



NEWS RELEASE

IVERNIA INC. CLOSES C\$3.9 MILLION OF ADDITIONAL EQUITY FINANCING FOLLOWING UNDERWRITER'S PARTIAL EXERCISE OF OVER-ALLOTMENT OPTION

Toronto, Ontario, May 27, 2005: Ivernia Inc. (TSX:IVW) is pleased to announce today that it has completed the sale of an additional 2,493,100 common shares, for gross proceeds of C\$3,864,305, from a partial exercise of the over-allotment option component of its previously announced C\$45,027,500 equity financing. The common shares were priced at C\$1.55 per share, and following exercise of the option, the total financing size climbs to an aggregate of 31,543,100 common shares with total gross proceeds of C\$48,891,805.

On April 29, 2005, Ivernia announced that it had concurrently closed both the equity financing and its acquisition of the 49% interest in the Magellan lead mine not already owned by Ivernia. The consideration delivered to Sentient Global Resources Fund ("Sentient") for its 49% interest in Magellan consisted of the following:

- C\$35 million in cash
- 23.5 million common shares of Ivernia, and
- C\$20 million by delivery of a secured promissory note.

Following closing of the over-allotment option, Ivernia has 124,453,810 common shares outstanding and Sentient's ownership interest is 18.9%.

Sentient has agreed to reimburse Ivernia for the reasonable expenses of the transactions, such that the net proceeds of the offering and over-allotment option to Ivernia's treasury after the C\$35 million cash payment to Sentient is expected to be approximately C\$14 million.

Ivernia now owns 100% of the Magellan mine which positions the Company well moving forward, given the attractive outlook for lead price fundamentals. The Company anticipates that by 2006, Magellan will be one of the top five lead producing mines in the world measured by tonnes of lead metal contained in concentrates produced.

BMO Nesbitt Burns Inc. provided financial advice to Ivernia with respect to the acquisition and related financing. BMO Nesbitt Burns Inc. and Canaccord Capital Corporation acted as co-lead underwriters on behalf of a syndicate that also included Paradigm Capital Inc. and Haywood Securities Inc.

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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