

IGE RESOURCES AB (PUBL)
Org. Reg. No 556227-8043

IGE Resources AB (former International Gold Exploration IGE AB) ("IGE" or the "Company") announces results for the second quarter 2010, ended June 30, 2010.

Summary second quarter:

- For the second quarter of 2010 IGE reports a net loss of SEK -9.5 million or SEK -0,01 per share, compared to a loss of SEK -32,2 million or SEK -0,07 per share in the second quarter of 2009. The result is affected by an exchange gain (non cash affecting) amounting to SEK 18.9 million and non recurring costs of SEK 10.8 million related to the purchase of the activities of Pangea Diamondfields and a loss of SEK 4.9 million from sale of exploration permits.
- IGE Resources AB announced in the end of the second quarter 2010 that the Company has received all necessary government approvals for its Luxinge diamond project in Angola.
- IGE announced that the Company has been granted Exploitation Concessions for its Rönnebäcken nickel project by the Mining Inspectorate of Sweden (Bergsstaten).
- IGE reported positive drill results from the 2010 winter drill program at its Rönnebäcken nickel project in Sweden, reinforcing the Company's confidence in increasing the projects' resource significantly.
- IGE reported that the Company has drawn the first tranche amounting to SEK 6 million of the Standby Equity Distribution Agreement (SEDA) provided by YA Global Master SPV Ltd., an investment fund managed by Yorkville Advisors.
- IGE announced that the Company has accepted a SEK 5 million convertible loan for its Rönnebäcken nickel project from Sweden's Norrlandsfonden.
- IGE completed its first diamond sale of 3,407 carats on the 29th of April, marking a significant milestone in the Company's development as a diamond exploration and production company in Africa.
- IGE announced that the Company has entered into a strategic partnership with Mitchell River Group (MRG) of Australia for its Rönnebäcken nickel project in Sweden.
- IGE concluded a Private Placement of NOK 31.0.
- IGE has, as per April 8th 2010, changed the company's name from International Gold Exploration IGE AB to IGE Resources AB.

Financial Summary

(TSEK, except per share data)	Q2 2010	Six months ended June 30, 2010	Q2 2009	Six months ended June 30, 2009	Twelve months ended Dec 31, 2009
Revenue from sales	6,291	6,291	-	-	-
Other income	18,916	20,876	-	-	15,169
Operating result	-2,397	-24,078	-31,459	-34,149	-66,859
Net result	-9,465	-31,145	-32,152	-37,461	-65,782
Investments	41,851	493,716	-9,650	22,395	35,463
Cash at the end of the period	26,223	26,223	17,122	17,122	40,807
Interest bearing loans at the end of the period	32,574	32,574	16,471	16,471	12,065
Result per share before and after dilution	-0.01	-0.03	-0.07	-0.08	-0.12

Other important events and events after the reporting period:

- In the end of July IGE announced the inauguration of its Luxinge diamond mine, Angola. The production at the mine is being optimized and the sale of diamonds recovered during exploration is expected September 2010.
- IGE announced the results from its latest sale of rough diamonds from the Cassanguidi, Angola mine. At the sale that was executed in late July in Luanda, IGE Diamond sold 2,938 carats of rough diamonds at an average price of USD 161 per carat.
- IGE announced that the Company has secured NOK 16.6 million of new equity by utilizing its Standby Equity Distribution Agreement (SEDA).

Update on the 2010 work program:

IGE Diamonds:

Cassanguidi (Angola)

Additional equipment has been mobilised to the mine in the form of two 30 ton Articulated Dump trucks. These will boost the mining capacity of the project to be able to cope with the requirements of the reconfigured plant. These trucks were part of the mining fleet that was active at Bakerville project in South Africa.

In addition a 350 KVA generator has been relocated to Cassanguidi also from the Bakerville project. This is to provide power for the additional processing equipment that is being established on the site. The projects operations have been reconfigured to be continually operational 24 hours a day seven days a week. To accomplish this there are four shifts operating three eight hour shifts, with one shift on leave for a week at the change over. In conjunction with this change a structured maintenance program has been put in place. The mine management team was strengthened by the addition of Angolan nationals being coached and included in this management team. Both of these changes have had a marked improvement in the process plant and mining fleet availability and increased the consistency and volume of the plant throughput.

The project had two significant breakdowns during this period. The first was the main power generator which developed a problem with its engine. It will be rebuilt, spares are en route to the mine. One week of production was lost. The primary vibrator motor on the main dewatering screen in the process plant seized its bearings. These were replaced and damage to the main drive beam was repaired. One week of production was lost.

During the month of July, after the expiration of the reporting period, an average of 98.7 Carats per day were recovered. This is the first month that the project has performed with this degree of consistency. Throughput was 25% up on the average of the previous months.

Planning

The processing plants are being reconfigured to a central location. This will improve the operation dynamics and efficiencies of the processing facilities and allow more focussed mining operations. The first component, a 16" rotary pan has been commissioned and is in full production. The installation of the second major component, a 150 ton per hour scrubber and wet front end, is in progress with commissioning planned in the near future. It is planned to lift the production to the 5 000 Carats a month with this new configuration.

Luxinge project (Angola)

The second Quarter, continued with discussions and submitting of technical reports to Endiama for the purpose of approval of the EVTE for Project Luxinge. Further meetings were held with Sodiam and the Ministry of Mines, Geology and Industry. At the end of the second quarter, approval was granted by the Ministry to enable Endiama to offer Project Luxinge the Mining Contract.

Approval has also been granted by the state, for the selling of the sample `diamonds recovered during the bulk sampling phase. The project Luxinge was put into production prior to approval being granted and areas of Diamonds were opened ready for excavation and recovery of Diamonds. To date over 9,000 cts have been recovered and the sale will be taking place shortly (after the expiration of the reporting period).

The Project was formally inaugurated on July 28th 2010, this was attended by the Minister of Mines and the Provincial Governor of the Province of Lunda Norte, in which Luxinge is situated.

The commercialisation of the new Company, Sociade Minerio du Luxinge (SML), is in progress. Together with the partners of the New Company, the formation and management structure is still to be decided. However IGE, as the major shareholder, has operational and financial control. The mining contract states that further investment required within the project is subject to investment from the remaining partners and that IGE does not fund 100% and free carry the Local Partners any longer after the point where the mining licence was granted and the incorporation of the formal company has taken place.

Planning

IGE will now ramp up the production within Luxinge in order to get a good perception about the grades, size distribution and price of the diamonds recovered.

Cariango, Lacage and Luanguinga Projects (Angola)

The first three years of the prospecting contract has expired on Project Lacage concession, reports have been submitted to the Council explaining why limited work has been done and why IGE should continue, these discussions is on going.

IGE is still waiting for information about the ratification of the projects with regard to the Kimberlite contracts. IGE has been verbally advised that the contracts are within the Council of Ministers, but IGE is waiting for written confirmation to be received before starting activities.

Endiama and the Minister of Mines, Geology and Industry have informed IGE that the company is considered for a number of interesting Diamond concessions, these concessions will only be considered if the appropriate mining exploitation licenses are issued and correctly applied.

Bakerville (South Africa)

Intense liaison with the Department Minerals Resources (DMR) has been occurring to assist the process of adjudication of the mining license. Boreholes have been drilled to locate water for the processing plant. A number of these boreholes intersected water. Pump test conclude that there is a reasonable amount of water available. However to reach the required flow rates deeper boreholes will be required which will have to be done using CODEX drilling methodology due to caving in the boreholes.

ESKOM power has been arranged initially at 350KVA until March 2011 when the full 1.45MVA will be allocated. In the event that there is a delay on this alternative power sources are being investigated.

A manual screening exercise was done of the surface and pothole gravels in order to determine particle size distribution (PSD) of the gravels on the property to be mined in the future. At least 45 samples were screened, the data will be used in plant design.

Proposals for the manufacture and construction of the processing plant have been requested and received. These are being adjudicated with a contract award planned in the near future. The mining fleet has been designed and costed. Orders for this will be placed shortly after the license award, finance depending. Meetings have been held with the local communities surrounding the project, there has been support for the project from these meetings.

Numerous compliance inspections by the Department of Mineral Resources (DMR) were carried-out on existing prospecting rights. Some of these inspections were related to closure applications of the so-called Bloemhof and Patsema project areas.

Planning

All efforts are currently directed to working with the DMR to work toward the award of the mining license. Processing plant supplier will be decided on and detailed design and planning entered into with them. The mining fleet design and composition will be finalised and a staged fleet build up finalised and the orders will be placed.

Harts River (South Africa)

Budget approval was granted to carry out limited drilling on the Brussels section of the Harts river project. Contract negotiations with the farmers are in progress to commence with the drilling program. This program is to demonstrate to the DMR that we are progressing on this license to retain tenure of it.

Longatshimo (the Democratic Republic of Congo)

It is planned that as soon as finances are allocated additional capital equipment will be procured for the project. Mining will commence after the commissioning of this equipment. The licence tenure has been kept in good standing. All related taxes, fees and reports are up to date. A team of security guards are stationed on site and there is ongoing upkeep and maintenance of the camp. A security fence has been erected around the plant.

Tshikapa (the Democratic Republic of Congo)

There is a limited dredging operation being conducted on the Tshikapa River in conjunction with our JV partner. A historically rich and well documented pothole is being investigated. IGE has kept all licences and related documentation valid. A team of security guards is monitoring the licences and maintenance work has continued at the camp with the construction of two new brick accommodation buildings. An electricity grid has been extended to the town of Tshikapa which now has 24hour uninterrupted power. The Chinese are advancing rapidly with the construction of a new road from Kinshasa to Tshikapa which will greatly facilitate the movement of freight and supplies to site.

When finances are allocated to this project, the pumping and river diversion programme will be accelerated and the terrace mining operation will be initiated with the commissioning of a Bulk Sampling plant.

IGE Nordic AB:

Highlights during the second quarter:

1. An update of the Mineral Resource Estimate of the Rönnebäcken Nickel Project was carried out by SRK Consulting (Sweden) AB.
2. The Project Mineral Resource represents a significant increase to the previous Mineral Resource Estimate prepared in April 2009, and now includes a total of:
 - Measured and Indicated Mineral Resources of 257.1 million tonnes (Mt) with an average total nickel content of 0.180% of which 0.110% is nickel in sulphide (Ni-AC);
 - Inferred Mineral Resources of 83.5 Mt with an average total nickel content of 0.177% of which 0.103% is nickel in sulphide (Ni-AC).
3. IGE Nordic entered into a strategic partnership with Mitchell River Group (MRG) of Australia. MRG will provide additional expertise, capabilities and technical resources to the development of Rönnebäcken going forward, in return for an option to acquire a 10 per cent interest in the Rönnebäcken Nickel Project for an undisclosed cash payment.
4. Norrlandsfonden of Sweden has provided funding of SEK 5 million for IGE's Rönnebäcken Nickel Project (see note 12).
5. Positive drill results from the 2010 winter drill program reinforce the Company's confidence in increasing the project's resource significantly. IGE has set a new target mineral resource of 400-450 million tonnes, which it expects to achieve with additional exploration drilling.
6. Technical analysis of the results from the minipilot study carried out on the Ronnbacken Nickel Project demonstrated a nickel sulphide recovery of 80%.
7. The Swedish Chief Mining Inspector has granted exploitation concessions Rönnebäcken K nr 1

(Vinberget deposit) and K nr 2 (Rönnbäcksnäset deposit) to IGE Resources's subsidiary IGE Nordic AB.

8. Work has begun towards preparing an application of an environmental permit, which is estimated to be completed by end-2011. The application will include an additional EIA including operational aspects.

An update of Mineral Resources of the Rönnbäcksnäset and Vinberget deposits was undertaken by SRK Consulting (Sweden) AB. Using all available and valid data, geological contacts to the serpentinite body were remodelled and SRK extended the model at depth to enable the evaluation of the down dip potential of the deposits. SRK utilized a metal price of USD9.00/lb (USD19,840/tonne) and applied a cut off grade of 0.048% Ni-AC. The Mineral Resource Statement was classified in accordance with the Guidelines of National Instrument 43-101, and accompanying documents 43-101.F1 and 43-101.CP.

The updated Mineral Resource shown in Table 1, imparts a greater confidence in the nickel resources underlying the Rönnbäcken Nickel project, and significantly reduces the amount of infill drilling required to complete the current Prefeasibility Study. In addition, SRK noted that there is potential for an additional 40 and 80 million tonnes at the Rönnbäcksnäset deposit, when applying a metal price of USD9.00/lb (USD19,840/tonne) to the optimization, which could be identified by drilling next to the existing resources.

Table 1: Mineral Resource Statement

DEPOSIT	CLASSIFICATION	TONNES (Mt)	TOTAL NI %	NI-AC %	NI TONNES (000'S)	NI-AC TONNES (000's)
Rönnbäcksnäset	Measured	-		-		
	Indicated	206.6	0.178	0.104	368	214
	Measured +Indicated	206.6	0.178	0.104	368	214
	Inferred	76.9	0.176	0.100	135	77
Vinberget	Measured	28.2	0.188	0.132	53	37
	Indicated	22.4	0.183	0.134	41	30
	Measured +Indicated	50.6	0.186	0.133	94	67
	Inferred	6.6	0.183	0.138	12	9
TOTAL	Measured	28.2	0.188	0.132	53	37
	Indicated	228.9	0.179	0.107	409	244
	Measured +Indicated	257.1	0.180	0.110	462	282
	Inferred	83.5	0.177	0.103	147	86

IGE entered into a strategic partnership with Mitchell River Group (MRG) of Australia, whereby MRG will provide additional expertise, capabilities and technical resources to the development of Rönnbäcken Nickel Project. MRG provides funding and management for early stage resource projects, and has a strong value development track record in nickel projects. The group has demonstrated its capacity to add considerable project value based on its geology and mining expertise, industry insight and metals project management capabilities. MRG has also proven highly successful in marketing and financing base metal projects. Going forward, MRG will invest in Rönnbäcken by supplying technical and management services to IGE. MRG will absorb the majority of its own costs, thereby accepting project risk and having an incentive to build value in the project. In return, MRG has secured an option to acquire 10 per cent of the Rönnbäcken. Overall control of the Rönnbäcken project remains with IGE. The partnership is initially for a period of 18 months and can on agreement be extended beyond 2011.

The focus of the 2010 winter drill program was to test for nickel sulphide mineralisation in areas outside of the documented deposit at Rönnbäcken. Assay results for the Sundsberget area confirm that significant thicknesses of mineralised serpentinite rock occur over an area in excess of 1,000 metres by 400 metres and that mineralisation is open down-dip. Assay results from drilling adjacent to the Vinberget deposit indicate mineralization to the northeast and southwest of the main deposit. These latter areas were added to the exploitation concession application.

The extent of these discoveries make IGE Nordic more optimistic that a target resource of 400-450 million tonnes at 0.10 to 0.15% nickel in sulphide could potentially be reached with additional exploration drilling. Another drill campaign commenced on June 7th, initially to follow-up and infill the exploration drilling at Sundsberget. This work is expected to provide sufficient detail for an initial resource estimate to be prepared on IGE's behalf by the Mitchell River Group. Drilling activity is on-going with a second rig added in August.

In the pilot testing, a sulphide nickel recovery of 80 per cent was demonstrated on a continuous basis (previous optimisation program was carried out under batch conditions at lab-scale). This is better than previous estimates. Concentrate grades above 22 per cent nickel were achieved in the mini pilot test. This is largely at par with previous assessments, and concentrate grades are expected to improve further in full-scale production. Based on the mini pilot the flowsheet design has been simplified, resulting in a lower estimate for the project's capital expenditure. The test program also revealed higher operating costs than previously estimated, due to an increased need for reagents. Testing was conducted in March on a composite sample at the Geological Survey of Finland with support from Outotec Minerals Oy.

The results from the minipilot will be incorporated in a simulation model to predict plant-scale outcomes. Overall results are expected to be used, along with new resource estimates, mining schedules and engineering cost estimates, to update project economics during the first half of 2011.

The granting of the exploitation concessions follows upon two years of thorough study and preparation, and establishes the right for mining activity to take place. An exploitation concession is granted for a mineral deposit if there is a probability for an economic exploitation of the deposit and if the site is considered acceptable from an environmental point of view. An exploitation concession is valid for 25 years, with extensions available if mining is on-going. The potentially impacted area has been surveyed for nature values and culture values and potential impacts on present land use for e.g. reindeer herding and hydropower generation has been addressed in the submitted EIA.

Planning

The next step is the preparation of an application to the Environmental Court for an environmental permit, which comprises an evaluation of the environmental impact of mining operations. The permit must be granted before construction of the mine can begin. The preparation is estimated to take close to one and a half years and will include formal stakeholder consultations. The application will include a more detailed EIA extending beyond land use aspects. The granting is expected to take additionally one and a half years and will include formal stakeholder consultations. Work on an environmental permit is part of the prefeasibility study.

Highlights after the expiration of the interim period:

1. Rönnebäcken has been classified an Area of National Interest for Mineral Extraction by the Geological Survey of Sweden.
2. Hatch Corporate Finance has been retained to secure additional financing for the Rönnebäcken Nickel Project

The Geological Survey of Sweden (SGU) has classified the Rönnebäcken nickel deposits "an Area of National Interest for Mineral Extraction." The area of interest, referred to as Rönnebäcken, consists of the three known deposits: Rönnebäcksnäset, Vinberget and Sundsberget, which in SGU's opinion are all part of the same mineralization and are therefore considered as one entire deposit. The SGU noted in its decision that nickel is considered a strategic metal, as all of the nickel consumed in Sweden is imported. Furthermore, the Rönnebäcken area is important for the country's raw material supply, having good potential to support future mining activity.

IGE is looking to secure a strategic investor in the Rönnebäcken Nickel Project, primarily to finance and accelerate the Pre-Feasibility Study, estimated to cost approximately USD13 million, in exchange for a minority interest in the Rönnebäcken Project. To this end, IGE has retained Hatch Corporate Finance to execute a private placement in a subsidiary of IGE Resources, which will own the assets of the Rönnebäcken Nickel Project (currently IGE Nordic AB). Hatch Corporate Finance is an independent corporate finance advisory firm focused on the metals and mining sectors, and has successfully executed transactions with a combined value in excess of USD10 billion, since 2003.

IGE is currently working to expand its resource through exploration drilling. Prefeasibility activities are already underway, with completion expected for the end of 2011. Part of these activities will involve the evaluation of raising ore throughput to 30 million tonnes per year, from the current planned rate of 20 million tonnes per year of ore. The bankable feasibility study is scheduled to follow upon the prefeasibility study, with completion expected for the 2nd quarter of 2013. Construction is assumed to require two years, finishing during the 2nd quarter of 2015. Commissioning is forecast to commence in the 3rd quarter of 2015.

IGE Kenya:

IGE is considering a number of alternatives for its Kenyan gold projects. These projects are at a relatively early stage and IGE does not have the capacity and resources necessary to develop these assets alone. The Group has initiated discussions with potential partners and will continue to evaluate alternatives in order to develop these assets in a manner which is cost efficient and beneficial to IGE's shareholders.

The Administration of IGE Resources AB (publ) hereby submit the interim report for the period January 1st to June 30th 2010, with comparable figures from the corresponding period of the previous year and the most recent annual report.

Business description

The Company's activities consist of exploration for mineral deposits and mining. The Company operates in Scandinavia and Africa.

Revenue from sales

Revenue from sales is related to sales of rough diamonds recovered from IGE projects. The sales during the period amounted to SEK 6,3 million (0). The number of carats sold during the period amounts to about 6,200 (0).

Investments during the period

Net investments during the second quarter amounts to SEK 41.9 million (0). The investments during the period are mainly related to the purchase of the activities of Pangea Diamondfields, the operations in the Luxinge diamond project and expenditures related to the advancement of the Rönnbäcken nickel project.

Financial position

Cash flow during the period was MSEK -14.9 million (-22.4). Cash and cash equivalents at period end amounted to SEK 26.2 million (17.1). Shareholders Equity amounted to SEK 738.3 million (238.8) at the end of the reporting period, resulting in an equity ratio of 73 percent (81.2).

The long-term liabilities of the Group are related to a loan given by Svenska Handelsbanken AB for the purchase of equipment for the production site in Luxinge from Volvo. The remaining amount to be paid is MSEK 9.2. The loan is guaranteed by the Swedish Credit Exports Guarantee Board (EKN) and has a duration of 3 years. The loan was raised in June 2008. In addition SEK 18.3 million is related to a loan given to Efidium Ltd, which was included in the purchase of the activities of Pangea Diamondfields.

Parent Company

The operation of the Parent Company is referable to direction and management of the Group's operations.

Result before tax amounted during second quarter 2010 to SEK -4.2 million (-5.0) and cash and cash equivalents amounted to SEK 12.0 million (12.8). Investments in the Parent Company during the reporting period amounted to SEK 14.8 million (0).

Pledged assets and contingent liabilities

Pledged assets are MSEK 0.1 (0.2) and contingent liabilities are MSEK 0 (0).

IGE's share

The IGE share is listed on the Oslo Stock Exchange (OB Match). The ticker symbol of the share is IGE.

Upcoming reports:

Q3 and 9 months interim report 2010:	18 November 2010
Q4 and Year End report 2010:	18 February 2011

This Interim report has not been subject to audit by the Company's auditors.

SECOND QUARTER REPORT, 2010

Stockholm August 26th, 2010



Tomas Fellbom
Chief Executive Officer
IGE Resources AB (publ)

Income statement – Group

(TSEK)	Note	Q2 2010	Q2 2009	Jan-June 2010	Jan-June 2009	2009
Revenue from sales	5	6,291	-	6,291	-	-
Other income	6	18,916	-	20,876	-	15,169
Other external expenses		-11,128	-23,721	-25,019	-15,344	-51,918
Personnel expenses		-12,285	-5,728	-16,892	-12,470	-23,110
Other operating expenses	7	-	-1,074	-4,923	-1,074	-1,069
Depreciations and write downs		-4,191	-936	-4,411	-5,261	-5,931
Operating result		-2,397	-31,459	-24,078	-34,149	-66,859
Financial revenue	3	1,296	1,239	1,547	2,415	6,136
Financial expenses	3	-8,499	-1,089	-8,749	-3,994	-5,059
Total financial items		-7,203	150	-7,202	-1,579	1,077
Result before tax		-9,600	-31,309	-30,280	-35,728	-65,782
Result from assets held for sale		-	-843	-	-1,733	
Income tax	8	135	0	135	0	0
Result for the period		-9,465	-32,152	-31,145	-37,461	-65,782
Result per share before and after dilution		-0.01	-0.07	-0.03	-0.08	-0.12

Group – Statement of comprehensive income Summary

TSEK	Q2 2010	Q2 2009	Jan-June 2010	Jan-June 2009	2009
Net result for the year	-9,465	-32,152	-31,145	-37,461	-65,782
<i>Other comprehensive income</i>					
Exchange differences during the year	-4,063	4,419	-4,345	1,691	6,798
Total other comprehensive income	-13,528	-27,733	-35,490	-35,770	-58,984
<i>Total comprehensive income for the year</i>	<i>-13,528</i>	<i>-27,733</i>	<i>-35,490</i>	<i>-35,770</i>	<i>-58,984</i>
<i>Attributable to:</i>					
Equity holders of the Parent Company	-13,528	-27,733	-35,490	-35,770	-58,984

Balance sheet – Group (TSEK)

	Note	30/06/2010	30/06/2009	31/12/2009
ASSETS				
Fixed assets				
<i>Intangible fixed assets</i>				
Mineral interests		742,563	135,234	154,257
<i>Tangible fixed assets</i>				
Plant and machinery		87,466	51,266	47,700
Mine and other development assets		56,097	-	-
<i>Long-term financial assets</i>				
Shares in associated companies		25,480	25,425	25,593
Long-term receivables		39,763	43,595	40,370
Total fixed assets		951,369	255,520	267,920
Current Assets				
Inventory		1,655	-	-
Other receivables		26,874	7,216	17,511
Prepaid expenses and accrued income		1,296	3,682	1,038
Short term investments		2,630	-	-
Cash and cash equivalents		26,223	17,122	40,807
Total current assets		58,678	28,020	59,356
Assets held for sale		-	10,676	-
TOTAL ASSETS		1,010,047	294,216	327,276
EQUITY				
<i>Equity attributable to equity holders of the parent company</i>				
Share capital		68,327	23,974	39,785
Other capital-contribution		890,122	376,104	451,041
Reserves		-3,500	-4,263	845
Retained earnings and profit for the period		-216,651	-156,968	-185,506
Total equity		738,298	238,847	306,165
Liabilities				
Deferred tax liabilities	10	215,125	-	-
Other provisions	10	1,884	-	-
<i>Long term liabilities</i>				
Convertible loan	12	5,000	-	-
Interest bearing long term liabilities	11	27,517	16,155	11,974
Other long term liabilities		57	316	91
Total long term liabilities		249,583	16,471	12,065
<i>Current liabilities</i>				
Interest bearing short term liabilities		-	20,000	-
Account payables		7,564	2,786	2,297
Other liabilities		2,616	3,648	2,386
Accrued expenses and prepaid income		11,986	4,456	4,363
Total current liabilities		22,166	30,890	9,046
Liabilities related to assets held for sale		-	8,008	-
TOTAL EQUITY AND LIABILITIES		1,010,047	294,216	327,276

Changes in Equity – Group

(TSEK)	Equity related to the shareholders of the parent company				
	Share capital	Other paid in capital	Exchange differences	Retained earnings and profit for the year	Total Equity
2009					
Balance at 1 January 2009	20,908	348,277	-5,954	-119,507	243,724
Net result for the period				-37,461	-37,461
<i>Other comprehensive income</i>					
Exchange differences			1,691		1,691
Transactions with shareholders					
Issued call options		120			120
New share issue	3,066	27,707			30,773
Closing balance at 30 June 2009	23,974	376,104	-4,263	-156,968	238,847
Net result for the period April to December				-28,538	-28,538
<i>Other comprehensive income</i>					
Exchange differences			5,108		5,108
Transactions with shareholders:					
Costs referable to fundraising		-5,984			-5,984
New share issue	15,811	80,921			96,732
Closing balance at 31 December 2009	39,785	451,041	845	-185,506	306,165
Net result for the period				-31,145	-31,145
<i>Other comprehensive income:</i>					
Exchange differences			-4,345		-4,345
Transactions with shareholders:					
Costs referable to fundraising		-2,073			-2,073
New share issue	28,542	441,154			469,696
Closing balance at 30 June 2010	68,327	890,122	-3,500	-216,651	738,298

Existing reserves refer to exchange differences due to operations in foreign currency. The accumulated exchange difference amounted to SEK -3,500 (-4,263) thousands.

Cash flow statement – Group

(TSEK)	Jan-June 2010	Jan-June 2009	2009
Cash flow from operations			
Result after financial items	-31,280	-37,461	-65,782
Adjustments for items not included in cash flow*	18,598	6,304	11,644
Income tax paid	-	-	-
Total cash flow from operations before change in working capital	-12,681	-31,157	-54,138
Change in working capital			
Increase/decrease in inventories	500	-1,346	-
Increase/decrease receivables	-6,075	1,385	689
Increase/decrease in liabilities	-13,662	-4,059	-8,098
Total cash flow from operations	-31,918	-35,177	-61,547
Cash flow used for investments			
Cash holdings in acquired associated company	1,922	799	-
Sale of associated company	-	-	7,829
Acquisition of intangible assets	-30,762	-31,390	-56,227
Sale of intangible assets	4,329	2,000	2,000
Acquisition of tangible assets	-2,331	-139	-223
Sale of tangible assets	-	-	226
Acquisition of shares in associated companies	-51	-	-
Total cash flow used for investments	-26,894	-30,730	-48,396
Financial activities			
New share issue	42,025	25,120	115,681
Raised credits	5,000	20,000	91
Amortization of debt	-3,116	-3,640	-6,387
Total cash flow from financial activities	43,909	45,120	109,385
Change in cash and bank	-14,903	-22,427	1,443
Cash and bank at 1 January	40,807	39,639	39,639
Currency exchange difference	320	-90	-275
Cash and bank at the end of reporting period	26,223	17,122	40,807
*Adjustments for items not included in cash flow			
Depreciations and write downs on intangible assets	-	4,886	4,123
Write down of financial assets	3,048	-	-
Depreciations and write downs of tangible assets	4,411	376	1,480
Exchange loss	1,988	-	19,134
Capital loss	4,923	1,080	-13,843
Change in value of shares in associated companies	164	322	507
Discounting of future claim to its present value	4,064	-	-
Others	-	-360	243
Total	18,598	6,304	11,644

Income statement – Parent company

(TSEK)	Q2 2010	Q2 2009	Jan-June 2010	Jan-June 2009	2009
Revenue	-	-	-	-	10,646
Other external expenses	-3,045	-3,215	-4,479	-6,686	-15,182
Personnel expenses	-2,179	-2,318	-2,978	-3,943	-8,250
Depreciations	-16	-26	-32	-57	-110
Operating result	-5,240	-5,559	-7,489	-10,686	-12,896
Financial revenue	1,129	1,228	1,248	1,362	1,159
Financial expenses	-56	-633	-70	-9,059	-11,825
Total financial items	1,073	595	1,178	-7,697	-10,666
Result before tax	-4,167	-4,964	-6,311	-18,383	-23,562
Income tax	0	0	0	0	62
Result for the period	-4,167	-4,964	-6,311	-18,383	-23,500

Balance Sheet – Parent company

(TSEK)	Note	30/06/2010	30/06/2009	2009
ASSETS				
Tangible fixed assets				
Plant and machinery		80	178	112
<i>Long-term financial assets</i>				
Shares in subsidiaries		536,945	85,419	85,635
Receivables related to subsidiaries		280,319	230,427	276,497
Total fixed assets		817,344	316,024	362,244
Current Assets				
Account receivables		-	-	14
Other receivables		12,541	1,127	11,353
Prepaid expenses and accrued income		-	409	248
Cash and cash equivalents		12,029	12,818	1,207
Total current assets		24,570	14,354	12,822
TOTAL ASSETS		841,914	330,378	375,066
SHAREHOLDERS EQUITY				
<i>Restricted equity</i>				
Share capital		68,327	23,974	39,785
Statutory reserve		111,345	111,345	111,345
<i>Total restricted equity</i>		<i>179,672</i>	<i>135,319</i>	<i>151,130</i>
<i>Non restricted equity</i>				
Share premium reserve		754,912	240,688	315,830
Retained earnings and profit for the period		-125,358	-113,930	-119,047
<i>Total non restricted equity</i>		<i>629,554</i>	<i>126,758</i>	<i>196,783</i>
Total shareholders equity		809,226	262,077	347,913
Long term liabilities				
Convertible loan	12	5,000	-	-
Interest bearing long term liabilities	11	9,188	16,155	11,974
Long term intercompany liabilities		9,526	27,452	9,678
Total long term liabilities		23,714	43,607	21,652
Current liabilities				
Interest bearing short term liabilities		-	20,000	-
Account payables		6,738	2,178	2,063
Other liabilities		518	102	640
Accrued expenses and prepaid income		1,718	2,414	2,798
Total current liabilities		8,974	24,694	5,501
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		841,914	330,378	375,066

Changes in Equity – Parent Company

(TSEK)	Restricted Equity		Non restricted Equity		
	Share capital	Statutory reserve	Share premium reserves	Retained earnings and result for the year	Total Equity
2009					
Balance as at 1 January 2009	20,908	111,345	212,891	-95,547	249,597
Result for the year				-18,383	-18,383
Transactions with shareholders:					
Payment of call options			120		120
New share issue	3,066		27,677		30,743
Closing balance at June 30 2009	23,974	111,345	240,688	-113,930	262,077
Net result for the period July to December				-5,117	-5,117
Transactions with shareholders:					
Costs referable to fundraising			-5,984		-5,984
New share issue	15,811		81,126		96,937
Closing balance at December 31 2009	39,785	111,345	315,830	-119,047	347,913
Balance as at 1 January 2010	39,785	111,345	315,830	-119,047	347,913
Net result for the period				-6,311	-6,311
Transactions with shareholders:					
Costs referable to fundraising			-2,073		-2,073
New share issue	28,542		441,155		469,697
Closing balance at June 30 2010	68,327	111,345	754,912	-125,358	809,226

Key ratios and shares data

		30/06/2010	30/06/2009	2009	2008	2007
Number of outstanding shares at beginning of reporting period	Number	795,709,953	418,161,828	418,161,828	341,000,000	341,000,000
New share issue	Number	570,834,259	50,000,000	377,548,125	77,161,828	-
Number of outstanding shares at the end of reporting period	Number	1,366,544,212	479,473,828	795,709,953	418,161,828	341,000,000
Average number of shares	Number	1,063,876,174	442,157,828	538,509,297	364,988,889	341,000,000
Operating result	TSEK	-24,078	-34,149	-66,859	-49,800	-66,023
Result after tax	TSEK	-31,145	-37,461	-65,782	-56,787	-62,529
Operating result per share	SEK	-0.02	-0.08	-0.12	-0.14	-0.19
Result after financial items per share	SEK	-0.03	-0.08	-0.12	-0.16	-0.18
Result per share after tax	SEK	-0.03	-0.08	-0.12	-0.16	-0.18
Shareholders equity per share before dilution	SEK	0.54	0.50	0.00	0.67	0.72
Dividend	TSEK	-	-	-	-	-
Price per share at the end of reporting period	SEK	0.43	0.61	0.58	0.65	2.34

In calculating income and cash flow per share the average number of shares has been used, whereas in calculating shareholders' equity the number of outstanding shares has been used.

IGE possesses none of its own shares at the end of the reporting period.

Further information regarding key ratio definitions can be obtained from the annual report for the financial year 2009.

Total number of shares amounts to 1,366,544,212 as per June 30th 2010.

NOTES TO THE FINANCIAL REPORTS

1. Accounting principles

This interim report has been prepared according to Annual Accounts Act and IAS 34 Interim Reporting. The interim report has also been prepared in accordance with the rules in the Swedish Financial Accounting Standard RFR2. During 2010, the same accounting principles have been applied in this report as in the annual report prepared for the financial year 2009 with the following exceptions (see below) referring to new or revised standards, interpretations and changes adopted by the European Union (EU) which are applied from 1 January, 2010. Only the new or revised standards which have had an impact on the Group are described below. The Interim report does not contain all the information and disclosures available in the annual report and the interim report should be read together with the annual report for 2009.

New or revised standards

IFRS 3R, Business Combinations and IAS 27R, Consolidated and Separate Financial Statements adopted by the EU on 3 June 2009). IFRS 3R introduces a number of changes in the reporting of business combinations that will affect the level of reported goodwill, the reported result in the period in which the combination takes place as well as future reported results. IAS 27R requires changes in shareholdings in a subsidiary whereby the majority shareholder does not lose its control to be recognised in equity. This means that such transactions no longer give rise to goodwill or result in any gains or losses. In addition, IAS 27R changes the reporting of losses arising in subsidiaries and measurement when control of a subsidiary is lost. IGE intends to apply this standard as of 1 January 2010. The revisions to IFRS 3R and IAS 27R will affect the reporting of future acquisitions and divestitures as well as transactions with minority shareholders.

Other standards and interpretations of existing standards that have come in to effect as from January 1st 2010 are appraised not to have any impact on the account of IGE.

2. Risks and Uncertainties

The operations of IGE involve certain significant risks, including but not limited to credit risk, foreign exchange risk, and political risk. For a complete discussion of the aforementioned risks, refer to the Company's 2009 annual report, available on the IGE website, www.ige.se. The management of IGE does not consider that any additional risk has become current since the expiration of the previous year of operation.

3. Financial items

Financial revenue (TSEK)	30/06/2010	Group 30/06/2009	31/12/2009
Income from interest	1	60	80
Exchange rate gains	1,546	2,355	6,056
Total financial revenue	1,547	2,415	6,136

Financial expenses (TSEK)	30/06/2010	30/06/2009	31/12/2009
Valuation of short term investment	-3,048	-	-
Loss from shares in associated companies	-164	-697	-
Loss from interest	-971	-1,085	-1,932
Discounting of future claims to its present value	-4,064	-	-
Other financial costs	-	-	-59
Exchange rate losses	-502	-2,212	-3,068
Total financial expenses	-8,749	-3,994	-5,059

The adjustments as result of revaluation of all short term investments are accounted for in gross amounts.

4. Segment reporting

(TSEK)	Jan-June 2010				
	Gold	Diamonds	Nickel	Other	Total
Revenue from sales	-	6,291	-	-	6,291
Other income	-	-	-	20,876	20,876
Depreciation of mine	-	-384	-	-	-384
Depreciation according to plan	-142	-3,693	-161	-31	-4,027
Operating result	-1,350	-17,859	-7,620	2,751	-24,078
Result before tax	-1,282	-25,113	-7,650	3,765	-30,280
Fixed assets	15,959	854,663	80,667	80	951,369
Current assets	2,331	31,351	14,783	10,213	58,678
Long term liabilities	58	27,517	5,000	-	32,575
Short term liabilities	267	11,007	1,918	8,974	22,166
Investments (gross amounts)	1,157	462,948	29,580	31	493,716
(TSEK)	Jan-June 2009				
	Gold	Diamonds	Nickel	Other	Total
Other income	-	-	-	-	-
Depreciation of concessions	-	-	-4,886	-	-4,886
Depreciation according to plan	-147	-	-171	-57	-375
Operating result	-3,529	-6,180	-10,628	-13,812	-34,149
Result before tax	-4,027	-9,549	-9,809	-12,343	-35,728
Fixed assets	14,136	168,757	72,449	178	255,520
Current assets	7,322	5,180	2,663	12,855	28,020
Long term liabilities	316	16,155	-	-	16,471
Current liabilities	7,322	3,823	1,791	17,954	30,890
Investments (gross amounts)	2,594	18,889	912	-	22,395

5. Revenue from sales

Revenue from sales is related to sales of rough diamonds recovered from IGE projects.

6. Other income

Other income constitutes of currency gains related to inter company balances. SEK 15,2 million during 2009 was related to a sale of IGE's 50% ownership of Kilimapesa Gold in Kenya.

7. Other operating expenses

Other operating expenses are referable to a capital loss from sales of an exploration permit in IGE Nordic.

8. Tax

The positive amount reported is a reversal of a provision related to deferred tax liabilities.

9. Share warrants – incentive programs

For information about currently outstanding share warrants and call options the Company refers to the latest annual report of the Group (2009).

10. Provisions

It is inherent in the recognition of an asset that its carrying amount will be recovered in the form of economic benefits that flow to the entity in future periods. When the carrying amount of the asset exceeds its tax base, the amount of taxable economic benefits will exceed the amount that will be allowed as a deduction for tax

purposes. This difference is a temporary difference and the obligation to pay the resulting income taxes in future periods is a deferred tax liability. As the entity recovers the carrying amount of the asset, the taxable temporary difference will reverse and the entity will have taxable profit. This makes it probable that economic benefits will flow from the entity in the form of tax payments.

The deferred tax liabilities are calculated as the local tax rate of each project times the surplus value referable to each acquired project.

Other Provisions are related to an estimated cost of mine site reclamation.

11. Interest bearing long-term liabilities

Interest bearing long-term liabilities refer to a loan given by Svenska Handelsbanken AB for the purchase of equipment from Volvo to the production site in Luxinge, Angola. The loan is guaranteed by the Swedish Credit Exports Guarantee Board (EKN) and has a duration of 3 years. The loan was raised in June 2008.

In addition Efidium Ltd has a loan of SEK 18.3 million to Pangea Exploration (Pty) Ltd, a South African registered company, that agreed to provide a loan facility to the Company for the purposes of funding the running costs and any required capital expenditure of the group.

This loan bears interest at the South African Prime Overdraft Rate compounded on a monthly basis and is repayable by 30 November 2011.

12. Convertible loan to Norrlandsfonden

In June 2010, IGE issued a convertible loan that provided the Company with an amount of totally MSEK 5 to Norrlandsfonden. The convertible loan was issued based on the following conditions:

- The maturity date of the convertible loan was set to August 31, 2018.
- The loan runs with a an annual interest rate of STIBOR 90 (Stockholm Interbank Offering Rate) plus an interest surcharge of 4% to be paid quarterly.
- In case of conversion, the conversion rate per share will be SEK 0.70.
- IGE has got the right to repay the loan in cash in advance at any time during the duration of the loan. IGE will then be forced to pay a compensation for the lost interest to Norrlandsfonden of 15% (on an annual basis) on the loan amount during the period that it has been utilised by IGE.

If fully converted the convertible loan will result in that an additional 7,142,857 shares will be issued (a dilution of about 0.5%).

13. Related party transactions

Mace Consulting has invoiced IGE SEK 112 thousand during the second quarter for services related to management assistance and market communication. Mace Consulting is a related party on behalf of its Managing Director, Magne Aaby who is a member of the board in IGE.

The creditor of the long term liability of SEK 18.3 million is Pangea Exploration (Pty) Ltd. Pangea Exploration (Pty) Ltd is owned by a trust of which Robert Still is a trustee and a potential beneficiary and Anton Esterhuizen. Robert Still and Anton Esterhuizen are directors of the Lender and IGE Resources. The borrower is a member of the IGE Group. As a consequence, this loan is considered to be between related parties, and is thus deemed a related party transaction.

SEK 400 thousand was paid to John Afseth during the second quarter of 2010 for work carried out in relation the financing of the Group. John Afseth is the Chairman of IGE Resources AB.