

17 November, 2011

## IGE reduces deficit and builds project value

**IGE Resources AB (OSE: IGE) today announced the Company's third quarter 2011 results. IGE's net result ended at SEK -12.1 million compared to a deficit of SEK 55.8 million in the same quarter last year. While reducing operating costs and deficit, IGE has also succeeded in tripling the value of its Rönnebäcken nickel project in Sweden and prepare for diamond production in South Africa.**

IGE's operating costs were reduced by 67 per cent in the third quarter compared to the corresponding quarter in 2010. Also for the nine first months IGE saw a significant results improvement, with the net result going from SEK -177.2 million last year to SEK -107.8 million the first three quarters this year. The main causes for these deficits were write-downs on the value of diamond projects.

"We have managed to turn IGE in the right direction over the last few months, and there is still considerable potential for further improvements," said IGE's acting CEO Thomas Carlsson.

A number of cost reducing initiatives have proven successful and IGE now moves forward with a significantly reduced cost base. The previous extensive cash outflow from IGE's diamond projects in Southern Africa has been stopped, following the withdrawal from Angola and the contract mining agreement established for the Company's Bakerville, South Africa, diamond project. The Bakerville mine is expected to start diamond production next month without further IGE investments or costs.

After the end of the third quarter a significant increase in project value for the Rönnebäcken nickel project has been documented. The commercial viability of magnetite as a by-product from the mine, reduced operating costs and an expanded resource base have contributed to a tripling of the project's net present value to above USD 1 billion.

### For additional information, please contact:

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*IGE Resources AB (publ) is a Scandinavian asset management and development company within natural resources. IGE's portfolio currently consists of several diamond exploration and production assets in Southern Africa and Nickel Mountain Resources AB (publ) owning Scandinavia's largest nickel deposit. 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.*