



**IVERNIA REPORTS THIRD QUARTER 2004 RESULTS;
MAGELLAN LEAD MINE CONSTRUCTION ON SCHEDULE,
COMMISSIONING COMMENCES IN JANUARY**

(all dollar amounts are in United States dollars unless otherwise stated)

Third Quarter Highlights

- Construction of process facilities at the Magellan lead mine in Western Australia is on schedule for year-end handover by the contractor
- Commissioning is due to commence in January 2005
- First shipment of lead concentrates to be made in Q1 2005
- Optimization of the mining schedule for the increased reserves is in progress
- All major mining and supply contracts have been awarded
- An updated life-of-mine plan indicates average cash operating costs of \$0.20 per pound in the first five years, a 10% increase primarily due to fuel costs
- The mine is scheduled to produce 410,000 tonnes of lead in the first five-year period, 51% for Ivernia's account
- The lead price finds a solid base above 40 cents/lb

Toronto, Ontario, November 11, 2004: Ivernia Inc. (TSX: IVW) today reported a loss of \$479,000 or \$(0.01) per share for the third quarter, 2004 compared with earnings of \$7.5 million or \$0.26 per share for the third quarter of 2003. The Company's principal asset is a 51% operating interest in the high-grade Magellan lead mine in Western Australia, which is on schedule to be brought into production in the first quarter of 2005.

Summary of Operations – Magellan Lead Mine, Western Australia

Construction on Schedule

Plant construction by Roche JR is proceeding on schedule for a year-end handover, to be followed by commissioning of the processing facilities and start-up of production in the first quarter.

- All major items of plant and equipment have been delivered to site
- Pumping of water has commenced from the bore field and the raw water storage dam has been filled
- The tailings pipeline corridor is being prepared for pipe laying
- Site clearance work has commenced on the tailings storage facility
- Plumbing in the processing plant is nearing completion
- Outstanding process construction areas primarily relate to electrical installations and completion of the tailings storage facility

Photographs of construction progress can be seen on the Company's website at ivernia.com.

Commissioning to Commence in January 2005

Commissioning is scheduled to commence in January 2005, followed by a nine-month build up to full production levels. It is anticipated that the first shipment of lead concentrates will be made in the first quarter 2005, with lead production estimated to total 66,000 tonnes for the year.

Mining and Supply Contracts Awarded

Mining Contractor: Mining and Civil Australia (MACA) were appointed as the mining contractor for an initial five-year period. Mobilization commenced mid September. Clearing and initial pre-stripping began in late October. This work will provide material for construction of the tailings storage facility.

Power Generation: Kalgoorlie Power Systems will provide all power for the site using diesel powered generators. These generators can be converted to run on combined diesel and natural gas in case of higher oil prices.

Bulk Reagents: Coogee Chemicals were awarded the contract to provide pre-mixed bulk reagents for the flotation process. The reagents will be trucked to site from Perth, Western Australia.

Positive Impact of Higher Lead Prices

The July 9, 2004 reserves of 16.2 million tonnes were estimated at a 3% cut-off grade based on a lead price of A\$1,000 (US\$700) per tonne. At current production throughput rates this provides a mine life of 12 years. However, with the recent lead price in the A\$1,200 (US\$900) per tonne range, an assessment is being made, as part of a mine plan optimisation study, on whether a lower cut-off grade is feasible due to higher lead prices, which may increase reserves and resources but at a lower overall grade.

Further Drilling Program Planned in early 2005

In addition, a drilling program will be carried out during 2005 to upgrade 13.0 million tonnes of inferred resources, which are located in the Magellan and Pinzon areas. Previous exploration had identified three highly prospective mineralized targets at Pizarro, Drake and Cortez that will be investigated further in the 2005 drilling program.

Increase in Production Throughput Rate to Be Studied during 2005

With such a strong resource base at Magellan, the optimal level of production and throughput rate will be studied during 2005. An increase in throughput rate would require expanded processing facilities and it is anticipated that this can be achieved at a relatively small additional capital cost.

Updated Life of Mine Plan

On October 8, Ivernia filed its updated NI 43-101 Technical Report in support of the previously announced increase in reserves. The report can be found on the SEDAR database at sedar.com.

Operating costs in the first five years are estimated to have increased by 10% to \$0.20 per pound, using actual supply costs and based on the revised mine schedule versus earlier feasibility study estimates. The impact of the worldwide increase in fuel costs and a buoyant mining sector are the major components in this small \$0.02 per pound cost increase, which is many times offset by the 56% increase in the lead price over the past 12 months. In addition, potential increases in production levels, to be studied during 2005, would also reduce operating costs due to volume efficiencies.

Future operating costs are expected to be reduced by an estimated market premium of \$0.05 per pound that will be received when high-quality lead metal is produced from the Magellan refinery in late 2006. For the first two years, the mine will produce lead concentrates that will be shipped to smelters until the Phase 2 refinery is completed.

Five-Year Production Estimate of 410,000 Tonnes

Mine scheduling based on the increased reserves of 16.2 million tonnes continues to be optimized. The current schedule confirms earlier projections of approximately 410,000 tonnes of payable lead production (51% for Ivernia's account) in the first five years of operation. The optimization is aimed at maximizing the mine's net present value.

Lead Production at an Opportune Time

Alan De'ath, President and CEO of Ivernia, said, "We are bringing Magellan into production at an opportune time, with lead appearing to have found a solid base above 40 cents per pound, reflecting strong demand for electrical-storage batteries and a historical under-investment in mine production over many years. The \$0.02 per pound increase in operating costs is mainly market driven as a result of the worldwide increase in oil prices and is insignificant in relation to the increase in the lead price. A major positive for Ivernia is the prospect of increasing production based on our excellent opportunities to increase reserves which would result in lower operating costs."

"When we come into production in the first quarter of next year, our shareholders are well positioned to benefit from the forecast lead supply deficit and the resultant strong metal price. Our current mine plan indicates producing about 66,000 tonnes of lead in 2005," said Alan De'ath.

Lead Prices

London Metals Exchange Ave. Lead Prices	Three Months September 30		Nine Months September 30	
	2004	2003	2004	2003
US\$/lb	0.42	0.23	0.39	0.22

Results of Operations

Selected Financial and Operating Highlights

Statement of Operations

<i>(thousands of US dollars except per share data) ⁽¹⁾</i>	Three Months ended September 30		Nine Months ended September 30	
	2004	2003	2004	2003
Net revenues-interest income	56	25	139	78
Earnings (loss) for the period	(479)	7,527	(1,116)	5,724
Basic earnings (loss) per share	(0.01)	0.26	(0.02)	0.20
Diluted earnings (loss) per share	(0.01)	0.22	(0.02)	0.16

(1) Per share data was calculated on the weighted average shares outstanding for the relevant period using post-consolidation weighted average number of common shares outstanding.

The following table identifies the sources of changes in income between the three and nine months period September 30, 2004 and 2003:

Changes in 2004 Loss compared to 2003 Earnings

<i>(thousands of US dollars)</i>	Third Quarter	Nine months
2003 earnings	7,527	5,724
Changes:		
Increased interest income	31	61
Increased (decreased) general and administrative	(43)	6
Group restructuring costs in 2003	-	572
Increased stock options costs	(181)	(722)
(Decreased) foreign exchange gain	(70)	(16)
Decreased interest expense	228	1,991
Gain on loan settlement in 2003	-	(768)
Gain on Lisheen sale in 2003	(7,971)	(7,971)
Decrease in other expenses	-	7
2004 loss	(479)	(1,116)

The primary reasons for the reduced income during the third quarter compared to the same period in 2003 was a one-time gain of \$7.97 million on the Lisheen sale in 2003. In addition, there were increased stock options costs of \$181,000 related to stock options

granted in 2003 and 2004. There was also a \$52,000 foreign exchange loss in the quarter compared with a \$18,000 gain in 2003. The decrease in income was partially offset by a \$228,000 reduction in interest expense due to significantly reduced debt following the sale of the Lisheen Mine in Ireland in September 2003, as well as a further reduction in interest expense following the conversion into common shares of the Company's \$1.95 million principal amount of convertible notes in February 2004 and an increase of \$31,000 in interest income due to higher cash balances.

The primary reasons for the reduced income during the nine months compared to the same period in 2003 was due to a \$7.97 million one-time gain on the Lisheen sale in 2003, a \$768,000 one-time gain in 2003 realised on a settlement of the Company's standby facility with an Irish financial institution and an increase in stock options costs of \$722,000 related to stock options granted in 2003 and 2004. This was partially offset by the \$572,000 one-time charge for group restructuring costs in 2003, increased interest income due to higher cash balances in 2004, decreased interest expense due to significantly reduced debt following the sale of the Lisheen Mine in Ireland in September 2003, as well as a further reduction in interest expense following the conversion into common shares of the Company's \$1.95 million principal amount of convertible notes in February 2004.

Liquidity and Financial Condition

Statement of Cash Flows

<i>(thousands of US dollars)</i>	Three months ended Sept 30		Nine months ended Sept 30	
	2004	2003	2004	2003
Cash (used in) provided by operating activities	1,642	(914)	2,295	(1,986)
Cash (used in) investing activities	(5,309)	(1,143)	(8,471)	(2,975)
Cash provided by financing activities	113	4,023	12,098	8,474
Increase (decrease) in cash	(3,237)	2,169	6,087	3,333

Net cash used in investing activities during the third quarter was \$5.31 million, primarily representing additions to property, plant and equipment at the Magellan Project. This net cash used in investing activities in the quarter compared to net cash used of \$1.14 million in the same period in 2003, consisting of \$2.60 million in additions to property, plant and equipment and net proceeds of \$1.46 million from the Lisheen sale.

Net cash used in investing activities during the nine months period was \$8.47 million, primarily representing additions to property plant and equipment at the Magellan Project. This net cash used in investing activities in the nine months period compared to net cash used of \$2.98 million in the same period in 2003.

Net cash provided by financing activities during the third quarter was \$113,000 from the exercise of 300,000 stock options. This net cash provided by financing activities compared to net cash provided of \$4.02 million in the same period in 2003.

Net cash provided by financing activities during the nine months period was \$12.10 million, the main components of which were net proceeds of \$14.97 million on the issue of shares less the net payment of long term debt of \$2.87 million. This net cash provided by financing activities compared to net cash provided of \$8.47 million in the same period in 2003.

On March 31, 2004 all of the Magellan Notes were converted into Magellan Metals shares or replaced with Magellan Loans, with the result that Sentient increased its equity interest in Magellan Metals from 40% to 49%. Ivernia holds the remaining 51% equity of Magellan Metals and remains the operator of the Magellan Project. Ivernia and Sentient also agreed that all obligations of Ivernia under an interim funding arrangement entered into with Sentient in June 2003 (the "Cash Flow Note") pursuant to which Sentient had advanced certain funds to Magellan Metals on the Company's behalf to finance the development of the Magellan Project terminated with effect from March 31, 2004. Ivernia has paid Sentient the \$4.13 million outstanding (including interest) on the Cash Flow Note as of this date. Documentation was entered into on March 31, 2004 and September 10, 2004 which provided for the repayment of the Cash Flow Note and the termination of certain equitable mortgages held by Sentient over Ivernia's interest in Magellan Metals.

On May 4, 2004 the Company, Sentient and certain of their related parties amended the Magellan joint venture agreements to increase their commitments to provide Progress Loans to fund the development of the Magellan Project from an aggregate of \$10 million to \$33.7 million (inclusive of \$7.2 million funded prior to March 31, 2004 by the joint venture partners), in proportion to their respective joint venture interests. They also created a contingency facility under which, if the Company is for any reason unable to fund its share of Progress Loans beyond \$14.7 million (inclusive of \$3.7 million funded prior to March 31, 2004 by Ivernia), then at the Company's request Sentient will provide up to \$5.0 million in Magellan Loans to Magellan Metals to cover the Company's and Sentient's respective portions of such remaining required funding. These additional Magellan Loans are convertible into Progress Loans upon the Company paying to Magellan Metals the amount advanced on its behalf by Sentient.

Balance Sheet

(in thousands of US dollars)

	As at	
	September 30, 2004	December 31, 2003
Cash and cash equivalents	9,896	3,809
Working capital	6,112	3,246
Total assets	30,336	15,528
Total long-term financial liabilities	2,724	8,004

As at September 30, 2004 the Company had a working capital surplus of \$6.11 million including cash of \$9.90 million, compared to a working capital surplus at December 31, 2003 of \$3.25 million, which included cash of \$3.81 million.

Change in accounting policies

The Company has adopted CICA Handbook Section 3110 "Asset Retirement Obligations" which requires the recognition of legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and normal use of the assets. The fair value of a liability for an asset retirement obligation is recognized in the period in which it is incurred and is added to the carrying amount of the associated asset and this additional carrying amount is amortized over the life of the asset when in production. At the end of each reporting period, accretion of the liability is capitalized as part of the cost of the project during the construction phase, and is charged to operating expenses when in production. If the obligation is settled for other than the carrying amount of the liability, the Company will recognize a gain or a loss on settlement.

As at September 30, 2004 the Company's share of Magellan Metal's asset retirement obligation was \$252,000.

Outstanding Share Data

On June 30, 2004 at the Company's annual and special meeting, the shareholders approved a special resolution authorizing the consolidation of the Company's issued and outstanding common shares on the basis of one consolidated common share for each five old common shares.

During the quarter, 600,000 options were granted, 300,000 options were exercised and 415,000 options expired. At September 30, 2004 there were outstanding options to purchase 4,506,000 common shares of the Company.

For the nine months to September 30, 2004 2,380,000 options were granted, 300,000 were exercised and 415,000 expired.

As at November 11, 2004 there were outstanding options to purchase 4,556,000 common shares of the Company.

As at November 11, 2004 the company had 60,098,780 common shares and no preference shares issued and outstanding.

As at November 11, 2004 the Company has outstanding instruments comprising common share purchase warrants and broker warrants, which are ultimately exercisable in one or more steps into 9,404,000 common shares of the Company.

Underwritten Private Placement Financing

On November 2, 2004, the Company announced that it had entered into an agreement to sell, on an underwritten private placement basis, 5.6 million units at a price of C\$1.25 per unit for gross proceeds of C\$7.0 million. The offering is being co-led by Canaccord Capital Corporation and Haywood Securities Inc. and includes Paradigm Capital Inc. (collectively, the "Underwriters"). Ivernia also granted the Underwriters an option to increase the offering by up to an additional 2.4 million units at the offering price at any time prior to 48 hours from closing.

Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase an additional common share at a price of C\$1.40 for a period of 5 years following closing.

The net proceeds from the private placement will be used to refinance a portion of Ivernia's ongoing development program on its Magellan lead project in Western Australia, for exploration and for general working capital purposes.

In consideration for their services, the Underwriters will receive a 6.5% cash commission and will be issued compensation options to purchase such number of units equal to 6.0% of the number of units sold under the offering. The compensation options will be exercisable for 18 months following closing at an exercise price set in accordance with the policies of the Toronto Stock Exchange provided that such exercise price shall not be lower than the C\$1.25 unit price of this offering.

Risks and Uncertainties

Please refer to management's discussion and analysis for the year-ended December 31, 2003.

About Ivernia

Ivernia is an international base-metals mining and exploration company whose principal asset is a 51% interest with operating control in the low-cost Magellan lead mine in Western Australia. The mine is on schedule to commence production in the first quarter of 2005, producing an estimated 410,000 tonnes over the first five years of its current 12-year life. Ivernia anticipates that by 2006 the Magellan mine will be one of the top 3 lead mines in the world in terms of annual production of contained lead metal and will be producing close to 5% of Western World lead mine production. Substantial resources and exploration opportunities exist to extend mine life and potentially increase production.

The complete quarterly report and financial statements are available on the Company's website at www.ivernia.com and on SEDAR at www.sedar.com.

Forward-Looking Statements

This Management's Discussion and Analysis of Financial Condition and Results of Operations contains certain forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are forward-looking statements. 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 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 the considerations discussed herein and in the Company's annual information form and in other documents filed from time to time by the Company with Canadian securities regulatory authorities, general economic, market or business conditions, the opportunities (or lack thereof) that may be presented to and pursued by management, competitive actions by other companies, changes in laws or regulations and other factors, many of which are beyond the Company's control. 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 Ivernia. All of the forward-looking statements made herein are qualified by the foregoing cautionary statements. The Company expressly disclaims any obligation to update or revise any such forward-looking statements.

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