

29 October, 2010

IGE provides update on the Rönnebäcken financing process

IGE Resources AB (OSE: IGE) is pleased to announce that the Company has received a number of confirmatory expressions of interest from potential investors relating to the Company's Rönnebäcken nickel project in Sweden.

IGE retained Hatch Corporate Finance in August 2010 to execute a process to secure a new investor for the Rönnebäcken project. The participation of the new investor will be structured through a private placement in a subsidiary company with the proceeds being utilised by IGE for the completion of a pre-feasibility study on the Rönnebäcken project. IGE has already commenced work on the pre-feasibility study, which has an estimated total cost of US\$15 million.

Based on a review of the confirmatory expressions of interest the Company has invited a select number of potential investors to conduct further detailed due diligence on the Rönnebäcken project. The selected potential investors have demonstrated a strong track record in the successful development of large scale mining projects as well as a proven commitment to the principles of environmentally and socially conscious mining.

"The Rönnebäcken project has been received with considerable interest by several potential investors, confirming the Company's strong belief in the project's value potential. We expect the due diligence process to commence immediately and to last into the first quarter of 2011. During the due diligence process we will identify the best financial solution for the further development of the project for the benefit of our shareholders" said IGE CEO Tomas Fellbom.

On 27 October IGE announced an updated resource estimate for Rönnebäcken. Based on additional exploration drilling and analysis, the estimated inferred mineral resources in the project were increased by 185 million tonnes to 269 million tonnes. Measured and indicated resources remain at 257 million tonnes. The resource update brought IGE considerably closer to the Company's exploration target of 600-650 million tonnes.

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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.