



## **NEWS RELEASE**

**All dollar amounts in this release are expressed in Australian Dollars**

### **IVERNIA ANNOUNCES ELECTION TO WITHDRAW FROM THE PRAIRIE DOWNS BASE METALS EXPLORATION PROJECT**

**TORONTO, ONTARIO – JUNE 12, 2012** – Ivernia Inc. (“Ivernia” or the “Company”) (TSX: IVW) announced today that its wholly-owned subsidiary, Ivernia Australia Exploration Pty. Ltd. (“IAEPL”), has given notice to Prairie Downs Metals Limited (“PDML”) of its election to withdraw (the “Election”), effective immediately, from the earn-in and joint venture agreement (“Earn-In Agreement”) for the Prairie Downs base metals project located near Newman in Western Australia (the “Project”).

As previously disclosed by the Company, during 2010 and 2011, Ivernia funded drilling programs in two phases at the Project. These drilling programs were in addition to extensive geochemical sampling carried out across the Project.

The ongoing detailed review of the geological data collected in the sampling and drill programs, which included an independent review by the Company’s majority shareholder, Enirgi Group Corporation, concluded that the geological potential of the Project did not meet our internal investment criteria to justify Ivernia exercising the purchase option under the Earn-In Agreement and therefore it was not appropriate to continue exploring the project.

Ivernia has no ownership interest in the Project and full interest in the Project remains with PDML. In making the Election, Ivernia loses the option to purchase a 60% interest in the Project for A\$10.0 million in cash or Ivernia shares which would have been exercisable within the next 12 months. Under the terms of the Earn-In Agreement Ivernia would have been required to spend further amounts of approximately A\$1.5 million on the project prior to having the right to exercise the option.

As a result of making the Election, Ivernia is not required to incur any further expenditures on the Project nor is it subject to any penalties or fees for withdrawing from the Earn-In Agreement. Accordingly, Ivernia has ceased all funding expenditures at the Project.

#### **About Ivernia**

Ivernia is an international base metal mining company and the owner of the Magellan Mine, located in Western Australia.

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 matters relating to the Project and Earn-In Agreement, future expenditures on the Project 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. Additional factors and considerations are discussed in the Company’s 2011 AIF and may be included in other documents filed from time to time by Ivernica with Canadian securities regulatory authorities. While Ivernica 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, Ivernica is under no obligation and does not undertake to update this information at any particular time.*