

23 August, 2012

## Improved financial position for IGE

**IGE Resources AB (OSE: IGE) today announced the Company's second quarter and first half 2012 results. IGE's operating costs have been reduced by almost 70 per cent in the first half of the year, compared to the same period last year. A successful equity issue completed in the second quarter provided more than SEK 100 million of new equity.**

"IGE Resources' financial position and robustness is better than ever. We are now able to forcefully move forward with planned projects," said IGE's acting CEO Thomas Carlsson.

IGE is a mineral resource development company with only marginal revenue for the time being. EBITDA for the first quarter ended at SEK -9.5 million, compared to SEK -21.5 million in last year's first quarter. The Company's net result for the quarter was SEK -9.8 million, while last year's period ended at SEK -45.1 million.

For the first half of the year, IGE posted an EBITDA of SEK -13.9 million, against SEK -45.8 million last year. Net result for the period came in at SEK -15.6 million, compared to SEK -165.1 million last year.

IGE is now moving forward with work on the prefeasibility study for its Rönnbäcken nickel project in Sweden. The continuation of this work was financed through the equity issue completed in the second quarter.

IGE is currently assessing how to proceed with its diamond projects in South Africa and the Democratic Republic of Congo (DRC). Production in IGE's Bakerville diamond mine in South Africa is currently halted, pending discussions with the mine contractor on how to proceed. For its other three diamond projects in the region, IGE is progressing cautiously while discussing alternatives with potential partners.

Having completed its substantial cost reduction program, IGE now has a low cost base. The Company's current project activities are fully financed. The combined result is that IGE Resources enjoys unprecedented strategic, financial and operational flexibility.

### For additional information, please contact:

Thomas Carlsson  
CFO and acting CEO, IGE Resources AB  
Tel: +46 8 402 28 05 / +46 70 552 26 22  
E-mail: [thomas.carlsson@ige.se](mailto:thomas.carlsson@ige.se)

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