



## NEWS RELEASE

All Dollar Amounts in U.S. Dollars Unless Otherwise Indicated

### **IVERNIA INC. ANNOUNCES PARTIAL CONVERSION AND EXTENSION OF THE MATURITY DATE ON ITS SECURED CONVERTIBLE NOTES**

**TORONTO, ONTARIO – March 31, 2008** – Ivernia Inc. (“Ivernia” or the “Company”) (TSX:IVW) today announced it has reached an agreement with the syndicate of lenders (“Lenders”), including two of the Company’s largest shareholding groups – The Sentient Group and clients of investment advisor Ingalls and Snyder, for the partial conversion and extension of the maturity date on the existing \$50 million secured convertible notes issued on April 27, 2007 (the “Notes”).

By mutual agreement, \$20 million (“Conversion Amount”) of the \$40 million currently drawn and outstanding against the Notes will be converted into common shares of the Company prior to April 27, 2008 at the previously agreed to price of US\$1.08 per share. On conversion, a total of 18,518,518 shares will be issued to the Lenders.

The maturity date of the Notes has been extended to April 27, 2009 (“New Maturity Date”) from April 27, 2008. With the extension, the Lenders have until the New Maturity Date to convert the remaining \$20 million currently drawn on the Notes and any additional funds that may be drawn by the Company at anytime prior to April 27, 2009 (up to an additional \$10 million).

#### **Revised arrangements**

All interest and fees accrued on the Conversion Amount will be payable on the earlier of the closing of the Company’s previously-announced C\$22 million private placement investment with Yunnan Metallurgical Group (“YMG”) and the New Maturity Date.

Payment of interest on the outstanding principal amount of the Notes, not included in the Conversion Amount, will be deferred until the New Maturity Date. Additionally, future interest on the extended Notes will be at an interest rate of 6% per annum – down from the current interest rate of 9.25% per annum.

Other than the existing general security agreement granted by Ivernia, all other security currently in place on the Notes shall be discharged by the Lenders. The Lenders have further agreed to subordinate their current security so as to permit an additional \$10 million of secured financing to rank ahead of the Notes.

#### **YMG private placement**

The Company has been advised by YMG that the Chinese government approvals required to finalize the private placement investment in Ivernia through their Australian subsidiary have been received. YMG’s Australian Subsidiary is currently working to obtain necessary Foreign Investment Review Board approval from the Australian government, which the Company has

been advised, is in the final stages of the process. It is currently anticipated that the transaction will close in April.

### **Commentary**

Alan De'ath, President and CEO of Ivernia, commented, "We are pleased with the support extended by two of our major shareholders in the \$20 million conversion to equity and the financial flexibility provided to the Company with the maturity date extension on the remaining \$20 million which is the only significant debt on our balance sheet. We also welcome the news that the Chinese Government has approved the YMG private placement in Ivernia which paves the way for them to become a meaningful strategic partner in the growth of the Company."

"We view these developments as an endorsement of the Company's initiatives to secure final approvals to enable the restart of operations at Magellan and pursue our longer-term growth and diversification strategy."

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### **For further information please contact:**

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### **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 timing for closing the private placement transaction with YMG's Australian subsidiary, 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 estimated timing of the receipt of required regulatory approvals to ship the stranded lead concentrate at the Port of Esperance (such approvals are not anticipated to be received until, at the earliest, during the first quarter of 2008), business strategies and measures to implement such strategies, estimated goals and plans for Ivornia'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 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 such as the resources and reserves, metal price volatility, lead concentrate treatment charges, exchange rates, single mineral property, metallurgy, environmental factors, mining risks, insurance, labour and employment regulations, health and safety, government regulations, 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 financial quarter and for the most recently completed year end under the heading "Risks and Uncertainties", in the Company's final Short Form Prospectus filed on July 25, 2007 ("Short Form Prospectus") under the heading "Risk Factors" and in the Company's most recently filed annual information form. Our MD&A, Short Form Prospectus, annual information form additional information on Ivernia are available on the Company's website at [www.ivernia.com](http://www.ivernia.com) and on Ivernia's SEDAR profile at [www.sedar.com](http://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.*