



  
**Ivernica**  
*An International Base Metal Miner*



**Primary Lead Production:**  
*Will it survive in the  
recycling era?*

**Wayne Richardson**  
Metal Bulletin  
World Lead Conference  
April 7-8, 2011

## **Forward Looking Statements**

*Certain statements contained in this presentation constitute forward-looking information within the meaning of securities laws. All statements included herein (other than statements of historical facts) which address activities, events or developments that management anticipates will or may occur in the future are forward-looking statements, including statements as to the following: future targets and estimates for production, capital expenditures, operating costs, cash costs, mineral resources, mineral reserves, life of mine, recovery rates, grades and prices, business strategies and measures to implement such strategies, competitive strengths, estimated goals and plans for Ivernia's future business operations and other such matters. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "contemplate", "target", "believe", "plan", "estimate", "expect", and "intend" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. These statements are based upon certain reasonable factors, assumptions and analyses made by management in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. However, whether actual results and developments will conform with management's expectations is subject to a number of risks and uncertainties, including factors underlying management's assumptions such as regulatory compliance and approvals, matters relating to ramping up mining and milling throughput and operations, metal price volatility, lead carbonate concentrate treatment charges, exchange rates, regulatory proceedings and litigation, the fact that the Company has a single mineral property, resources and reserves, health and safety, environmental factors, mining risks, metallurgy, labour and employment regulations, government regulations, insurance, dependence on key personnel, constraints on cash flow, the nature of mineral exploration and development, matters related to the order to cease transport of lead concentrate and matters relating generally to the transportation of lead carbonate; matters related to the Esperance settlement and shipments through the Port of Fremantle; implications stemming from the Esperance inquiry; and common share price volatility and the dilution of the Company's common shares. Additional factors are discussed in the Company's Annual Information Form dated as of March 30, 2011 and in other documents filed from time to time by Ivernia with Canadian securities regulatory authorities. While Ivernia considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. These factors may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and there can be no assurance that the actual results or developments anticipated by management will be realized or, even if substantially realized, that they will have the expected results on the Company. Undue importance should not be placed on forward-looking information nor should reliance be placed upon this information as of any other date. Except as required by law, while it may elect to, Ivernia is under no obligation and does not undertake to update this information at any particular time.*

## **An International Base Metal Miner**

- *The Magellan Mine in Western Australia*

## **Lead Price Leverage**

- *Fundamentals Remain Strong*

## **Magellan Operations Upside**

- *Significant Increase in Mineral Reserves & Resources announced March 30, 2011*

## **Growth Strategy**

- *New High-Grade Discovery at Prairie Downs*



*Managing the Energy Storage Lifecycle*



*Green SEA Resources Inc. is a private, Canadian-based pre-IPO company*

## Senior Management

**Alan De'ath** *President & CEO*

**Wayne Richardson** *Executive VP & COO*

**Alan You Lee** *VP Finance & CFO*

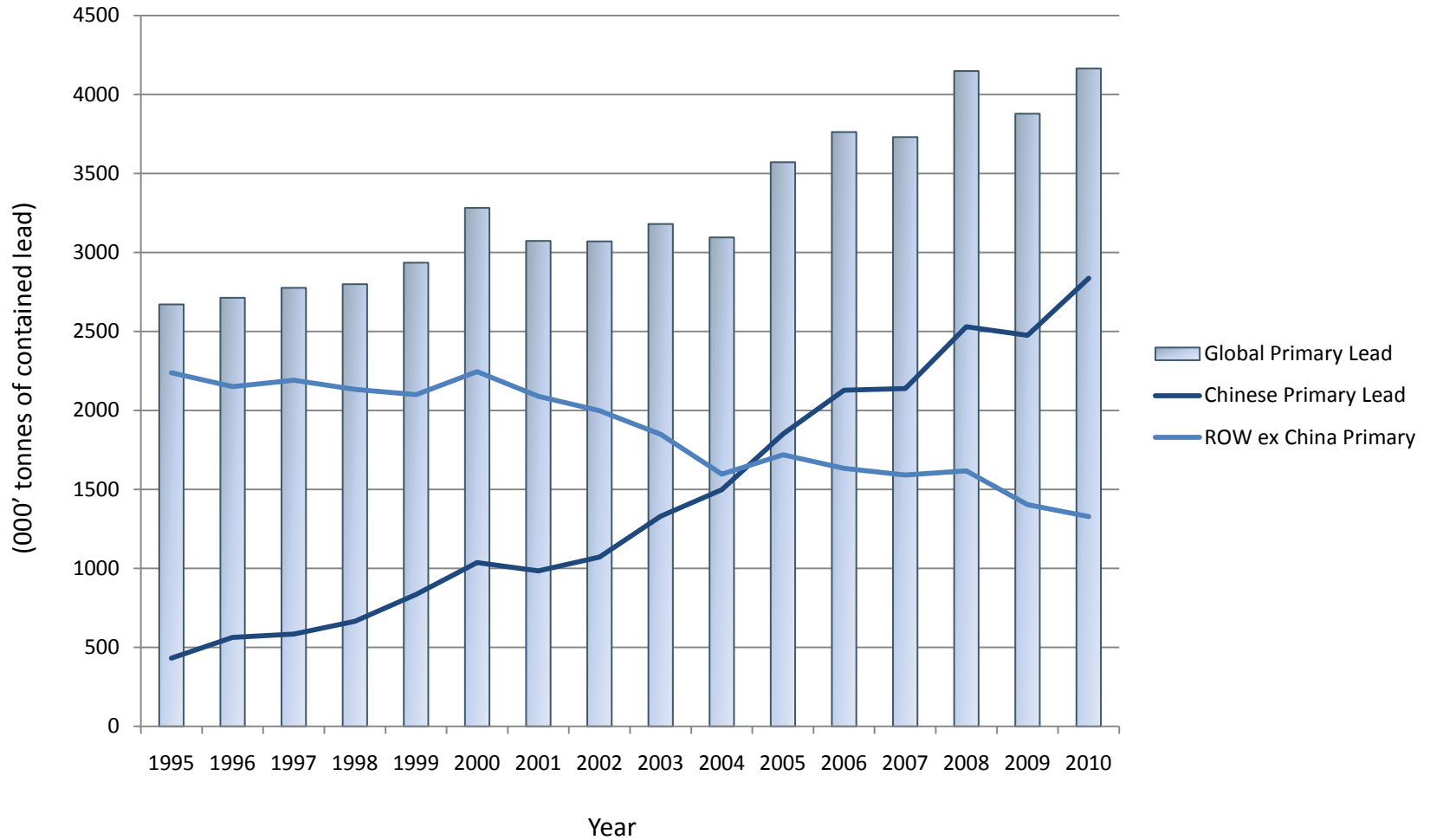
**Michael Tamlin** *VP Business Development*

**D'Arcy Doherty** *VP Legal, General Counsel & Corporate Secretary*

**Kane Blackman** *VP HSE*

**Fiona Childe** *VP Communications*

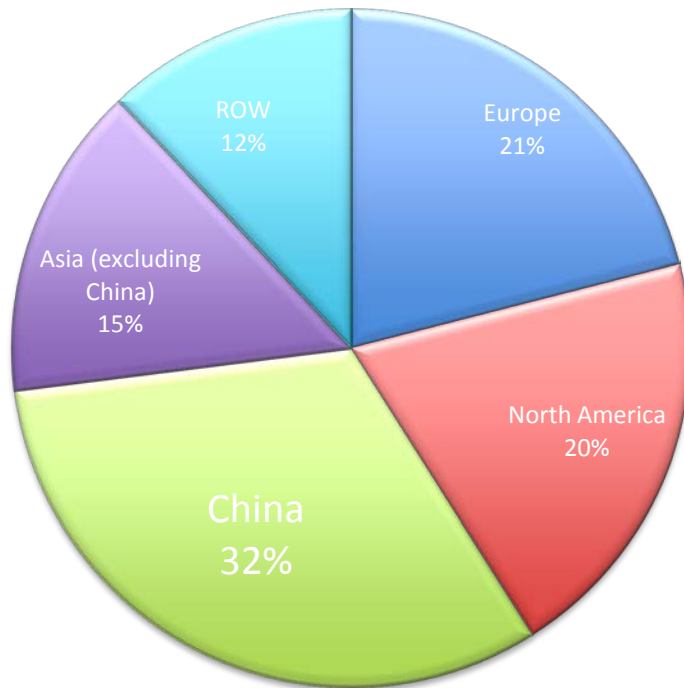
# Primary Lead Production by Region



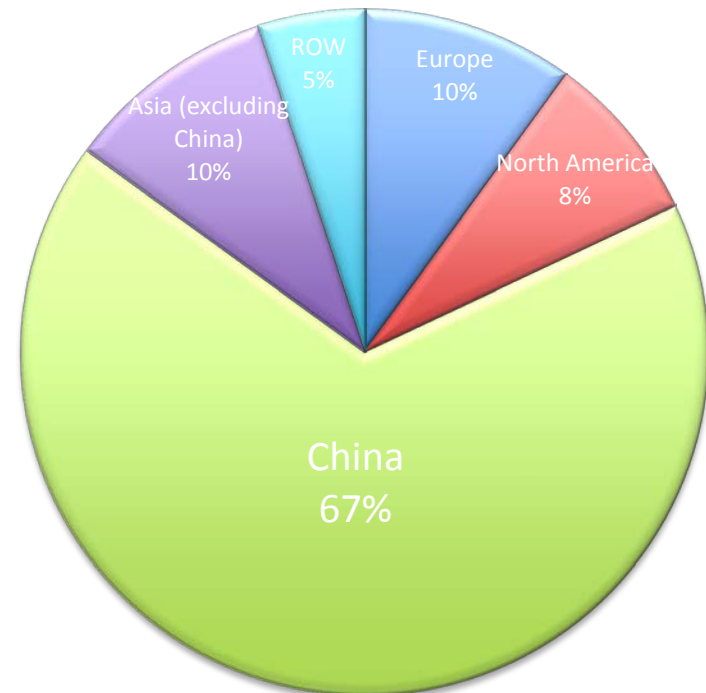
Source: ILZSG

# Primary Lead Production by Region

*Fundamental shift in the location of lead production over the last decade*



*From 2000....*



*To 2010....*

Source: ILZSG

# Western World Primary Smelters

## Closed/Temporarily Closed

Asarco – East Helena, USA

Doe Run – Glover, USA

Doe Run – La Oroya, Peru

Glencore – Porto Vesme, Italy

Penarroja – Noyelle Godault, France

## Converted to Recycling

Doe Run – Buick, USA

Recyclex – Nordenham, Germany

Metallurgie Hoboken, Belgium

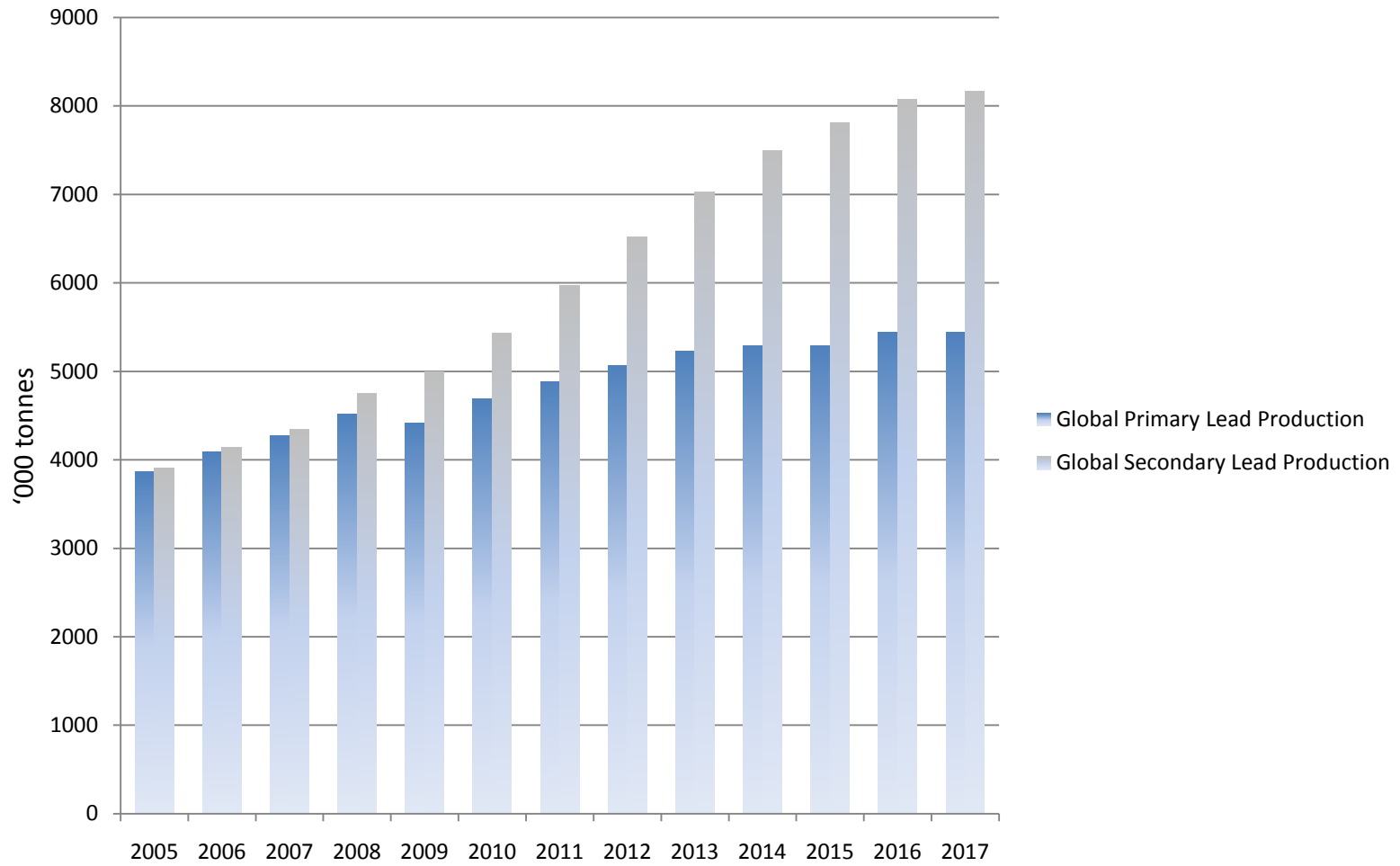
## Possible Closures

Doe Run – Herculaneum, USA - 2013?

Xstrata – Belledune, Canada - ??

Source: AALLC

# Secondary Lead Production



Source: AALLC

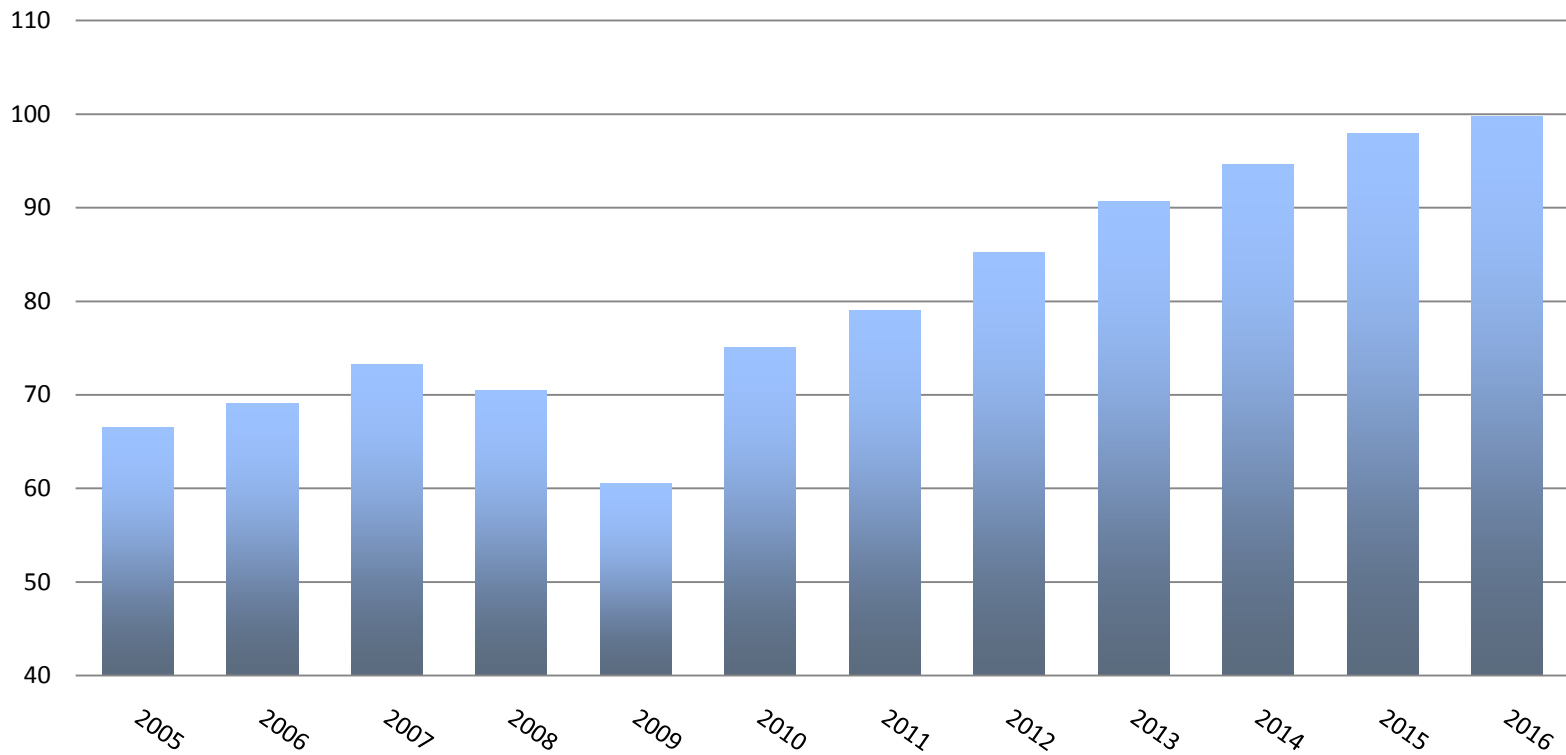
## ❖ *Rapid Growth in Chinese Smelter Capacity in the Last Decade*

- In 2000, 23 smelters produced about 1Mt of lead
- In 2010, >46 smelters produced 3Mt of lead
- China is adding 400 kt of additional smelting capacity

Source: CHR Metals; GFMS

# Global Vehicle Production

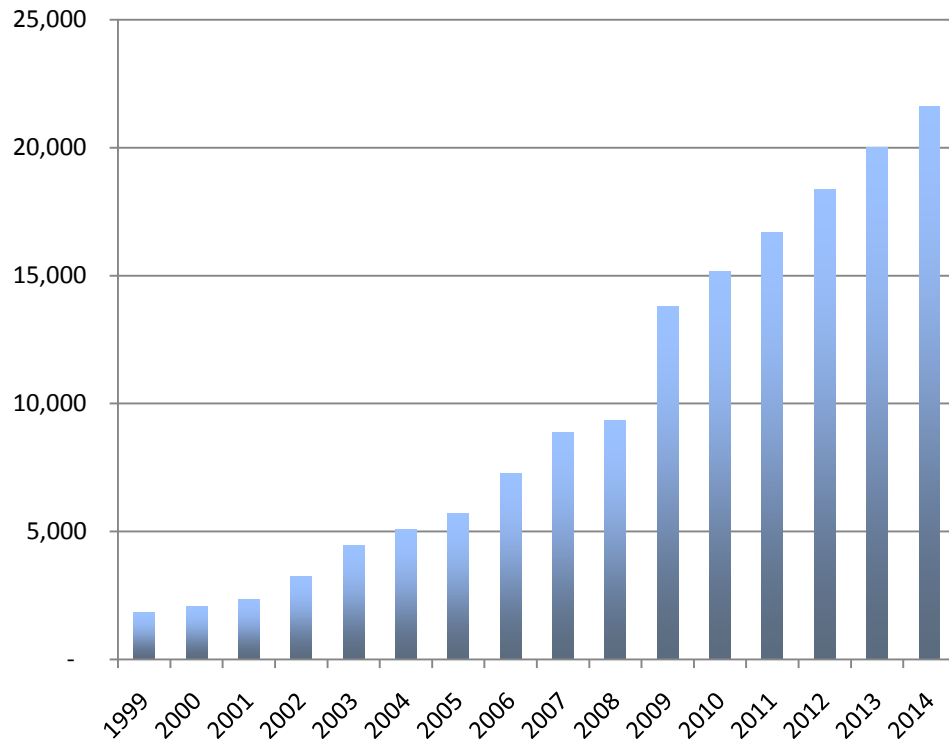
(millions of units)



Source: CSM Worldwide, OICA

# China Auto Production & Forecast

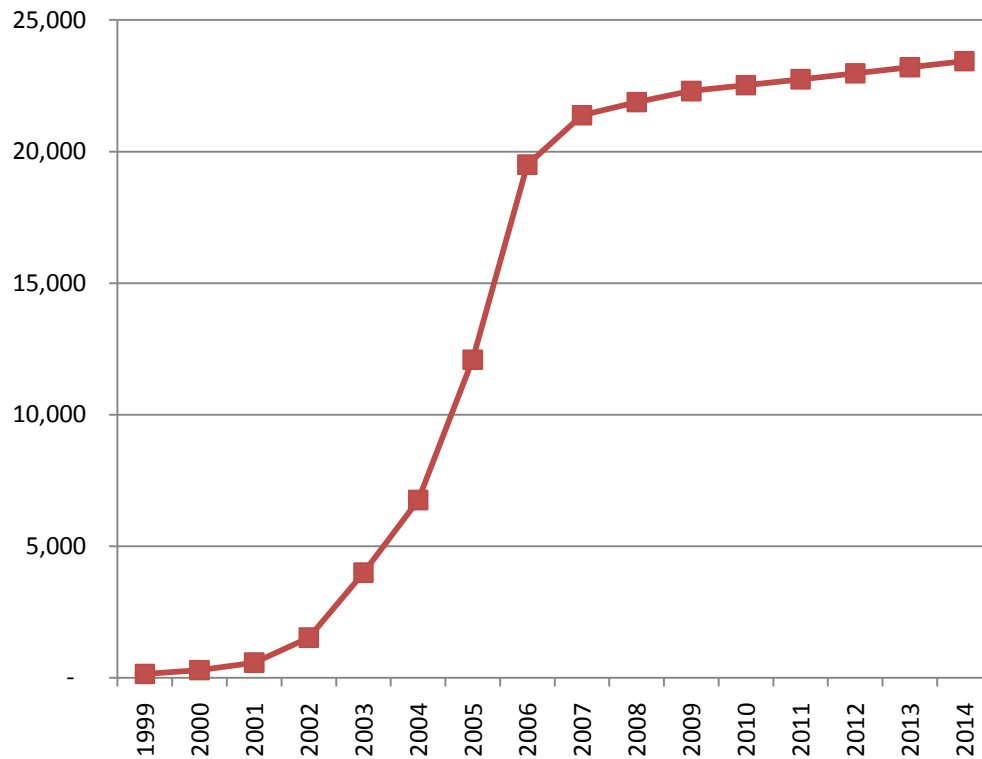
China Auto Production (000's)



Source: ILZSG

# China E-bike Production

China E-bike Production (000's)



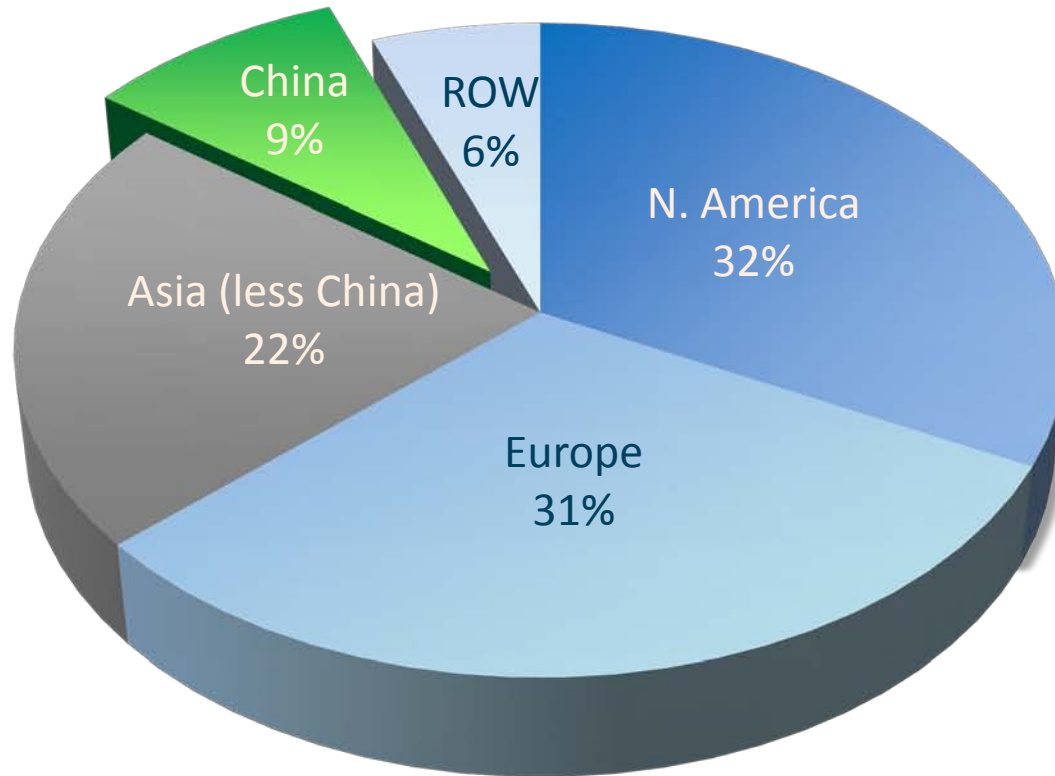
Source: ILZSG

# Idle Stop Start (“ISS”) Vehicles

	European ISS* Forecast (millions of units)	Global ISS** Forecast (millions of units)	Additional Global Lead Usage (Metric tons)
2008	0.9		
2009	1.8		
2010	3.1		
2011	4.8	7.0	32,000
2012	7.5	11.0	50,000
2013	9.3	15.5	70,000
2014		19.0	86,000
2015	16.0**	20.5	93,000

Sources: \*Pregaman RSR Technologies; \*\*Johnson Controls

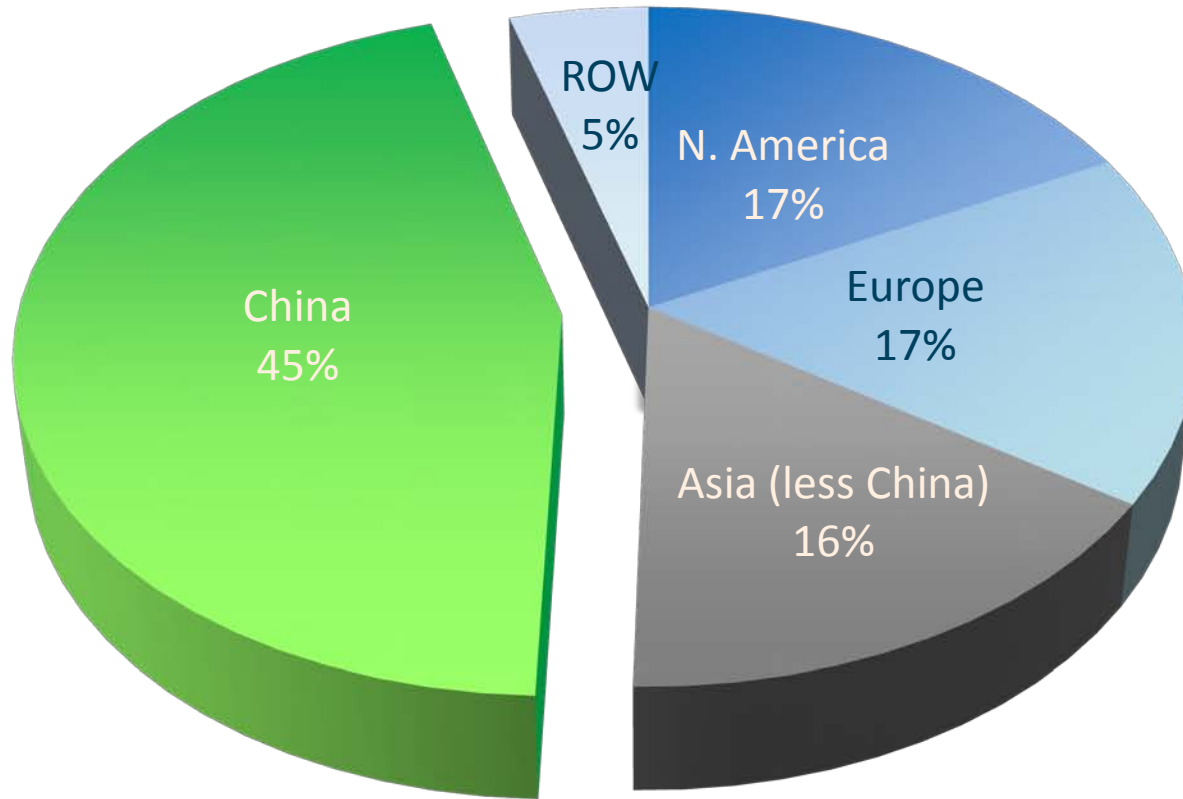
# Lead Consumption by Region: 2000



Global Consumption  
6.508 million metric tons

Source: ILZSG

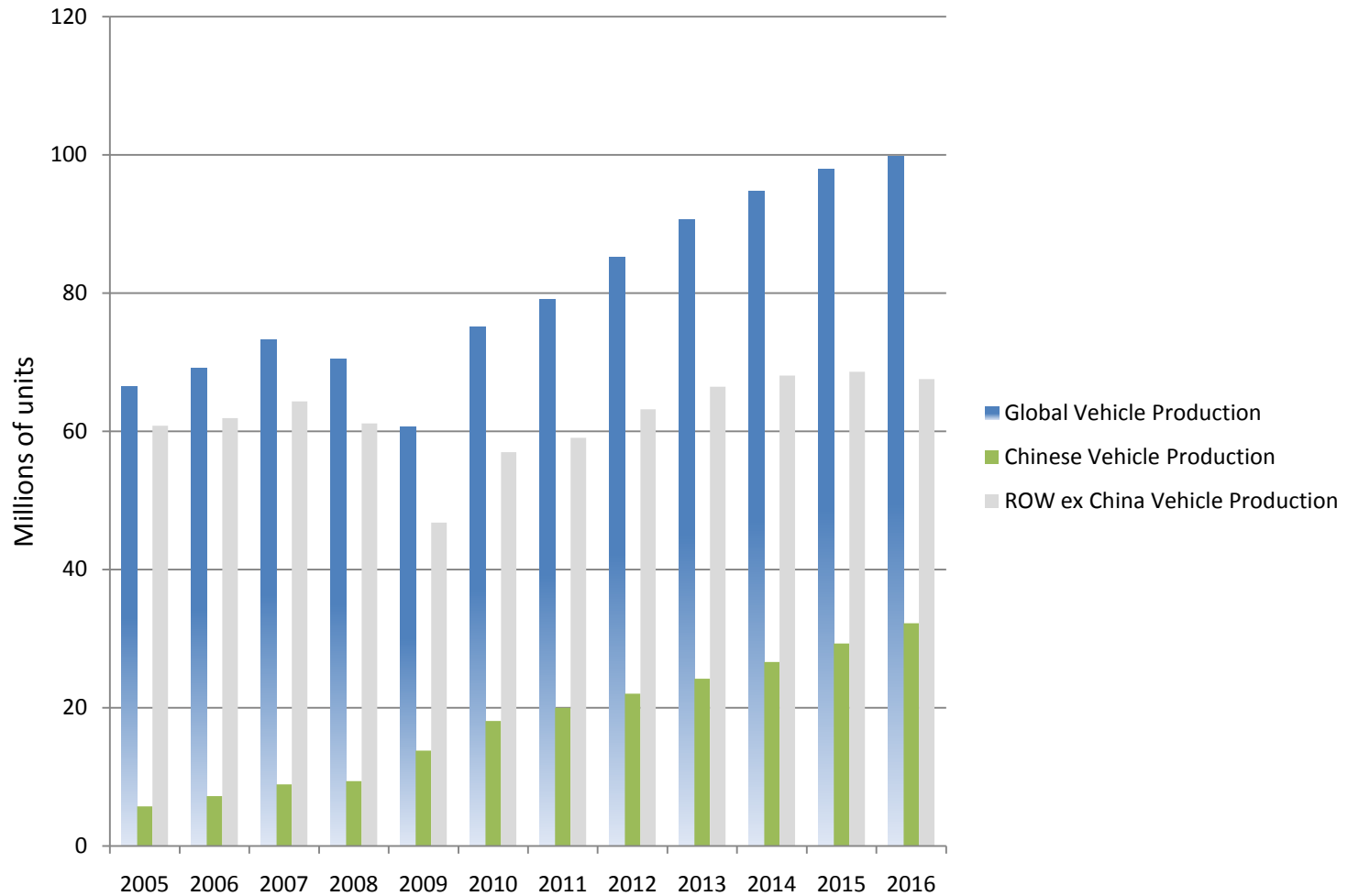
# Lead Consumption by Region: 2010



Global Consumption  
9.353 million metric tons

Source: ILZSG

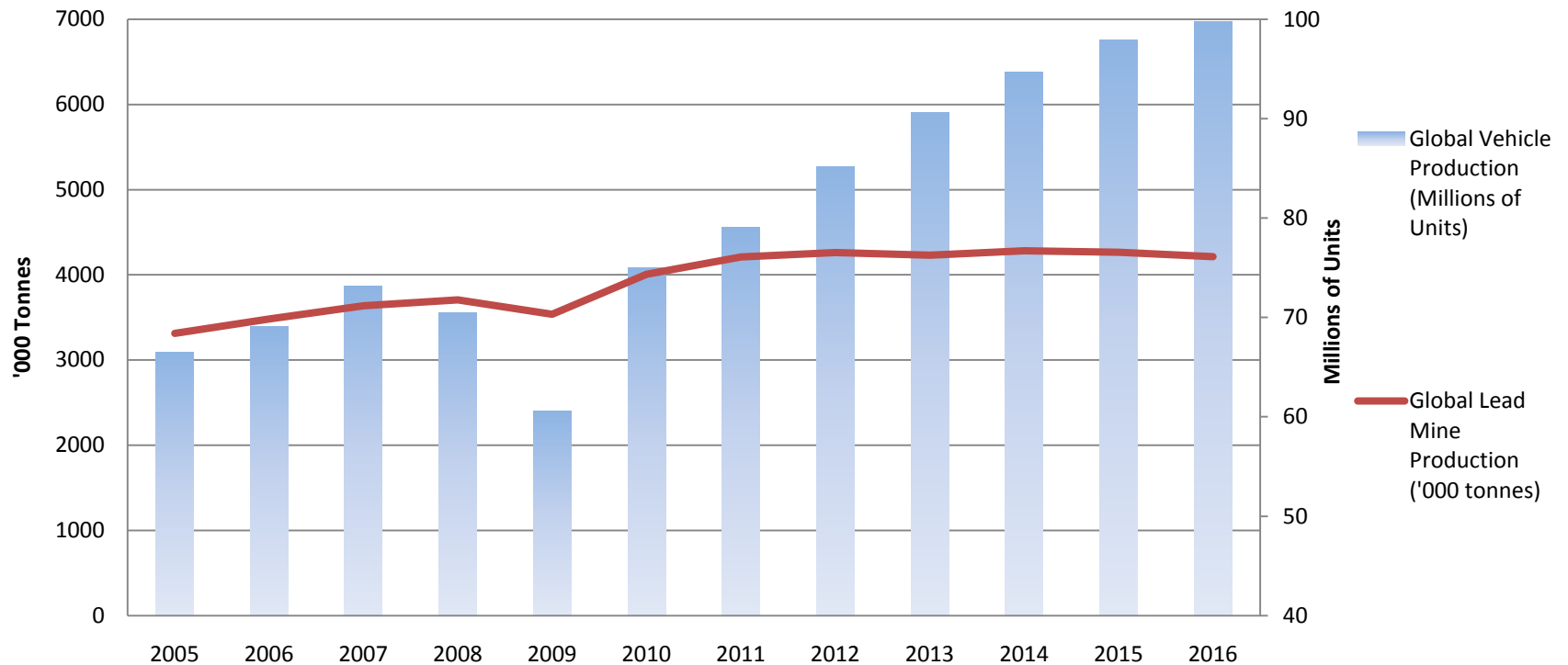
# Vehicle Production



Source: CSM Worldwide, OICA, CHR Metals

# Supply & Demand

## Global Vehicle vs. Lead Mine Production



Source: CHR Metals, HIS, CMS, OICA

- ❖ Primary lead smelting has moved from the West to China
- ❖ Primary lead demand is fueled by “new” uses - primarily vehicle growth
  - **New vehicles need new lead**
  - **Lead recycling is essentially a closed loop and cannot address growth**
- ❖ Forecast mined lead output will not keep pace with new lead demand resulting in supply deficits
  - **Very little new mine production is coming on-stream post 2010**
- ❖ Combination of limited lead concentrate availability and excess smelting capacity in China will increase competition for concentrates and keep TC's low
- ❖ So will primary lead production survive in the recycling era?  

unequivocally **YES!**

# Contact Us

*For additional information please contact:*

**Fiona Childe**

**VP Investor Relations & Communications**

**130 Adelaide Street West, Suite 3303**

**Toronto, ON, Canada**

**416.365.2783 • [info@ivernia.ca](mailto:info@ivernia.ca)**

