Magellan Mine Mineral Resources, Mineral Reserves & Life of Mine

SRK Consulting (Australasia) Pty Ltd ("SRK") has prepared an independent National Instrument 43-101 ("NI 43-101") compliant technical report on the Magellan Mine entitled "Technical Report on the Magellan Lead Carbonate Mine, Wiluna, Western Australia", with an Effective Date of March 30, 2011 (the "2011 Technical Report"). The 2011 Technical Report contains information on mineral resources and reserves, life of mine, permitting and financial analysis. The technical information on this website is summarized or extracted from the 2011 Technical Report and is subject to the assumptions and qualifications contained in the 2011 Technical Report.

Drilling Program

A drilling program was conducted between April and July 2010, with 7,784 meters ('m") drilled in 213 reverse circulation ("RC") holes and 446 m drilled in 10 diamond drill ("DD") holes (the "2010 Drilling Program"). The principal objectives of the 2010 drilling program were to better define the extent of mineralization and increase both the size and the confidence level of the mineral resources and reserves.

Mineral Resource Estimate

The results of the 2010 Drilling Program were incorporated into an updated mineral resource estimate in the 2011 Technical Report. The in-ground mineral resource estimate was completed by CSA Global Pty Ltd ("CSA"), a geological consultancy independent of Ivernia. SRK has reviewed and verified the data and models supplied by CSA and are responsible for the 2011 Technical Report.

Updated Mineral Resource Estimate (depleted by mining surfaces as at December 31, 2010) [1-6]

Domain	Category	Tonnage (Mt)	Pb (%)	Contained Pb Metal ('000 t)
Magellan	Measured	8.5	5.2	440
	Indicated	9.2	3.9	360
	Total M&I	**17.7**	**4.5**	**800**
	Inferred	3.1	3.5	110
Gama	Measured	–	–	–
	Indicated	2.6	4.6	120
	Total M&I	**2.6**	**4.6**	**120**
	Inferred	3.4	4.9	160
Cano	Measured	2.7	5.1	140
	Indicated	1.2	3.3	40
	Total M&I	**3.9**	**4.6**	**180**
	Inferred	0.7	3.4	20
Pinzon	Measured	2	5	100
	Indicated	9.8	4.4	430
	Total M&I	**11.8**	**4.5**	**530**
	Inferred	1.1	3.3	40
Pizarro	Measured	–	–	–
	Indicated	3.6	4.2	150
	Total M&I	**3.6**	**4.2**	**150**
	Inferred	1.1	4	40
Drake	Measured	–	–	–
	Indicated	–	–	–
	Total M&I	**–**	**–**	**–**
	Inferred	2.7	4.1	110
Stockpiles	Measured	0.8	3.8	30
	Indicated	–	–	–
	Total M&I	**0.8**	**3.8**	**30**
	Inferred	**–**	**–**	**–**
Total	Measured	14	5.1	710
	Indicated	26.4	4.2	1,100
	Total M&I	**40.4**	**4.5**	**1,810**
	Inferred	12.1	4	480

(1) Mineral resources are inclusive of mineral reserves.
(2) Mineral resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia, December 2004 (the "JORC Code"), which is consistent with the Canadian Institute of Mining, Metallurgy and Petroleum Estimation of Mineral Resources and Mineral Reserves Best Practices Guidelines (the "CIM Code").
(3) Mineral resources are estimated based on some 42 DD holes, 1180 exploration RC holes and 1,874 grade-control RC holes and reported based on a cut-off grade of 2.1% Pb. High-grade values were capped at 35% Pb for the Magellan deposit and 25% Pb for the Pizarro deposit. The geological model was based on a 1 % Pb cut-off, and where possible, host lithology. For grade

estimation, a block size of 20m x 20m x 2.5m (length x width x height) was selected and estimated by ordinary kriging performed per domain with the corresponding variography model using Micromine software.

(4) Mineral resources are based on the 2011 Technical Report prepared by SRK Consulting. Mr. Daniel Guibal, a Fellow of the Australasian Institute of Mining and Metallurgy and a Corporate Consultant to SRK Consulting, is responsible for the mineral resources and has reviewed and verified the above mineral resource figures and the underlying sampling and analytical data. Mr. Guibal is independent of Ivernia and is a "Qualified Person" within the meaning of National Instrument 43-101.

(5) Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues.

(6) Table entries are rounded to the second significant figure with the exception of totals.

This mineral resource estimate has been reported above a cut-off of 2.1% Pb, with the cut-off grade based on current operating parameters and consistent with the previous mineral resource estimate for the Magellan Mine as at December 31, 2009. The updated mineral resource estimate includes data available as at July 31, 2010 and depleted by mining surfaces as at December 31, 2010 and is reported in accordance with the JORC Code. Resource classification is based on confidence in the geological domaining, data quality, drill spacing and geostatistical measurements.

The updated mineral resource estimate for Magellan Hill creates a single geological model for the Magellan, Cano, Pinzon and Gama deposits. The geostatistical parameters, including variography, top cuts, modeling parameters and estimation methods were evaluated. Wireframes were constructed and split into four deposits, based on natural breaks in the Pb grade.

The updated mineral resource estimate shows a significant increase relative to the previous mineral resource estimate included in Ivernia's 2009 Annual Information Form dated March 30, 2010 ("2009 AIF").

Comparison Between Updated and Previous Mineral Resource Estimate [(1)]

	Tonnage (Mt)	Pb (%)	Contained Pb Metal ('000 t)
Updated Mineral Resource as at December 31, 2010			
Measured	14.0	5.1	710
Indicated	26.4	4.2	1,100
Total Measured & Indicated	**40.4**	**4.5**	**1,810**
Inferred	12.1	4.0	480
Previous Mineral Resource as at December 31, 2009[(1)]			
Measured	10.7	5.2	560
Indicated	11.5	4.5	510
Total Measured & Indicated	**22.1**	**4.8**	**1,070**
Inferred	10.3	4.0	420
2010 Production	0.9	6.8	60
% Change in Resource from December 31, 2009 to December 31, 2010			
Total Measured & Indicated	83%	-7%	**71%**
Inferred	17%	-1%	15%
% Change in Resource Less 2010 Production			
Total Measured & Indicated	**87%**	**-7%**	**76%**

(1) See 2009 AIF; Malcolm Titley and Jeff Elliott of CSA are the qualified persons for the purposes of NI 43-101 with respect to Mineral Resources as at December 31, 2009.

Mineral Reserves

Open pit mining at the Magellan Mine is by conventional drill and blast, with trucks and shovels transporting ore to a number of stockpiles to be reclaimed and fed to the primary crusher. A life of mine plan was developed for the 2011 Technical Report.

The updated mineral reserves were developed using a cut-off grade of 2.1% Pb, a price of US$2,200 per tonne of Pb and at an exchange rate of US$0.95 to A$1.00. Inputs are estimated mining, processing, transportation costs and treatment charges, based upon current production cost information, capital improvements and a proposed expansion of the mill throughput from 1.7 million tonnes per annum ("Mtpa") to 2.0 Mtpa in year three of planned future mine life. Such increase in production rates would be subject to regulatory approval.

The updated life of mine schedule indicates a current mine life in excess of ten years, producing 1.31 million dry metric tonnes of lead concentrate containing 0.85 million tonnes of lead at production rates of 1.7 to 2.0 Mtpa. This compares with a mine life of over seven years as of December 31, 2010 based on the December 31, 2009 reserve as reported in the 2009 AIF, adjusted for 2010 production.

Mineral Reserves as at December 31, 2010 [1-7]

Deposit	Category	Tonnage (Mt)	Pb (%)	Contained Pb Metal ('000 t)
Magellan	Proven	5.7	6.3	360
	Probable	1.9	5.3	100
	Total	**7.6**	**6.1**	**460**
Cano	Proven	1.9	5.9	110
	Probable	0.2	4.3	9
	Total	**2.1**	**5.8**	**120**
Pinzon	Proven	1.4	5.8	81
	Probable	5.0	5.4	270
	Total	**6.4**	**5.4**	**350**
Gama	Proven	–	–	–
	Probable	1.6	5.6	88
	Total	**1.6**	**5.6**	**88**
Pizarro	Proven	–	–	–
	Probable	1.4	5.5	80
	Total	**1.4**	**5.5**	**80**
Stockpiles	Proven	0.8	3.8	30
Total Reserves	Proven	9.8	5.9	580
	Probable	10.1	5.4	540
	Total	**19.9**	**5.7**	**1,130**

(1) Mineral reserves are a subset of mineral resources.
(2) All mineral reserves are reported in accordance with the JORC Code. The JORC Code uses the term "ore reserve" which is equivalent to the term "mineral reserve", as defined in NI 43-101.
(3) Mineral reserves have been reported based on a cut-off grade of 2.1% Pb, an exchange rate of US$0.95/A$1.00, a lead price of US$2,200 per tonne (approx. A$2,316 per tonne) and estimated operating costs.
(4) Mineral reserves are based upon mineral resource estimates set out above, which, in turn, are based on the 2011 Technical Report prepared by SRK. Mr. Roger Pooley, a Member of the Australasian Institute of Mining and Metallurgy and a Senior Mining Consultant with SRK, is responsible for the mineral reserves and has reviewed and verified the above mineral reserve figures. Mr. Pooley is independent of Ivernia and is a "Qualified Person" within the meaning of 43-101.
(5) Mineral reserves have a waste to ore ratio of 2.4 to 1.
(6) Contained lead is total lead mined, planned plant recovery is over 75% as per the life of mine plan and 95% payable contained lead.
(7) Table entries other than totals are rounded to the second significant figure. Total may not add up due to rounding.

The updated mineral reserves represent a significant increase over the previous mineral reserve as reported in the 2009 AIF. When adjusted for production in 2010, there is a 42% increase in tonnage and a 45% increase in contained metal.

Comparison Between Updated and Previous Mineral Reserves [(1)]

	Tonnage (Mt)	Pb (%)	Contained Pb Metal ('000 t)
Updated Mineral Reserves as at December 31, 2010			
Total Proven and Probable	19.9	5.7	1,130
Previous Mineral Reserves as at December 31, 2009[(1)]			
Total Proven and Probable	14.7	5.6	820
2010 Production	0.9	6.8	60
% Change in Proven and Probable Reserves from December 31, 2009 to December 31, 2010	36%	1%	**38%**
% Change in Proven and Probable Reserves Less 2010 Production	**42%**	**1%**	**45%**

(1) See 2009 AIF; Mr. Robert Scargill (Executive Vice President, Operations, Ivernia) and Mr. David Wilkie (Mining Manager, Magellan Metals) are the qualified persons for the purposes of NI 43-101 with respect to mineral reserves as at December 31, 2009.

Life of Mine Plan

Based on the mineral reserve in the 2011 Technical Report, the Magellan Mine now has a mine life of over ten years, which includes eight years of mining and over two years of processing stockpiles.

The 2011 Technical Report highlights the option to review the sizing of the operation and includes an updated life of mine plan. This plan indicates that, subject to certain approvals from the Western Australian regulatory authorities, modifications to the plant to increase throughput from 1.7 Mtpa to 2.0 Mtpa could result in significant cost savings. The schedule targets a 1.7 Mtpa throughput with a head grade of 6.8 to 7.0% Pb over the next two years, then an increase to a 2.0 Mtpa operation with a head grade of 3.9 to 6.2% Pb for the following eight and one quarter years. The lower head grades represent processing of lower grade stockpiles beginning in year eight of future operations.

Mineral reserves at the Magellan, Cano, Gama and Pinzon deposits are held under granted mining leases on which mining operations are active. Further permitting will be required to increase production to 2.0 Mtpa and to mine the Pinzon and Gama deposits. The Pizarro deposit lies under a mining lease application and agreement is required with the Native Title claimant party, Tarlpa, prior to granting of the mining lease. Negotiations have commenced and are expected to be concluded prior to scheduled mining of the Pizarro deposit.

During 2011, the Company plans to conduct a review of the sizing of the Magellan Mine to determine the optimum throughput levels to best capitalize on potential economies of scale within the operation based on this increased resource base and exploration potential.