



NEWS RELEASE

IVERNIA PLANS TO ACCELERATE INCREASED LEAD PRODUCTION AND UPGRADE ITS SUBSTANTIAL RESOURCES

Toronto, Ontario, January 20, 2005: Ivernia Inc. (TSX: IVW), which has a 51% interest with operating control in the Magellan lead mine in Western Australia, announced today that the joint venture partners have approved:

- An accelerated pre-stripping program of the Magellan deposit to bring forward the mining of Magellan's higher grade ore by 12 months
- An exploration program that will upgrade the 13 million tonnes of Inferred Resources at the Pinzon and Magellan deposits

Ivernia's 51% share of the cost of these programs will be funded from the C\$10.0 million private placement that closed on November 18, 2004.

"The recent equity issue has given us the flexibility to improve Magellan's already strong returns by the earlier mining of higher grade ore, allowing us to bring forward the higher lead production rates." said Alan De'ath, President and CEO. "And by upgrading the Inferred Resources, we can optimize the Life of Mine production rate to provide a constant concentrate feed to the refinery that we are planning to build in 2006, which will have a further positive impact on returns."

Increasing 2006 Production to 100,000 Tonnes

The A\$3.0 million accelerated pre-stripping of the Magellan deposit (A\$1.5 million Ivernia's share) will bring forward the ore production from this open pit into 2006 and provide earlier access to the deposit's higher grades. Lead production in 2006 will rise to approximately 100,000 tonnes of lead in concentrate versus a previously planned 65,000 tonnes.

Upgrade of Inferred Resources

A part of the A\$1.2 million exploration program (A\$0.6 million Ivernia's share) is planned to upgrade the Pinzon and Magellan deposits' 13 million tonnes of Inferred Resources to Indicated Resources. This will allow these resources to be used in the Life of Mine (LOM) mining schedule. It is anticipated that this drilling will be completed by the end of the first quarter. A revised Resource and Reserve Statement is likely to be issued by mid-year.

Proposed Increased Throughput

Previous mining schedules have been based on a constant milling throughput rate of 1.4 million tonnes per annum. Following the release of the next Resource and Reserve Statement, the LOM schedule will be revised to provide an estimated constant 100,000 tonnes of lead in concentrate per annum by increasing the milled throughput to counter the natural fall-off in grade towards the end of the mine life.

Upgrade Mineralization Targets to Inferred Resources

In addition to the exploration program's upgrade of the Inferred Resources, previously established mineralization on the Cortez, Drake and Pizarro prospects will be drilled to provide the basis for an Inferred Resource estimation. All of these prospects are within trucking distance of the Magellan processing facilities.

The exploration program also will include reconnaissance of the Yandil property to the northeast of the mine site, which covers highly prospective geology similar to Magellan's.

On Schedule for Production Startup in the First Quarter

The Magellan processing facility was handed over by the contractor on December 21 and the commissioning of the plant is currently being undertaken by company staff. The mine is on schedule to ship its first concentrate to Metal Reclamation (Industries) Sdn. Bhd., a Malaysian smelter, by the end of the first quarter. Estimated production for the coming year is 60,000 tonnes of lead. Cash operating costs for the first five-year period are estimated to average US\$0.20 per pound, although costs will be above this average during 2005 as the mine goes through the commissioning and production ramp-up phase to reach full production by the fourth quarter.

"We are two weeks into the commissioning phase. The commissioning program is initially focused on the front-end milling section of the plant, which is being gradually loaded until the design milling rate is achieved. This is likely to take two to three weeks. Initially waste rock will be used, followed by low grade ore and then run-of-mine grade. Our plan to ship concentrate before the end of the quarter is on schedule," said Alan De'ath. "The current lead price of US\$0.42 per pound, decreasing London Metal Exchange metal inventories and the forecast supply deficit support our view that Magellan will be up and running at an opportune time."

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 now being commissioned, with the first shipment of concentrate scheduled for March 2005. By 2006 Magellan is expected to be one of the top three lead-producing mines in the world in terms of annual production of contained lead metal, producing close to 5% of Western World lead-mine production. Substantial exploration opportunities and inferred resources exist to extend mine life.

Forward-Looking Information

This document 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”, “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 forward-looking statements reflect the current internal projections, expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to a number of risks and uncertainties, including those detailed from time to time in filings made by the Company with securities regulatory authorities, that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. The Company expressly disclaims any obligation to update or revise any such forward-looking statements.

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