

28 September, 2011

IGE Resources provided update on near term activities and market reports from its subsidiary Nickel Mountain Resources

September 27, 2011 - IGE Resources AB (OSE: IGE) is pleased to provide an update of the near term activities being carried out by its subsidiary Nickel Mountain Resources AB (publ) ("Nickel Mountain") on the 100% owned Rönnebäcken nickel project located in northern Sweden. The project is proceeding with activities focussed on a potential magnetite by-product, a potential upgrade of the Sundsberget resource, an exploitation concession application for Sundsberget, and defining the resources in the Rönnebäcknäset South down dip extension.

The board of IGE Resources AB has approved and allocated funds for the following activities to advance the Rönnebäcken nickel project:

- A re-evaluation of the potential impact of a magnetite by-product based on an updated market research report by Raw Materials Group ("RMG") concerning the markets for magnetite concentrate.
- A review of the Sundsberget Resource Estimate by SRK Consulting (Sweden) ("SRK").
- An update of the Preliminary Economic Assessment by SRK to include a magnetite by-product and a revised Sundsberget Resource Estimate.
- Assaying of drill cores from the Rönnebäcknäset South down dip extension, followed by a revised resource estimate of the Rönnebäcknäset deposit, if warranted.
- Completion of an application for an Exploitation Concession for the Sundsberget deposit.
- Further laboratory test-work by Outotec and the Geological Survey of Finland (GTK) on improving the grade of the magnetite concentrate by-product.
- An update of the Preliminary Economic Assessment in order to incorporate results from the magnetite test-work and additional market research.

SRK is reviewing an updated market research report on magnetite concentrate prepared by RMG. Based on revised commercial and pricing data presented in the report, SRK will update the NPV model for the Rönnebäcken project to include a magnetite concentrate by-product. This analysis is expected to lead to improved economics as a result of additional by-product revenues from magnetite and is expected to be completed by **mid-October 2011**.

SRK is conducting an update of the Sundsberget Resource Estimate previously prepared by Mitchell River Group ("MRG"), Australia, with the aim of upgrading part of the resource from the Inferred category to Indicated. As stated by SRK on page 114 in the Preliminary Technical Assessment completed in April 2011 (http://www.nickelmountain.se/eng/wp-content/uploads//SE355_Rönnebäcken-PEA_final1.pdf), "SRK considers the Inferred classification category reported by MRG for Sundsberget to be conservative in view of the supporting data." By improving the quality of the resource, there is greater confidence in the nickel mineralization in the resource. This review is expected to be completed by **mid-November 2011**.

The Preliminary Economic Assessment prepared by SRK is planned to be updated to incorporate the results from the review of the magnetite by-product and the Sundsberget resource update. An updated

technical report is expected to be completed by **mid-November 2011** and will be posted on Nickel Mountain's website.

As recommended by SRK in the Resource Estimate April 2010, Nickel Mountain will carry out assaying of the drill holes from earlier drilling of the Rönnbäcknäset South down dip extension, in order to identify intersections of nickel sulphide mineralization. (For further information on SRK's recommendation, please refer to pg. 110 of the Resource Estimate April 2010 posted on our website http://www.nickelmountain.se/eng/wp-content/uploads/2010/09/ronnbacken-res-est_april-2010_final.pdf). With these assay results, expected to be available by **mid-December 2011**, the Mitchell River Group will then review the Rönnbäcknäset Resource Estimate for a potential increase to the resource size, as well as a potential upgrade of part of the resource from the Inferred category to Indicated. If warranted, an updated Resource Estimate is planned for **the end of January 2012**.

Work is in progress to finalize the application for an Exploitation Concession for the Sundsberget deposit. An Exploitation Concession is granted if there is a probability for economic exploitation of the deposit and if the site is considered appropriate from an environmental point of view. The concession grants the right to carry out mineral exploitation for 25 years. An Environmental Permit as well as a Building Permit is still required before mining can commence. The Exploitation Concession application is planned to be submitted to the Mining Inspectorate of Sweden by **the end of November 2011**. A decision from the Mining Inspectorate is expected 6-9 months after submission.

The next phase of laboratory test work to study the feasibility of producing a magnetite concentrate by-product from the tailings of the nickel flotation circuit began in mid-September, 2011. Separation tests will be carried out by GTK in collaboration with Outotec. Tests performed in the first quarter of 2011 achieved magnetite concentrate grades of 62% Fe. The planned test-work will aim to improve the iron grade, increase the recovery, simplify the flowsheet, and reduce operating costs. If possible, impurity levels should be reduced to increase the number of potential customers. Results from the test-work are expected by **mid-December 2011**.

The Preliminary Economic Assessment is planned to be updated to incorporate the results of the magnetite test-work carried out by GTK and Outotec. In addition, to any improvements to the magnetite by-product, NPV modelling will also reflect the findings of interim market research studies for magnetite concentrates. If warranted, an updated technical report and NPV model demonstrating improved economics is expected to be completed by **the end of January 2012**.

It is our intention to post a more detailed description of each of these activities on Nickel Mountain's website at www.nickelmountain.se, at least one week ahead of reporting of any results. There you will also find more information on the Rönnbäcken nickel project.

Forward Looking Statement

Some of the statements contained in this news release are forward-looking statements, such as statements that describe IGE Resources' future plans, intentions, objectives or goals, and specifically include but are not limited to statements regarding resource estimates, potential mineralization, future financial or operating performance, nickel prices, estimated future production, future costs, timing of pre-feasibility study and economic analysis.

Actual results and developments may differ materially from those contemplated by such forward-looking statements depending on, among others, such key factors as the possibility that actual circumstances will differ from the estimates and assumptions used in the potential of the Rönnbäcken nNickel Project, the environmental and social cost of proceeding with the project, 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 the project, 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, changes in project parameters, variation in ore grade or recovery rates, delays in obtaining government approvals and necessary permitting, impurities in products and other risks involved in the mineral exploration and development industry.

The forward-looking statements included in this document represent IGE Resources' views as of the date of this news release and subsequent events and developments may cause IGE Resources' views to change. IGE Resources' disclaims any obligation to update forward-looking information except as required by law. Readers should not place undue reliance on any forward-looking statements.



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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 (<http://www.ige.se/>) for more detailed information.*