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Prefeasibility study formally launched at the Rönnbäcken Nickel Project

The Prefeasibility Study (PFS) on the Rönnbäcken Nickel Project (RNP) has been formally launched by IGE Resources, following board and management approval in November.

Current PFS activities are focused on addressing key drivers and progressing long-lead deliverables for the RNP. Exploration drilling is progressing with one rig on a continuous basis to explore the possible extension of the Rönnbäcksnäset South deposit. A second rig will be contracted to commence metallurgical comminution drilling to supply ore samples for autogenous grinding compatibility testwork. Geophysical surveys are planned for the next few months, as precursors to geotech drilling for tailings dam and mine pitwall stability testwork.

The mining plan is being updated, due to the addition of significant additional tonnages from the Sundsberget deposit, which has resulted in a much larger resource base. This plan will include development of a new production profile, fleet requirements, infrastructure and capital/operating cost estimates.

Metallurgical testwork will focus on the evaluation of a byproduct magnetite concentrate, as well as the improvement of nickel flotation concentrate quality. IGE has been studying the possibility of marketing the magnetite concentrate, a common feed in the steel industry. Based on work conducted to-date in which a rougher concentrate has been produced, the company is progressing lab testwork to determine the eventual quality of the magnetic byproduct that could be produced, as well as the quantity that could be supplied.

The larger resource base presents the opportunity to raise the ore throughput rate. Engineering work will evaluate the capital and operating costs for a processing plant expansion option.

Current environmental work is focused on preparing an application for exploitation concession for the new Sundsberget resource area. The exploitation concession is planned to be submitted early in 2011. The company has also initiated testwork on mining waste characterisation in order to evaluate any environmental impact. This work is required for both the PFS and the Environmental Permit application.

“These activities will progress our understanding of value-improving drivers and key risks, and will move our comprehensive PFS program into full gear”, commented Fredric Bratt, CEO of IGE Nordic, a wholly owned subsidiary of IGE Resources.

The RNP assets are 100% owned by Nickel Mountain AB, a wholly owned subsidiary of IGE Nordic AB.

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, Rönnbäcken project development, recoveries and grades for concentrate, the ability of the Company to create strategic partnerships 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, failure to establish an estimated mineral resources and reserves, the possibility that actual circumstances will differ from the estimates and assumptions used in the potential of Rönnbäcken Nickel Project (there is no certainty that the concentrate grade or recoveries proposed will be achieved), 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 projects 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.