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IGE completes first mini pilot test program for Rönnebäcken

IGE Resources AB (OSE: IGE) today announced the results from the first mini pilot testing for its Rönnebäcken nickel project in Sweden. The results demonstrate high nickel concentrate grade, higher nickel recovery than estimated, lower capital costs and somewhat higher operating costs than previously anticipated. IGE maintains its goal of further improving project value.

In the test, a sulphide nickel recovery of 80 per cent was demonstrated on a continuous basis. 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.

"The mini pilot results demonstrate higher recovery using mature processing technology, thus increasing confidence in our technical performance. The economic results show potential for improved project value, and this will be the target as we move forward with the prefeasibility process," said Fredric Bratt, CEO of IGE Nordic.

The previous Rönnebäcken process optimisation program was carried out under batch conditions at lab-scale, with closed circuit performance predicted by simulation. Therefore, an early feature of the prefeasibility program was to conduct mini pilot testing over two weeks, with the aim to increase confidence in processing performance by operating under continuous, closed circuit conditions. Testing was conducted in March on a composite sample at the Geological Survey of Finland with support from Outotec Minerals Oy. Agreement with the previous simulation has been very good.

The results from the minipilot will again be incorporated in a simulation model to predict plant-scale outcomes. This work is expected to be completed during July and August. Overall results are expected to be used, along with new resource estimates, mining schedules and engineering cost estimates, to update the Preliminary Assessment and project economics during the fourth quarter of 2010.

Forward-Looking Statement

This press release contains or refers to forward-looking information, including statements regarding estimates and/or assumptions about potential mineralization, potential mineral resources and reserves, and mineral processing, and is based on current expectations that involve a number of business risks and uncertainties. Actual results may vary from the forward-looking information contained herein.

The Company provides this information to shareholders and analysts because they are the key drivers of the business. Readers are cautioned that this information may not be appropriate for other reasons. The Company updates its Forward-looking Information as material information becomes available.

Factors that could cause actual results to differ materially from any forward-looking information include, but are not limited to, the possibility that actual circumstances will differ from the estimates and assumptions used in the potential of the Rönnebäcken Nickel Project, the environmental and social cost of proceeding with any of the projects, uncertainty relating to the availability and costs of financing needed in the future, general business and economic conditions, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, changes in legislation governing emissions into the air and water, waste, and the impact of future legislation and regulations on expenses, capital expenditures and taxation and other risks involved in the mineral exploration and development industry. When used in this press release, words such as "schedule", "could", "plan", "anticipate", "estimate", "expect", "believe", "intend", "may" and similar expressions are forward-looking information.

This forward-looking Information represents the views as of the date of this press release. The company anticipates that subsequent events and developments may cause its views to change.

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IGE Resources AB (publ), is a Scandinavian company mainly focusing on diamond exploration and production in Southern Africa. IGE's portfolio also includes one of Scandinavia's largest nickel deposits and gold exploration projects in Kenya. IGE is headquartered in Stockholm, and its shares are listed on the Oslo Stock Exchange (ticker: IGE). Please refer to www.ige.se for more detailed information.