shareholders vote "FOR" the re-appoint of PWC, as auditors of the Company and authorize the board of directors of the Company to fix their remuneration. In the absence of contrary instructions, the persons named in the accompanying form of proxy intend to vote any Common Shares represented by proxies held by them FOR this resolution.

SPECIAL BUSINESS

Reconfirmation of and amendment to the Shareholders' Rights Plan

The Company is a party to an amended and restated shareholder protection rights plan agreement with Computershare Investor Services Inc., as rights agent, dated May 2, 2006 and amended and restated as of June 28, 2007 (the "Rights Plan"). The Rights Plan will expire unless Shareholders vote to continue its operation at the Meeting. The reasons for implementing the Rights Plan were outlined in the Management Information Circular of the Company dated May 2, 2006. The Board of Directors has reviewed the factors considered at the time the Rights Plan was implemented and has determined that the reasons for initially adopting the Rights Plan remain applicable and relevant. The Board of Directors has accordingly resolved to recommend that Shareholders approve the continuation of the Rights Plan through a further amendment and restatement of the Rights Plan on terms substantially similar to the existing Rights Plan (such proposed further amended and restated shareholder protection rights plan agreement, the "Amended and Restated Rights Plan"). At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve the Amended and Restated Rights Plan, a summary of which is set forth in Schedule "B" hereto. **This summary is qualified in its entirety by reference to the text of the Amended and Restated Rights Plan, which is available, upon request, from the Corporate Secretary of the Company at 44 Victoria Street, Suite 300, Toronto, ON M5C 1Y2.** Capitalized terms used in such summary without express definition have the meanings ascribed thereto in the Amended and Restated Rights Plan. The Amended and Restated Rights Plan will continue in effect only if it is approved by the affirmative vote of a majority of the votes cast: (i) by all Shareholders represented in person or by proxy at the meeting; and (ii) by all Shareholders represented in person or by proxy at the meeting without giving effect to any votes cast by any Beneficial Owner (as such term is defined in the Amended and Restated Rights Plan) of more than 20% of the outstanding common shares. The text of the resolution approving the continuance of the Rights Plan through a further amendment and restatement of the Rights Plan (the "Rights Plan Resolution") is set forth in Schedule "A" hereto. If the Rights Plan Resolution is not approved, the Amended and Restated Rights Plan will terminate and the rights issued under it will be void.

The Board of Directors of the Company recommends that Shareholders VOTE FOR the Rights Plan Resolution. In the absence of contrary instructions, the persons named in the enclosed form of proxy intend to VOTE FOR the Rights Plan Resolution.

ADDITIONAL INFORMATION

Additional financial information for the Company is available in the Company's audited consolidated financial statements for the year ended December 31, 2008 and related management's discussion and analysis of financial condition and results of operations, which have been filed with Canadian securities regulators. These and other disclosure documents relating to the Company are available under the Company's profile at www.sedar.com and at the Company's website at www.ivernia.com.

Upon request made to the Company's Secretary at 44 Victoria Street, Suite 300, Toronto, Ontario, Canada M5C 1Y2, the Company will provide a shareholder of the Company with a copy of its financial statements and related management's discussion and analysis of financial condition and results of operations.

APPROVAL BY BOARD OF DIRECTORS

The contents and the sending of this Circular have been approved by the board of directors of the Company.

DATED at Toronto, Ontario, Canada, this 15th day of May, 2009.

By Order of the Board of Directors

A handwritten signature in black ink that reads "John Pitcher". The signature is written in a cursive style with a large initial "J" and a long, sweeping underline.

John Pitcher
Secretary

SCHEDULE "A"

RIGHTS PLAN RESOLUTION

BE IT RESOLVED:

1. **THAT** the continuation of the amended and restated shareholder protection rights plan agreement between the Company and Computershare Investor Services Inc. (the "Rights Plan"), through a further amendment and restatement of the Rights Plan, a summary of which is set forth in Schedule B to the accompanying Management Information Circular (such proposed amended and restated shareholder protection rights plan agreement, the "Amended and Restated Rights Plan"), is hereby approved.
2. **THAT** the entering into by the Company of the Amended and Restated Rights Plan is hereby authorized and approved and any one officer or director of the Company is hereby authorized to execute and deliver the Amended and Restated Rights Plan for and on behalf of the Company, and the execution of the Amended and Restated Rights Plan by any one officer or director of the Company shall be conclusive evidence that the Amended and Restated Rights Plan is in the form authorized by these resolutions.
3. **THAT** any one officer or director of the Company be and is hereby authorized and directed for and on behalf of and in the name of the Company to execute, whether under the corporate seal of the Company or otherwise, and deliver all such documents and instruments, and to do or cause to be done all such other acts and things, as may be necessary or desirable to give effect to the foregoing.

SCHEDULE "B"

SUMMARY OF THE RIGHTS PLAN

The following is a summary of the principal terms of the Rights Plan, which summary is qualified by, and is subject to, the full terms and conditions of the Rights Plan, a copy of which is filed under the Corporation's profile at www.sedar.com. Except as otherwise defined herein, capitalized terms used below have the meanings ascribed thereto in the Rights Plan.

Issue of Rights

Effective May 2, 2006, one right (a "Right") was issued and is attached to each outstanding Common Share of the Corporation. The Corporation has issued and will continue to issue Rights on the same basis for each Common Share (and any other share in the capital stock or voting interests of the Corporation entitled to vote generally in the election of directors) (collectively, "Voting Shares") issued after the Record Time, subject to the limitations set forth in the Rights Plan.

Acquiring Person

Subject to certain exceptions, an Acquiring Person is a person that beneficially owns 20% or more of the outstanding Voting Shares. An Acquiring Person does not, however, include the Corporation or any Subsidiary of the Corporation, or any person that becomes the Beneficial Owner of 20% or more of the Voting Shares as a result of certain exempt transactions. These exempt transactions include where any person becomes the Beneficial Owner of 20% or more of the Voting Shares as a result of, among other things: (i) acquisitions pursuant to a Permitted Bid or Competing Permitted Bid (as described below), and (ii) transactions to which the application of the Rights Plan has been waived by the Board.

A Person (a "Grandfathered Person") who is the Beneficial Owner of 20% or more of the outstanding Voting Shares as at the date of the Rights Plan is exempt from the definition of Acquiring Person. However, this exception will cease to be, applicable to a Grandfathered Person in the event that such Grandfathered Person: (i) ceases to own 20% or more of the outstanding Voting Shares after such date, or (ii) becomes the Beneficial Owner (other than in certain prescribed circumstances) of additional Voting Shares constituting more than 1% of the Voting Shares outstanding as at such date.

Beneficial Ownership

A person shall be deemed the "Beneficial Owner", and to have "Beneficial Ownership" of, and to "Beneficially Own":

- (i) any securities of which such person or any affiliate or associate of such person is the owner in law or equity;
- (ii) any securities as to which such person or any affiliates or associates of such person has the right to become the owner at law or in equity (whether such right is exercisable immediately or within a period of 60 days thereafter and whether or not on condition or the happening of any contingency or the making of any payment) pursuant to any agreement, arrangement, pledge or understanding, whether or not in writing (other than (x) customary agreements with and between underwriters and/or banking group members and/or selling group members with respect to a public offering or private placement of securities and (y) pledges of securities in the ordinary course of business), or upon the exercise of any conversion right, exchange right, share purchase right (other than the Rights), warrant or option; and

- (iii) any securities that are Beneficially Owned within the meaning of Clause (i) or (ii) above by any other person with whom such person is acting jointly or in concert with respect to the Corporation or any of its securities;

provided, however, that a person shall not be deemed the “Beneficial Owner”, or to have “Beneficial Ownership” of, or to “Beneficially Own”, any security as a result of the existence of any one or more of the following circumstances:

- (a) where such security has been, or has been agreed to be deposited or tendered pursuant to a Permitted Lock-up Agreement (as defined below), or is otherwise deposited or tendered to any Take over Bid made by such Person, made by any of such Person’s Affiliates or Associates or made by any other Person acting jointly or in concert with such Person, until such deposited or tendered security has been taken up or paid for, whichever shall first occur;
- (b) such person (including a fund manager, trust company, pension fund administrator, trustee or non-discretionary client accounts of registered brokers or dealers) is engaged in the management of mutual funds or investment funds for others, as long as that person: (i) holds those common shares in the ordinary course of its business for the account of others; and (ii) is not making a take-over bid or acting jointly or in concert with a person who is making a take-over bid; or
- (c) such person is a registered holder of securities as a result of carrying on the business of or acting as a nominee of a securities depository.

Rights Exercise Privilege

The Rights will separate from the Voting Shares to which they are attached and will become exercisable at the close of business (the “Separation Time”) on the eighth trading day after the earliest of: (a) the first date of public announcement that a person and/or others associated, affiliated or otherwise connected to such person, or acting in concert with such person, have become an Acquiring Person; (b) the date of commencement of, or first public announcement of the intent of any person to commence a take-over bid, other than a Permitted Bid or a Competing Permitted Bid, or such later date as the Board may determine in good faith; and (c) the date upon which a Permitted Bid or a Competing Permitted Bid ceases to be such. Subject to adjustment as provided in the Rights Plan, each Right entitles the holder to purchase one Common Share for an exercise price (the “Exercise Price”) equal to C\$12 per Common Share.

The acquisition by any person (an “Acquiring Person”) of 20% or more of the Common Shares is referred to as a “Flip-in Event”. Any rights held by an Acquiring Person will become void upon the occurrence of a Flip-in Event.

At the close of business on the eighth trading day after the first public announcement of the occurrence of a Flip-in Event, the Rights (other than those held by the Acquiring Person) will entitle the holder to purchase Voting Shares having an aggregate market price (based on the prevailing market price at the time of the consummation or occurrence of the Flip-in Event) equal to twice the Exercise Price for an amount in cash equal to the Exercise Price. That is, holders of Rights (other than the Acquiring Person) may acquire Voting Shares of the Corporation at a 50% discount.

Impact Once Rights Plan is Triggered

The issue of Rights is not initially dilutive. Upon a Flip-in Event occurring and the Rights separating from the attached Voting Shares, reported earnings per Voting Share on a fully diluted or non-diluted basis may be affected. Holders of Rights who do not exercise their Rights upon the occurrence of a Flip-in Event may suffer substantial dilution.

By permitting holders of Rights other than an Acquiring Person to acquire Voting Shares of the Corporation at a discount to market value, the Rights may cause substantial dilution to a person or group that acquires 20% or more of the voting securities of the Corporation other than by way of a Permitted Bid or other than in circumstances where the Rights are redeemed or the Board waives the application of the Rights Plan.

Permitted Lock-Up Agreements

A bidder may enter into lock-up agreements (a "Permitted Lock-Up Agreement") with the Corporation's shareholders (a "Locked-Up Person") whereby such shareholders agree to tender their Voting Shares or securities convertible into Voting Shares to the take-over bid (the "Subject Bid") without a Flip-in Event (as referred to above) occurring. Any such agreement must permit the Locked-Up Person to withdraw their Voting Shares or securities convertible into Voting Shares from the lock-up to tender to another take-over bid or support another transaction that will provide greater value to the Locked-Up Person than the Subject Bid where the greater value offered exceeds by as much or more than a specified amount (the "Specified Amount") the value offered under the Subject Bid, provided the Specified Amount is not greater than 7% of the value offered under the Subject Bid. A Permitted Lock-Up Agreement may contain a right of first refusal or require a period of delay (or other similar limitation) to give an offeror an opportunity to match a higher price in another transaction as long as the Locked-Up Person can accept another bid or tender to another transaction.

The Permitted Lock-Up Agreement must be made available to the Corporation and to the public, and under the Permitted Lock-Up Agreement no "break up" fees, "top up" fees, penalties, expense reimbursement or other amounts that exceed in aggregate the greater of: (i) 2 ½% of the value payable under the Subject Bid; and (ii) 50% of the amount by which the value received by a Locked-Up Person under another take-over bid or transaction exceeds what such Locked-Up Person would have received under the Subject Bid; can be payable by such Locked-Up Person if the Locked-Up Person fails to deposit or tender their Voting Shares to the Subject Bid or withdraws such shares previously tendered thereto in order to deposit such shares to another take-over bid or to support another transaction.

Certificates and Transferability

Prior to the Separation Time, certificates for Common Shares will also evidence one Right for each Common Share represented by the certificate. Certificates issued after May 2, 2006 bear, and will continue to bear, a legend to this effect. Rights are also attached to Common Shares outstanding on May 2, 2006, although share certificates issued as at that date will not bear such a legend.

Prior to the Separation Time, Rights will not be transferable separately from the attached Common Shares. From and after the Separation Time, the Rights will be evidenced by Rights certificates which will be transferable and traded separately from the Common Shares.

Permitted Bids and Competing Permitted Bids

The Rights Plan is not triggered if an offer (a "Permitted Bid") would allow sufficient time for the shareholders to consider and react to the offer and would allow shareholders to decide to tender or not tender without the concern that they will be left with illiquid Voting Shares should they not tender.

The requirements for a Permitted Bid include the following:

- (a) the take-over bid must be made by way of a take-over bid circular;
- (b) the take-over bid must be made to all shareholders;
- (c) the take-over bid must be outstanding for a minimum period of 60 days and Voting Shares tendered pursuant to the take-over bid may not be taken up prior to the expiry of the 60 day period and only if at such time more than 50% of the Voting Shares held by shareholders, other than the bidder, its affiliates and persons acting jointly or in concert and certain other persons (the “Independent Shareholders”), have been tendered to the take-over bid and not withdrawn; and
- (d) if more than 50% of the Voting Shares held by Independent Shareholders are tendered to the take-over bid within the 60 day period, the bidder must make a public announcement of that fact and the take-over bid must remain open for deposits of Voting Shares for an additional 10 business days from the date of such public announcement.

The Rights Plan allows for a competing Permitted Bid (a “Competing Permitted Bid”) to be made while a Permitted Bid is in existence. A Competing Permitted Bid must satisfy all the requirements of a Permitted Bid except that it may expire on the same date as the Permitted Bid, subject to the requirement that it be outstanding for a minimum period of 35 days.

Neither a Permitted Bid nor a Competing Permitted Bid is required to be approved by the Board and such bids may be made directly to shareholders. Acquisitions of Voting Shares made pursuant to a Permitted Bid or a Competing Permitted Bid do not give rise to a Flip-in Event.

Waiver and Redemption

With the prior consent of the holders of Voting Shares, the Board may, at any time prior to the occurrence of a Flip-in Event that would occur by reason of an acquisition of Voting Shares otherwise than pursuant to a take-over bid made by means of a take-over bid circular to all holders of record of Voting Shares (or otherwise as outlined in the paragraph below), waive the application of the Rights Plan to such Flip-in Event.

The Board may also, prior to the occurrence of a Flip-In Event, waive the application of the Rights Plan to a particular Flip-In Event which would occur as a result of a take-over bid made under a circular prepared in accordance with applicable securities laws to all holders of Voting Shares. In such event, the Board shall be deemed to also have waived the application of the Rights Plan to any other Flip-In Event occurring as a result of any other takeover bid made under a circular prepared in accordance with applicable securities laws to all holders of Voting Shares prior to the expiry of any take-over bid for which the Rights Plan has been waived or deemed to have been waived.

The Board may also waive the “Flip-In” provisions of the Rights Plan in respect of any Flip-In Event provided that the Board has determined that the Acquiring Person became an Acquiring Person through inadvertence and has reduced its ownership to such a level that it is no longer an Acquiring Person.

Until the occurrence of a Flip-in Event, the Board may, with the approval of holders of the Voting Shares (or with the approval of holders of Rights if the Separation Time has occurred), elect to redeem all but not less than all of the then outstanding Rights at \$0.001 per Right. In the event that a person acquires Voting Shares pursuant to a Permitted Bid, a Competing Permitted Bid or pursuant to a transaction for which the Board has waived the application of the Rights Plan, then the Board shall, immediately upon the consummation of such

acquisition, without further formality, be deemed to have elected to redeem the Rights at the redemption price.

Amendment

Except to correct any clerical or typographical error or to maintain the validity of the Rights Plan as a result of a change of law, shareholder or rightsholder approval is required for amendments to the Rights Plan.

Board

The Rights Plan will not detract from or lessen the duty of the Board to act honestly and in good faith with a view to the best interests of the Corporation. The Board, when a Permitted Bid is made, will continue to have the duty and power to take such actions and make such recommendations to shareholders as are considered appropriate.

Exemptions for Investment Advisors

Investment advisors (for fully managed accounts), trust companies (acting in their capacities as trustees and administrations), statutory bodies whose business includes the management of funds and administrators of registered pension plans acquiring greater than 20% of the Voting Shares are exempted from triggering a Flip-in Event, provided that they are not making, or are not part of a group making, a take-over bid.

Confirmation Every Three Years

Assuming the Rights Plan is confirmed at the Meeting, the Rights Plan must be reconfirmed by a resolution passed by a majority of the votes cast by all shareholders who vote in respect of such reconfirmation at every third annual meeting following the Meeting.

For the Rights Plan to continue following the Meeting, the Rights Plan Resolution must be approved by a majority of the votes cast by the holders of the Common Shares present or represented by proxy at the Meeting. If the Rights Plan Resolution is not passed, the Rights Plan and all outstanding Rights will terminate and be void and of no further force and effect.

The Board has determined that the Rights Plan is in the best interest of the Corporation and its shareholders. The Board recommends that shareholders vote "FOR" the resolution set out in Schedule "A" to this Circular. Unless otherwise instructed by a shareholder, the persons named in the accompanying form of proxy will vote "FOR" the Rights Plan Resolution in the form of Schedule A hereto approving, ratifying and confirming the adoption of the Rights Plan.

SCHEDULE "C"

IVERNIA INC.

MANDATE OF THE BOARD OF DIRECTORS

The directors are responsible for the stewardship of the business and affairs of the Company. The Board seeks to discharge this responsibility by reviewing, discussing and approving the Company's strategic plans, annual budgets and significant decisions and transactions as well as by overseeing the senior officers of the Company in their management of its day-to-day business and affairs. The Board's primary role is to oversee corporate performance and assure itself of the quality, integrity, depth and continuity of management so that the Company is able to successfully execute its strategic plans and complete its corporate objectives.

The Board delegates to the senior officers the responsibility for managing the day-to-day business of the Company. The Board discharges its responsibilities to oversee management directly and through the Audit Committee, the Corporate Governance Committee and the Compensation Committee. In addition to these regular committees, the Board may appoint ad hoc committees periodically to address issues of a more short-term nature. At all times, the Board will retain its oversight function and ultimate responsibility for matters that the Board may delegate to Board committees.

All the members of the Board must have the skills and qualifications required for appointment as a director. The Board as a whole must reflect a diversity of particular experience and qualifications to meet the Company's specific needs.

The mandate of the Board also includes but is not limited to:

Management

1. Appointing the Chief Executive Officer and the other senior officers of the Company. The Board, through the Compensation Committee, is also responsible for approving the annual compensation of the Chief Executive Officer and the other officers of the Company and determining their objectives.
2. Ensuring that management succession planning programs are in place, including programs to recruit management with the highest standards of integrity and competence and train, develop and retain them. The Board is also responsible for reviewing and approving such succession plans including those concerning the current and future organizational structure of the Company, in each case.
3. Through the Compensation Committee, establishing and updating the Company's executive compensation policy and ensuring that such policy aligns management's interests with those of the shareholders.

Corporate Governance

4. Approving the Board's composition and size, the selection of the Chair of the Board, the candidates nominated for election to the Board, committee and committee chair appointments, committee charters and director compensation as well as managing succession planning issues concerning the Board to ensure that it has an appropriate balance in terms of skills and experience. In doing so, the Board will respond to recommendations received from the Corporate Governance Committee but will always retain responsibility for giving its approval.
5. Directly, and through the Corporate Governance Committee, developing the Company's approach to governance issues.

6. Putting in place appropriate structures and procedures to ensure that the Board can function independently of management.
7. Developing a mandate or position description for the Chairman, the Chief Executive Officer and each Committee Chair.
8. Reviewing annually the size and composition of the Board and its committees based on qualification, skills and personal abilities sought in Board members and as against their respective charters and mandates. Additionally, the Board members individual performance is reviewed against the Company's Statement of Expectations for Directors.

Strategic Planning

9. Participating directly, and through its committees, in the review, discussion and approval of the Company's strategic plan. The Board is also responsible for discussing and considering the strategic plan and whether it remains appropriate taking into account the risks and opportunities inherent in the Company's business.
10. Reviewing and considering the business, operating, financial and other plans proposed by management by which the Company will execute its strategic plan.
11. Reviewing and approving the Company's annual and short-term corporate objectives developed by management.
12. Providing input to management on emerging trends and issues that may affect the business of the Company, its corporate strategy or its annual and short-term corporate objectives.
13. Monitoring the Company's progress in executing its corporate strategy and achieving its annual and short-term corporate objectives and overseeing management in changing such strategic plan or objectives in light of changing circumstances affecting the Company or its businesses.
14. Taking action as the Board deems appropriate in the event that the Company does not successfully execute certain strategic plans or achieve its annual or short-term corporate objectives or when other special circumstances warrant.

Monitoring of Financial Performance/Reporting and Other Financial Matters

15. Reviewing and approving the Company's annual budget presented by management.
16. Reviewing and approving the Company's annual audited financial statements and unaudited interim financial statements and the notes for each, as well as the annual and interim Management's Discussion and Analysis, the Annual Information Form, Management Proxy Circular, other public offering documents and the Annual Report.
17. Overseeing, directly and through the Audit Committee, the processes implemented to ensure that the financial performance and results of the Company are reported fairly, accurately and in a timely manner in accordance with generally accepted accounting standards and in compliance with legal and regulatory requirements.
18. Overseeing, directly and through the Audit Committee, the process implemented to ensure integrity of the Company's internal control and management information systems.

Risk Management

19. Overseeing the processes by which the principal risks of the Company are identified, assessed and managed and for ensuring that appropriate risk management systems are implemented and maintained with a view to achieving a proper balance between risks incurred and the creation of long-term sustainable value for shareholders.

Environmental Oversight

20. Overseeing, with the assistance of management, the processes for the implementation and maintenance of environmental stewardship and health and safety management systems that are consistent with accepted industry practices and comply with applicable laws and regulatory requirements.

Corporate Policies and Procedures

21. Directly and through its Board committees, reviewing and approving, and monitoring compliance with, all significant policies and procedures by which the Company and its wholly-owned subsidiaries conduct their business and operations. In discharging such responsibility, the Board shall ensure that such policies and procedures are consistent with the principle that the Company and its wholly-owned subsidiaries must operate at all times in compliance with applicable laws and regulatory requirements and under the highest ethical standards.
22. Adopting, and reviewing annually, a written code of business conduct and ethics that addresses, among other things, conflicts of interest; protections and use of corporate assets and information; confidentiality of corporate information; fair dealing with the Company's shareholders, customers, suppliers, competitors and employees; compliance with laws, rules and regulations; and the reporting of any illegal or unethical behaviour.
23. Either directly or through one or more Board committees, monitoring compliance with the Company's code of business conduct and ethics, and considering and if thought appropriate, granting waivers in respect of the code.

Communications and Reporting

24. Approving and reviewing annually the Company's Corporate Disclosure Policy and other communications policies and procedures that address communications with shareholders, employees, financial analysts, governments and regulatory authorities, the media and the communities in which the business of the Company and its wholly-owned subsidiaries is conducted.

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Approved by the Board of Directors on February 7, 2007.

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