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IGE secures USD 15 million convertible credit facility

IGE Resources AB (OSE: IGE) today announced that the Company has arranged a USD 15 million standby credit facility with Waterton Global Value L.P. The facility provides increased financial flexibility for IGE and further secures the financing of the Company's development and mining activities in Sweden and Southern Africa. The facility enables IGE to convert some or all of the credit into equity if considered appropriate by the Company.

The credit agreement allows IGE to draw down a total of USD 15 million in three tranches; USD 6 million, USD 5 million and USD 4 million at its own discretion. IGE will pay 8 per cent annual interest on the capital drawn under this agreement and each tranche matures six months after draw-down.

Under the agreement, IGE has the right to repay the loan at any time, in cash or in IGE shares. Should the Company choose part or full payment in shares, these will be issued at an 8 per cent discount to the IGE share price at the time of repayment.

- This financial arrangement further improves our ability to maintain pace in the Rönnbäcken nickel project in Sweden and our diamond projects in Southern Africa in a time when IGE's projects are going through a capital intensive phase," said IGE CEO Tomas Fellbom.

IGE's initiatives aimed at securing individual financing for the development of the Rönnbäcken nickel project are not affected by the Waterton agreement and move forward as planned. Additionally, IGE will terminate its existing Standby Equity Distribution Agreement (SEDA) with Yorkville Advisors.

For additional information, please contact:

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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.