



## NEWS RELEASE

All dollar amounts in this release are expressed in Canadian Dollars

### **IVERNIA ANNOUNCES FINANCING ARRANGEMENTS Secures commitment for \$18 million in new funding**

Toronto – January 11, 2011 - Ivernia Inc. (TSX: IVW) (“Ivernia” or the “Company”) today announced that it has entered into an agreement with Sentient Executive GP III, Limited (“Sentient”) pursuant to which Sentient has agreed to purchase 52.9 million Ivernia common shares (“Common Shares”) at a price of \$0.34 per Common Share (the “Offering”) for gross proceeds of approximately \$18 million. The terms of the Offering provide that Sentient will also be paid a commitment fee of \$899,300, equating to \$0.017 per Common Share, to be deducted from the gross proceeds of the Offering. The Offering will be completed by way of a non-brokered private placement and subject to required Toronto Stock Exchange approvals.

As described in Company press releases dated December 31, 2010, January 3, 2011, January 5, 2011 and January 10, 2011, Magellan Metals Pty Ltd (“Magellan Metals”), a wholly owned subsidiary of the Company, pursuant to an order (the “Order”) from the Western Australia’s Office of Environmental Protection Authority (the “OEPA”), temporarily ceased transport operations at the Magellan mine, located near Wiluna in Western Australia. In addition, the Company received notice on January 10, 2011 of the commencement of the OEPA’s formal investigation into matters related to the Order. As a result of the Order, the Company commenced a temporary shutdown of mining and processing operations at the Magellan mine. Magellan Metals requires certainty of funding immediately and the proceeds of the Offering will be used to strengthen Ivernia’s financial position generally and specifically to provide working capital to fund Magellan Metals during the temporary shutdown of the Magellan mine. The Offering has been negotiated in response to these urgent developments and is expected to close as soon as practicable following the receipt of conditional approval of the Toronto Stock Exchange which will likely be less than 21 days from the date hereof.

An affiliate of Sentient, Green SEA Resources Inc. (“GSR”), currently holds 225,047,928 Common Shares, or approximately 42.5% of Ivernia’s outstanding Common Shares and post-transaction Sentient and GSR would, to the best of the Company’s knowledge, collectively own 277,947,928 Common Shares or approximately 47.7% of Ivernia’s outstanding Common Shares. As a result, the Offering will constitute a “related party transaction” pursuant to Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“MI 61-101”). However, the Offering will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the Common Shares issued nor the consideration paid for the Common Shares will exceed 25% of the Company’s market capitalization.

A special committee of the Company’s board of directors, comprised of two directors who are neither officers or directors of Sentient or GSR, considered the reasonableness and fairness of the Offering and it unanimously recommended to the Company’s full board of directors that the Offering be approved. The board of directors subsequently approved the Offering (the members of the board that would be considered interested parties having declared their interests and abstained from voting on the resolution approving the Offering) and there was no contrary view or abstention by any independent director on the resolution approving the Offering.

#### About Ivernia:

Ivernia is an international base metal mining, exploration and development company.

Ivernia trades under the symbol "IVW" on the Toronto Stock Exchange. Additional information on Ivernia is available on the Company's website at [www.ivernia.com](http://www.ivernia.com) and at SEDAR at [www.sedar.com](http://www.sedar.com).

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### **Forward-Looking Statements**

*Certain statements contained in this press release constitute forward-looking information within the meaning of securities laws. All statements included herein (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 of the closing of the Offering, the receipt of regulatory approval to close the Offering, the duration of the suspension of the Company's transportation of lead carbonate from the Magellan Mine, the duration of the temporary shutdown of the Magellan Mine, the timing of Magellan's response to the requirements of the Order 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 reasonable 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. However, whether actual results and developments will conform with management's expectations is subject to a number of risks and uncertainties, including factors underlying management's assumptions such as the duration of the suspension of the transportation of lead carbonate, metal price volatility, lead carbonate concentrate treatment charges, exchange rates, regulatory proceeding and litigation, single mineral property, resources and reserves, health and safety, environmental factors, mining risks, metallurgy, labour and employment regulations, government regulations, insurance, refinancing risk, dependence on key personnel, constraints on cash flow and nature of mineral exploration and development. Additional factors and considerations are described in the Company's Annual Information Form dated as of March 30, 2010 under "Description of the Business of the Company – Doing Business in Australia" and elsewhere in this press release and in other documents filed from time to time by Ivernia with Canadian securities regulatory authorities. While Ivernia considers these assumptions to be reasonable based on information currently available to it, 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. Undue importance should not be placed on forward-looking information nor should reliance be placed upon this information as of any other date. Except as required by law, while it may elect to, Ivernia is under no obligation and does not undertake to update this information at any particular time.*