



NEWS RELEASE

IVERNIA WEST INC. REPORTS FOURTH QUARTER 2000 RESULTS

(All dollar amounts are in United States dollars)

Overview

- Corporate reorganization completed, Company obtains listing of common shares on Toronto Stock Exchange.
- Final feasibility study nears completion at Magellan Project, Western Australia during quarter, study completed February 2001.
- Activities focused on improving mine output and concentrator recoveries are implemented at the Lisheen Mine, Ireland during the quarter, production more than 10% above plan during first quarter 2001.
- Commercial production for reporting purposes begins at Lisheen Mine effective January 1, 2001.
- Company adjusts the carrying value of its investment in the Lisheen Mine by \$25 million.

TORONTO, CANADA and DUBLIN, IRELAND (April 4, 2001) – Ivernia West Inc. today reported its operating results for the fourth quarter and for the year ended December 31, 2000.

The Company reported a loss before writedowns of \$1.8 million for the quarter and \$5.7 million for the twelve month period ended December 31, 2000, compared with a loss of \$0.7 million for the third quarter and \$3.9 million for the first nine months of 2000.

The Company continued to capitalize costs associated with the commissioning of the Lisheen Mine during the fourth quarter and as a result, financial results for the quarter and the twelve month period are associated primarily with overhead and corporate development activities. The principal reason for the increase in the loss before writedowns during the fourth quarter compared to the previous quarter is primarily due to foreign exchange losses and costs associated with the non-recurring reorganization of the Company and its Toronto Stock Exchange listing. The loss before writedowns for the quarter compares with a loss of \$0.6 million for the fourth quarter of 1999.

As a result of the additional capitalised costs incurred in the delayed commissioning of the Lisheen Mine during 2000 and to reflect changes to the life-of-mine plan, a writedown in the carrying value of the Lisheen Mine totaling \$25.0 million, accounted for under Canadian GAAP, was taken during the period. After taking into account this adjustment, the Company reported a net loss of \$26.8 million or \$0.23 per common share for the quarter and \$30.7 million or \$0.28 per common share for the year ended December 31, 2000. The net loss for the quarter compares with a net loss of \$0.6 million or \$0.01 per common share for the fourth quarter of 1999 and a net loss of \$1.3 million or \$0.01 per common share for the year ended December 31, 1999.

At December 31, 2000 Ivernia West Inc. had 117,466,126 common shares issued and outstanding, as well as outstanding options exercisable for a further 2,435,000 common shares.

Cash utilised in investing activities was \$7.7 million during the fourth quarter and \$27.4 million for the twelve month period ending December 31, 2000. This compares to \$6.6 million in the third quarter 2000. Cash utilised in investing activities was \$13.7 million in the fourth quarter of 1999 and \$38.7

million during the twelve month period ending December 31, 1999. The decrease in cash utilized in investing activities for the twelve month period ending December 31, 2000 is primarily the result of decreased expenditures related to the development of the Lisheen Mine. Cash generated from financing activities relates to \$4.5 million of funding to cover Lisheen Mine cost overruns from Anglo American plc ("Anglo") on behalf of Ivernia during the fourth quarter. This compares to \$10.8 million of drawings on the Project Loan during the corresponding period in 1999.

Ivernias consolidated cash and cash equivalents were \$10.1 million at December 31, 2000. At the same date, Ivernia had total debt of \$100.7 million, the main components of which were the Lisheen Mine Project Loan (\$86.5 million), the Standby Facility (\$6.0 million), the Lisheen Working Capital Facility (\$3.7 million) and the Anglo Funding Agreement (\$4.5 million).

In November 2000, the Company finalised arrangements with Anglo to provide for the funding of certain cost overrun contributions for the Lisheen Mine (the "Funding Agreement") as permitted under the terms of the Lisheen Joint Venture Agreements. Pursuant to the Funding Agreement, Anglo has agreed to fund Ivernias 50% share of such overrun cost contributions payable after November 1, 2000. As at December 31, 2000 \$4.5 million has been funded by Anglo under the Funding Agreement. Ivernia currently expects that its 50% share of cost overruns in relation to the Lisheen Mine beyond 2000, which are not funded by project cash flow will be funded by Anglo under the terms of the Funding Agreement. The Lisheen Mine began commercial production for reporting purposes on January 1, 2001.

OPERATIONS

Lisheen Mine (Ivernias – 50% interest)

Production declined during the fourth quarter, compared to the previous quarter primarily due to the implementation of activities focused on improving mine output and concentrator recoveries and a two week loss of production due to an ingress of water as a water bearing feature in the Main Zone of the mine was intersected during December.

Activities focused on improving the performance of the mine and concentrator included:

- advancing the development of underground infrastructure including, underground service bays and stores thereby enabling improved fleet availability through more efficient maintenance and service;
- implementing a water management program to improve the ability to predict the behaviour of water features and installing additional pump capacity to reduce the underground water reservoir and ensure adequate stand-by pumping capacity;
- adding and modifying cleaning cells within the zinc circuit of the concentrator thereby improving zinc recoveries, concentrate quality and recovery efficiencies; and
- contracting 12 experienced underground operators to assist in underground development during the ramp-up to full production and in training the Lisheen Mines local underground operators.

The intersection of the water bearing feature resulted in excess water entering the mine workings. The pumping of this excess water utilized most of the current spare pumping capacity. With all pumping capacity utilized, production was halted for a 14 day period in December to ensure that no additional water features would be encountered while the water from the intersected feature was pumped out.

By year end it became evident that the activities implemented during the quarter were having the desired effects. Metallurgical plant recoveries have increased significantly, fleet utilization has improved and following the December water ingress, the underground water make has declined and production rates have increased. Operating results for the twelve month period ended December 31, 2001 and the first two months of 2001 are as follows.

Summary of Lisheen Mine Monthly Production Figures

2000	Tonnage		Grade		Recoveries	
	Mined	Processed	Zinc	Lead	Zinc	Lead
January	64,808	66,056	12.06%	5.55%	58.07%	78.60%
February	85,002	80,210	11.76%	5.38%	66.57%	70.15%
March	74,165	59,635	10.61%	4.48%	75.06%	68.00%
First Quarter	223,975	205,901	11.51%	5.17%	66.30%	72.51%
April	82,429	78,086	12.41%	3.04%	71.77%	80.50%
May	51,275	42,996	12.32%	2.80%	73.57%	77.33%
June	62,374	59,214	12.93%	3.35%	72.85%	73.06%
Second Quarter	196,078	180,296	12.55%	3.05%	72.81%	77.16%
July	70,014	54,179	12.49%	4.32%	62.93%	59.68%
August	71,360	87,187	11.85%	4.20%	50.63%	70.43%
September	60,431	62,189	12.06%	3.34%	63.95%	63.64%
Third Quarter	201,805	203,555	12.07%	3.97%	59.45%	65.60%
October	58,113	68,911	13.26%	3.89%	74.64%	68.82%
November	68,424	60,210	12.72%	2.84%	87.53%	73.10%
December	36,454	43,849	10.77%	2.87%	90.41%	80.08%
Fourth Quarter	162,991	172,970	12.44%	3.27%	82.69%	72.62%
Twelve Months	784,849	762,722	12.13%	3.93%	69.77%	71.53%
2001						
January	76,526	66,702	12.95%	3.90%	80.22%	80.66%
February	90,206	88,462	12.44%	3.65%	71.80%	75.48%

During March 2001 mined production climbed to about 107,000 tonnes or 86% of design production. This is up from a monthly average of 43% of design production during the fourth quarter as the remedial activities were being implemented and production was lost to the December water ingress. For the first three months of 2001, mine production was 9% above plan. Final numbers for tonnage processed and recoveries are not yet available for March.

Infill drilling continued in the main and Derryville zones as part of the program to close in the drill centers to 30 metres in order to enhance the resource and reserve categories and provide additional material for medium term mine planning. As part of this program, a total of 30 holes were completed during the quarter and a total of 97 holes completed during 2000. At year end, an additional six holes were in progress.

A revised study of the Lisheen Mine mineral resources and ore reserves commenced during the third quarter. This new model, "Lisheen/MinRed Y2000" replaces the updated feasibility mineral resource model, "MinRed 1996-97." Upon completion of the Lisheen/MinRed Y2000 study, Ivornia contracted Giroux Consultants Limited to independently evaluate the Lisheen/MinRed Y2000 mineral resource. The Giroux Consultants Limited resource study ("Giroux Y2001") employed a different methodology and grade interpolation procedure, which yielded a zinc grade 0.4% higher than that of the Lisheen/MinRed Y2000 Study plus an additional 1.67 million tonnes of measured and indicated resource material. This would equate to an additional 304,960 tonnes of contained zinc.

The revised Lisheen/MinRed Y2000 ore reserves have the effect of smoothing the reserve grade over the life of the mine. However, mined zinc grades during the past 14 months (refer to Summary of Monthly Production Figures, above) have exceeded the ore reserve grade suggested in the Lisheen/MinRed Y2000 study for all but three of the 14 months. Throughout the 14 month period lead grades have been consistently higher than plan.

The Giroux Y2001 study methodology is currently being reviewed by the authors of the Lisheen/MinRed Y2000 study for potential application to the Lisheen Mine resource model. During 2001, a strong effort will be applied towards reconciling the Lisheen/MinRed Y2000 block model with mine production to determine the best methodology to predict resources and reserves for future production planning. At this time Lisheen Mine management has chosen to use the mineral resource and ore reserve numbers from the Lisheen/MinRed Y2000 block model. Refer to the press release dated March 12, 2001 for more details on the resource and reserve studies.

Magellan Project (Ivornia – 91.6% voting interest)

At the Magellan lead deposit near Wiluna, Western Australia, activities supporting completion of the final feasibility study ("FFS") continued during the quarter and by February 2001 was completed. This comprehensive study illustrated that the project will deliver a robust 57% after tax rate of return at a \$525 per tonne lead price and assuming a 70:30 debt to equity ratio and \$26.1 million in capital development costs. Capital costs have been reduced by taking advantage of the current availability of redundant processing and infrastructure equipment (crushing and grinding sections and the accommodation village) available in Western Australia and overseas.

Proven and probable reserves at the Magellan Project total 8.5 million tonnes grading 7.12% lead. Excellent exploration potential exists for expanding this reserve in a number of satellite pits proximal to the currently planned mine site. Once in production, approximately one million tonnes per annum of oxidized lead ore will be extracted via an open pit during an approximate nine-year mine life. Ore will be processed on-site through a process of conventional milling and flotation concentration.

Lead recoveries are expected to average approximately 85% to produce a concentrate grading approximately 70% lead. The concentrate will undergo on-site batch refining to produce approximately 55,000 tonnes per annum of marketable lead metal of about 99.97% purity. Operating costs, including mining, processing, refining, transport, royalties and overhead charges are estimated to be US\$329 per tonne of marketable lead metal. Based on a 7.5% discount rate, the Magellan Project has an after tax (assuming a 30% corporate tax rate) net present values of US\$17.4 million.

The Project is expected to require an approximate 12-month construction period prior to commencing production. All prerequisite statutory approvals have been granted by governing bodies, native title claims have been agreed and registered and a complete Heritage Agreement has been signed. For additional information on the Magellan Project FFS please refer to the separate press release dated March 12, 2001.

As of October 1, 2000, Trevor Watters was appointed Managing Director and General Manager, and Peter Lindegger was appointed Director and Engineering Manager of Magellan Metals Pty. Ltd. ("MM").

Ivornia has a 15.7% direct interest in MM, which has the right to earn a 100% interest in the Magellan Project. In September 2000, Ivornia closed agreements whereby Ivornia acquired a 90% voting interest in Polymetals Pty Ltd ("Polymetals") and has the option to acquire the remaining 10%. Polymetals is an Australian mining company which holds the remaining 84.3% interest in MM. Following this transaction, Ivornia now holds a 91.6% direct and indirect equity interest in MM with currently exercisable options to increase such interest to 100%. Ivornia currently expects to exercise its options for consideration of AUS\$4 million in two tranches during 2002, at which point Ivornia would then have a 100% interest in MM.

EXPLORATION AND DEVELOPMENT

Early stage exploration activities (mapping, sampling, geochemical analysis plus some minor lithological and anomaly drilling) continued during the quarter on the Company's various joint venture and independently held exploration concessions in Ireland, Australia and the USA. In Ireland, field exploration activities were curtailed during the first quarter as a result of restrictions imposed on travel

and field related activities due to precautionary measures related to foot-and- mouth disease in livestock.

Certain statements included in this press release constitute forward looking statements which involve known and unknown risks, uncertainties and other factors that may cause the actual results of the Company to be materially different from future results expressed or implied by those forward looking statements.

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TSE stock symbol: IVW

IVERNIA WEST INC.
CONSOLIDATED STATEMENTS OF INCOME AND DEFICIT

(in thousands of United States dollars, except per share amounts)

	<u>Full Year</u>		<u>Fourth Quarter</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	\$	\$	\$	\$
			(Unaudited)	(Unaudited)
Revenue				
Interest income	383	589	111	95
Costs and expenses				
General and administrative	1,694	1,154	545	417
Redomiciling costs	1,991	-	543	-
Foreign exchange loss	1,260	-	473	-
Exploration	1,078	692	292	254
Depreciation and amortization	42	38	10	12
Interest expense	-	1	-	-
Property, plant and equipment write down	25,000	-	25,000	-
	<u>31,065</u>	<u>1,885</u>	<u>26,863</u>	<u>683</u>
Loss for the period	(30,682)	(1,296)	(26,752)	(588)
Deficit - Beginning of period	(11,889)	(10,593)	(15,819)	(11,301)
Deficit - End of period	<u>(42,571)</u>	<u>(11,889)</u>	<u>(42,571)</u>	<u>(11,889)</u>
Loss per share	<u>(0.28)</u>	<u>(0.01)</u>	<u>(0.23)</u>	<u>(0.01)</u>
Weighted average number of common share outstanding (000s)	<u>111,441</u>	<u>103,071</u>	<u>117,248</u>	<u>103,661</u>

IVERNIA WEST INC.
CONSOLIDATED BALANCE SHEET

(in thousands of United States dollars)

	<u>December 31,</u> 2000	<u>December 31,</u> 1999
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	10,096	14,927
Accounts receivable	2,824	2,138
Inventories	2,839	1,844
Other current assets	441	124
	<u>16,200</u>	<u>19,033</u>
Investments	64	83
Property, plant and equipment	138,341	133,758
Restricted cash and cash equivalents	1,676	1,246
Deferred charges	1,481	1,558
	<u>157,762</u>	<u>155,678</u>
Liabilities		
Current liabilities		
Working capital facility	3,750	-
Current position of long term debt	7,847	-
Accounts payable and accrued liabilities	14,021	9,750
	<u>25,618</u>	<u>9,750</u>
Long-term debt	89,117	82,782
Reclamation and mine closure costs	274	46
Minority interest	497	-
	<u>115,506</u>	<u>92,578</u>
Shareholders' Equity		
Share capital	78,019	68,146
Deficit	(42,571)	(11,889)
Cumulative translation adjustments	6,808	6,881
Capital stock held by subsidiaries - at cost	-	(38)
	<u>42,256</u>	<u>63,100</u>
	<u>157,762</u>	<u>155,678</u>

IVERNIA WEST INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands of United States dollars)

	<u>Full Year</u>		<u>Fourth Quarter</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	\$	\$	\$	\$
			(Unaudited)	(Unaudited)
Cash provided by (used in)				
Operating activities				
Loss for the period	(30,682)	(1,296)	(26,752)	(588)
Non-cash items:				
Depreciation and amortization	42	38	10	12
Property, plant and equipment writedown	25,000	-	25,000	-
Other	13	-	13	-
Charges in non-cash working capital:				
Accounts receivable, inventories and other current assets	(1,997)	(2,107)	(1,261)	(4,933)
Accounts payable and accrued liabilities	4,165	1,292	3,731	5,043
Charge in restricted cash and cash equivalents	(430)	(492)	(197)	130
	<u>(3,889)</u>	<u>(2,565)</u>	<u>544</u>	<u>(336)</u>
Investing activities				
Additions to property, plant and equipment	(27,373)	(52,589)	(7,721)	(13,700)
Short-term investments	-	13,923	-	-
	<u>(27,373)</u>	<u>(38,666)</u>	<u>(7,721)</u>	<u>(13,700)</u>
Financing activities				
Net cash proceeds on issue of shares	7,409	255	31	255
Working capital facility raised	3,750	-	750	-
Long-term debt raised	14,160	38,404	4,500	10,785
Increase in deferred charges	(155)	(606)	(155)	(152)
Proceeds on the sale of capital stock held by subsidiaries	232	-	135	-
	<u>25,396</u>	<u>38,053</u>	<u>5,261</u>	<u>10,888</u>
Effect of exchange rate changes on cash and cash equivalents	<u>1,035</u>	<u>3,033</u>	<u>1,705</u>	<u>2,435</u>
Net decrease in cash and cash equivalents	(4,831)	(145)	(211)	(713)
Cash and cash equivalents - Beginning of period	<u>14,927</u>	<u>15,072</u>	<u>10,307</u>	<u>15,640</u>
Cash and cash equivalents - End of period	<u>10,096</u>	<u>14,927</u>	<u>10,096</u>	<u>14,927</u>