

23 June, 2010

IGE draws first tranche of equity facility

IGE Resources AB (OSE: IGE) today announced that the Company has drawn the first tranche of the Standby Equity Distribution Agreement (SEDA) provided by YA Global Master SPV Ltd., an investment fund managed by Yorkville Advisors. The first advance, which also served as a test run of the instrument, provided IGE with NOK 5 million of new equity.

IGE Resources has issued 10,802,538 new IGE shares at a price of NOK 0.4646, while the IGE share closed at NOK 0.48 on the Oslo Stock Exchange yesterday. The share price reflects the pricing mechanism established in the SEDA, as announced on 8 June 2010. After completion of the transaction, the new shares will represent approximately 0.8 per cent of total outstanding shares in IGE Resources AB.

Under the terms of the NOK 150 million facility IGE has the right, but no obligation to draw down funds in tranches in exchange for issuing new shares to Yorkville over the next 30 months. The maximum size of each tranche is limited to NOK 40 million.

IGE is currently preparing an increase in its rough diamond production in Southern Africa with three diamond mines expected to be operational within the next ten months. The Company is also in the midst of Pre-Feasibility preparations for its Rönnebäcken nickel project in Sweden. The standby equity facility provides IGE with sufficient financial flexibility and also secures availability to funds if and when needed in order to move the projects forward.

"The first draw-down of the equity facility confirmed the simplicity and attractiveness of the SEDA. The facility provides financing security and improves IGE's financial flexibility. The small share price discount inherent in the facility represents an attractive cost of capital compared to alternatives," said IGE CEO Tomas Fellbom.

For additional information, please contact:

Tomas Fellbom
CEO, IGE Resources AB
Phone: +46 8 402 28 00 / Mobile: +46 73 322 57 86
E-mail: tomas.fellbom@ige.se

Thomas Carlsson
CFO, IGE Resources AB
Tel: +46 8 402 28 05 / +46 70 552 26 22
E-mail: thomas.carlsson@ige.se

***IGE Resources AB (publ)** is a Scandinavian company mainly focusing on diamonds exploration and production in Southern Africa. IGE's portfolio also includes one of Northern Europe'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.*