



## NEWS RELEASE

### IVERNIA INC. ANNOUNCES OPTION TO USE C\$40 MILLION NOTE TO FINANCE PART OF ITS PURCHASE OF 100% OF MAGELLAN

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**Toronto, Ontario, April 18, 2005:** Ivernia Inc. (TSX: IVW) is pleased to announce that it has amended its definitive agreement with Sentient Global Resources Fund ("Sentient") pursuant to which Ivernia will acquire Sentient's 49% interest in the Magellan lead mine in Western Australia. The amendment provides Ivernia with additional flexibility in the consideration to be paid to Sentient. Ivernia currently has a 51% interest with operating control in the mine.

Under the original definitive agreement announced by the Company on March 28, 2005, the purchase price for Sentient's interest was to consist of a combination of cash and common shares of Ivernia as follows:

- i. C\$55 million in cash;
- ii. the issuance of 16.625 million Ivernia common shares to Sentient; and
- iii. at Ivernia's option, either an additional C\$12.5 million in cash or 6.875 million Ivernia common shares, or any proportionate combination thereof.

The amended agreement allows the Company, at its option, to reduce the cash portion of the purchase price to a minimum amount of not less than C\$25 million and to satisfy up to C\$40 million of the balance of the purchase price by the delivery of a promissory note (the "Sentient Note"). If the Company chooses to make use of this option, the Sentient Note will bear interest at 8% per annum and will have a twelve month term but may be prepaid in whole or in part at any time by the Company without penalty. The Sentient Note will be secured by a charge over Sentient's interest in the Magellan mine transferred to the Company as well as by a charge over certain loans owing by Magellan Metals Pty Ltd., the subsidiary of Ivernia which owns the Magellan mine. Ivernia has no restrictions on how it finances the payment of the Sentient Note. As under the original agreement, Sentient will not in any event be issued more than 19.9% of the outstanding Ivernia common shares pro forma the closing of the acquisition and the equity financing.

On April 4, 2005, the Company announced that it had filed a preliminary prospectus for a marketed public offering of common shares with expected gross proceeds in the range of C\$65 million to C\$82.5 million. The net proceeds of the offering will be used primarily to fund the cash portion of the purchase price for Sentient's interest in the Magellan mine. The Company expects the pricing of this offering and the filing of the final prospectus to take place in the next few days.

However, in light of its option under the amended Sentient agreement to satisfy up to C\$40 million of the purchase price by the delivery of the Sentient Note, the Company may choose to reduce the size of the offering from the level previously announced. The Company will make its determination as to the offering size based on market conditions at the time of pricing of the offering.

### *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.*

*This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or unless an exemption from such registration is available.*

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