



**Ivernia West Increases Reserves on Magellan Lead Property;  
Initiates A\$0.7 million Drilling Programme Based on Promising Results**

**Highlights**

- Recent drilling and an updated interpretation of the Cano lead deposit confirms an increase in reserves and resources
- Cano ore reserve grade increased from 5.7% to 6.0% lead
- Cano reserve tonnage increased by 33%, contained lead increased by 40%
- High-grade intercepts near the Magellan deposit; mineralisation extended 400m northwest towards Cano, remains open to the north
- Gama South prospect a possible eastward extension of Magellan
- Further infill drilling and wider spaced extension drilling around both the Magellan and Cano deposits to be started in early 2004
- Approval for exploration received for new 21.5 square- kilometre Yandil property to the northwest of Magellan; exploration to commence in Q2, 2004
- Project on track to start construction in April 2004 and production in Q1, 2005

**Toronto, December 16 2003:** Ivernia West Inc. (TSX: IVW) is pleased to announce a new resource and reserve estimate for the Cano deposit on the Company's 60%-owned (which can reduce to 51%) Magellan lead project, in Western Australia. Cano represents just over 25% of the project's contained lead in total reserves and resources.

**Increase in Cano Resources**

The recent Cano drilling programme has increased the density of data from 100 m spacing to 50 m spacing in the main part of the deposit. This has allowed an improved geological interpretation and a refinement of geostatistical estimation parameters. A previously announced preliminary estimate by CSA Australia Pty Ltd indicated an increase in the Cano lead resource grade from 5.5% to 6.7%, with no increase in tonnage, as part of a range of estimates covering 3.8 to 4.5 million tonnes with grades between 6.7% and 5.8% lead.

A new estimate by Snowden Mining Industry Consultants Pty Ltd has made a different geostatistical assessment compared to the preliminary estimate. As a result, the grade of the resource is unchanged at 5.5%, offset by a 23% increase in tonnage to 4.7 million tonnes. The net effect is an increase in

contained lead of 23% to 257,000 tonnes compared to the April 2003 resource statement.

The updated Cano resources based on the estimation by Snowden are compared with the previously published estimates below:

Cano Resource Estimate Above 3% Lead Cut-off Grade

Resource Categorisation	Apr 30, 03		Dec 8, 03	
	Tonnes (000's)	% Pb	Tonnes (000's)	% Pb
Measured	3,550	5.5	3,080	6.0
Indicated	250	5.5	1,590	4.5
Total, including reserves	3,800	5.5	4,670	5.5

The above resource estimate was prepared by Shaun Hackett of Snowden and reviewed by Viv Snowden who is a principal consulting geostatistician at Snowden and is a Qualified Person under the terms of Canadian regulation NI 43-101.

Increase in Cano Reserves

More importantly the Cano reserve grade has increased from 5.7% lead to 6.0%, which, together with a 33% increase in tonnes, results in a 40% increase in contained lead to 211,000 tonnes.

In terms of contained lead metal, the Cano deposit currently represents 27% of the Magellan project's total resources and 26% of total reserves.

The Cano ore reserves shown below were based on a preliminary ultimate-pit design and include 5% dilution at 2.0% lead grade and a 1.5% ore loss from converting resources to reserves. A lead price of US\$625 per tonne and an exchange rate of US\$0.70 to A\$1.00 was used to generate the optimum pit shells.

Cano Ore Reserve Estimate Above 3% Lead Cut-off Grade

Reserve Categorisation	Apr 30, 03		Dec 8, 03	
	Tonnes (000's)	% Pb	Tonnes (000's)	% Pb
Proven	110	5.1	2,796	6.2
Probable	2,520	5.8	710	5.3
Total	2,630	5.7	3,506	6.0

The above ore reserve estimate was prepared by Stephen Craig of Snowden, who is a Qualified Person under the terms of Canadian regulation NI 43-101.

A combined resource and reserve update for Cano and Magellan as at December 31, 2003 will be published during Q1, 2004.

### Increase in Tonnage Extends Mine's Life

Ken Sangster, Ivernia's Executive Vice Chairman responsible for Magellan's development, commented, "The increase in Cano tonnage confirms what we had previously thought, that infill drilling at Cano would increase the contained metal as it had done following infill drilling on the Magellan deposit. This confirmation is very positive for the project economics as well as its mine life. We expect the project to be in production in the first quarter of 2005 with an average annual output of 70,000 tonnes of lead." (See Ivernia's news release of November 14 at [www.ivernia.com](http://www.ivernia.com) for a full description of the project and its feasibility study).

### Positive Results Lead to Further Exploration

Following the positive results of recent exploration drilling over and above the Cano infill work, the Magellan Board has approved A\$700,000 for further resource and exploration drilling at Magellan. Drilling will commence immediately in January 2004 in order to further increase sample density of the Cano deposit and surrounding area, to confirm the northwestern extension of the Magellan deposit towards Cano, to test the eastern margin of Magellan towards Gama South and to test for extensions to the Magellan deposit in all other directions. The objective of the programme is to find the limits to the Magellan deposit for ultimate-pit planning purposes, to update the resources and reserves for the deposit and further define the nearby targets.

### Five Nearby Targets to Explore

Mr Sangster continued, "The Magellan and Cano deposits are only the start to our discovery of lead in the region. We have five other mineralised targets to explore – Pinzon and Gama, near to Magellan, and Drake, Cortez and Pizarro, which are within short trucking distances." To date, Gama North has proved to be a disappointment owing to lack of continuity of the dolomite-controlled mineralisation. However, Gama South, adjacent to the east side of the Magellan deposit and with a similar rock type to Magellan, remains promising.

### Acquired Large Exploration Area with Similar Geology

Ivernia has recently received approval for a 21.5 square-kilometre Yandil exploration licence, which is some 20 kilometres northwest of Magellan and has similar geology to the Magellan area. Regional exploration programmes comprising mapping, geochemical and geophysical work are planned for the new year.

### Project on Track for Lead Production in the First Quarter 2005

Alan De'ath, President and CEO of Ivernia, commenting on the announcement, said, "The exciting results from Cano and Magellan are the start of our journey to discover how big the lead potential is in this part of

Western Australia. As we establish more reserves, we will be looking to increase production from our planned rate of 70,000 tonnes of lead a year.”

Development of the property is on schedule to start in April 2004 at a future capital cost for Phase 1 of approximately US\$17 million; lead concentrate is expected to be shipped in the first quarter of 2005.

Alan De’ath concluded, “With engineering substantially complete, a comprehensive tender package was issued in early December to six Australian company’s for the project construction contract. The tenders are due by the end of January. Meanwhile, bank financing is in the detailed stage of negotiation with two well-recognised banks and it is targeted to close by the end of the first quarter.”

Ivernia West is an international base metals mining and exploration company whose principal asset is a 60% interest (which can reduce to 51%) in the low-cost Magellan project in Western Australia. The project is expected to be in production in the first quarter of 2005, producing an average of 70,000 tonnes of lead a year. Ivernia’s shares are traded on the TSX under the symbol IVW.

#### 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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