



NEWS RELEASE

IVERNIA ANNOUNCES ESPERANCE CONTRIBUTION AGREEMENT

Toronto - December 23, 2008 - Ivernia Inc. (TSX: IVW) (the "Company") is pleased to announce that together with its wholly owned subsidiary, Magellan Metals Pty Ltd ("Magellan") it has agreed with the State of Western Australia (the "State") and the Esperance Port Authority ("EsPA") a suitable financial contribution toward the resolution of outstanding lead issues at Esperance.

The agreement, dated December 23, 2008 (the "Esperance Agreement"), provides for a financial contribution by Magellan of A\$9 million toward comprehensive clean-up activities at the Port and within the town. The agreement has been formally approved and signed by the State, EsPA, Magellan and Ivernia and mutually releases the parties from claims against each other in respect of lead pollution in and around the port and town of Esperance.

The clean-up activities to be undertaken by the State and EsPA include testing rainwater tanks and ceiling voids, and clean up where lead is present; plus demolition and disposal of the existing lead shed and clean-up within the Port and surrounding area.

The State and EsPA will carry out the clean up under relevant laws and regulations and requirements and use their best efforts to complete the clean up by December 31, 2010. Magellan's contribution comprises three equal payments of A\$3 million on December 31, 2009, December 31, 2010 and June 30, 2011 subject to Magellan achieving set cumulative earnings targets beginning January 1, 2009. The earnings targets are A\$6 million, A\$12 million and A\$18 million respectively by the three repayment dates. In the event that such earnings targets before interest, taxation, depreciation, amortization and unrealized foreign exchange gains and losses have not been met by the respective due dates then the payment dates will be extended until such targets are met.

If A\$6 million of the total contribution is not paid by Magellan by June 30, 2012 the Esperance Agreement will be of no effect and the parties shall have the rights and remedies to claims as existed prior to the agreement being signed.

The State or EsPA have retained the right to seek to claim from Magellan a future contribution to seabed remediation in the harbour adjacent to the port area to remove lead carbonate should this work be required in the future. Magellan's maximum exposure to such a claim is A\$3 million, however the Company may defend such a claim as it sees fit.

Alan De'ath, Ivernia President and Chief Executive Officer said, "Ivernia, Magellan, the State Government and the EsPA believe that the agreement reached today is an appropriate contribution toward clean-up activities at Esperance and will allow everyone involved in the issue to move forward by addressing the community's outstanding concerns about Magellan lead at the Port and within the town."

As previously announced on December 3, 2008, State Government approval has been granted for Magellan to export its remaining stockpile at Esperance as an essential first step toward a final clean-up of the Port and town of Esperance. Magellan is required to export the lead carbonate by April 30, 2009 and is well advanced on finalizing the container and shipping logistics and will be moving the bagging machine to Esperance to commence bagging operations in January.

Separately, Magellan also announced today an A\$1 million fund for community-based projects in Esperance over the next three years. This fund, to be administered by the Shire of Esperance, is not part of the agreement with the State and will be jointly dispersed by Magellan and the Shire. Detailed information on the Magellan Community Fund and its operation can be found in the Company's media statement at www.magellanmetals.com.au

About Ivernia

Ivernia is an international base metals operating, development and exploration company. The Company is the sole owner and operator of the Magellan lead mine in Western Australia. When operations resume and target production levels are achieved the mine is expected to be a significant pure lead producer accounting for approximately 2% of the total world lead mine production.

Ivernia trades under the symbol "IVW" on the Toronto Stock Exchange.

Forward-Looking Statements

Certain statements contained in this document constitute forward-looking information within the meaning of securities laws. All statements included in this document (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: the duration of the suspension of the Company's mining and milling operations, the proposal to ship lead concentrate through the Port of Fremantle, the implications of the government of Western Australia's continuing investigations into the matters resulting in the suspension of mining operations, the possibility of legal or regulatory action (and any resulting costs or liabilities) which may be taken in connection with the matters being investigated, the estimated timing of the receipt of required regulatory approvals to ship the stranded lead concentrate at the Port of Esperance and recommence lead shipments from the Magellan mine, future targets and estimates for production, capital expenditures, operating costs, cash costs, mineral resources and ore reserves, 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; the results of the Australian government's continuing investigations into lead contamination at the Port of Esperance, the timing of the receipt of final regulatory approvals required to ship lead concentrate through the Port of Fremantle, the duration of the suspension of mining and milling operations, metal price volatility, lead concentrate treatment charges, exchange rates, regulatory proceeding and litigation, single mineral property, resources and reserves, health and safety, environmental factors, mining risks, metallurgy, labour and employment regulations, government regulations, insurance, refinancing risk, dependence on key personnel, constraints on cash flow and nature of mineral exploration and development. While we consider these assumptions to be reasonable based on information currently available to us, 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. Other risks and factors that could cause actual results to differ are described in Management's Discussion and Analysis ("MD&A") for the most recently completed year end under the heading "Risks and Uncertainties", and in the Company's most recently filed Annual Information Form under the heading "Risk Factors". Our MD&A, Annual Information Form and additional information on Ivernia are available on the Company's website at www.ivernia.com

and on Ivernia's SEDAR profile at www.sedar.com. All of the forward-looking statements made in this document are based on our current estimates, expectations and projections, which we believe are reasonable as of the current date. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While we may elect to, we are under no obligation and do not undertake to update this information at any particular time.

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