



COAL PROJECT ACQUIRED IN CHINA

September 15, 2005

TRADING SYMBOL - TSX.V : ANA

Ivana Ventures Inc. (“Ivana”) is pleased to announce that it has entered into a cooperative joint venture contract on a coal project with the Xinjiang Bureau of Coal Field Geology and Brigade 156 of the Xinjiang Bureau of Coal Field Geology. The 23.4 square kilometre cooperation area is located on the northeast outskirts of Urumqi, the capital city of the Xinjiang Autonomous Region of China. This cooperation contract represents the first time the Xinjiang Bureau of Coal Field Geology has entered into an agreement with a foreign party.

The project area is located within 10 kilometres of the newly commissioned industrial zone near Urumqi, an industrial zone that is set to grow to 900 square kilometres in size over the next 5 years. As well, the project is accessible by a major road and railway.

Brigade 156 drilled 45 holes totaling approximately 22,000 metres on the project area. Data from that drilling indicate that the coal seams in the project area have an average cumulative thickness of 121.26 metres, including three major coal seams ranging in thickness from 8 metres to 32 metres. The rank of coals on the property range from high volatile bituminous coals to low volatile bituminous coals. The data provided by Brigade 156 is being reviewed by Dr. Laxmi Chikatamarla, P.Eng., a Qualified Person as defined by National Instrument 43-101, who has been engaged by Ivana to complete a 43-101 compliant Technical Report.

Under the terms of the contract Ivana will commit for exploration and development costs. Ivana’s initial contribution to the capital of the Cooperative Enterprise, which is to be advanced in tranches over the course of twelve months after a Business License is issued to the Cooperative Enterprise by the Chinese government, will be US\$2,000,000.

Those funds will be allocated as to US\$400,000 to a technical review of data, development of a work program and selection of drill targets, and as to the remaining US\$1,600,000 to drilling, lab tests, safety studies and other work required in anticipation of commencement of coal mining. In addition, Ivana is required to reimburse the Bureau for US\$100,000 of expenses and to pay to the Bureau a contract fee of US\$150,000 within 45 days after receipt of approval by the Chinese Examination and Approval Authority (the “Authority”) and annually thereafter until commencement of commercial production, a training fee of US\$50,000 per annum for five years, salaries totaling US\$10,000 monthly during the first year, US\$15,000 monthly during the second year and US\$18,000 monthly during the third year; subsequent salaries are to be based on the continued success of the project.

The cooperative joint venture contract also includes a formula for profit distribution for coal mining, as follows:

- (a) Before recovery of all Investment Capital and Deemed Interest :
 - Coal Bureau and Brigade 156: 19%
 - Ivana: 81%



- (b) After recovery of all Investment Capital and Deemed Interest :
Coal Bureau and Brigade 156: 38%
Ivana: 62%

Ivana also intends to pursue the approvals required to enable the Joint Venture to explore for and develop coal bed methane gas within the project area.

The joint venture contract is subject to acceptance by the TSX Venture Exchange, and Ivana will need to raise additional funds to pursue this project. A finder's fee is payable in connection with the proposed acquisition.

On behalf of:
Ivana Ventures Inc.

J. Lal Gondi, Chairman and CEO

For further information, please contact Ivana Ventures Inc. at 604-681-4653.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. This news release may contain forward-looking statements. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements.