Fourth Quarter and Year End 2012 Report - IGE Resources AB

Fourth quarter highlights

- **New Board of Directors appointed – IGE strategy revised**
- **Main focus going forward is on diamond and gold operations in Africa**
  - *Diamond dredging operation in DRC underway*
- **Several deliverables from the Rönnbäcken nickel project confirmed**
  - *Significant socio-economic impact from the project identified*
  - *Benchmarking study demonstrates Rönnbäcken's better performance in key areas*
  - *Third exploitation concession granted for the Sundsberget deposit*
- **The book value of the mineral interest related to Bakerville diamond project impaired by net SEK 95.2 million as a precautionary measure**

Key figures

SEK million	*Q4 2012*	*2012*	*Q4 2011*	*2011*
Total revenues	-	-	-	5.8
EBITDA	-5.9	-24.6	-8.6	-62.5
Impairment losses and depreciation	-124.4	-126.2	-0.3	-168.9
Net result attributable to shareholders of parent company	-101.6	-121.5	-8.5	-181.2
Investments in period	8.3	18.5	1.9	21.6
Cash at end of period	69.2	69.2	18.0	11.0
Interest bearing long term debt at end of period	5.0	5.0	6.4	6.3

Results

IGE Resources' main activities in the fourth quarter were test work and the appeal process related to the Rönnbäcken nickel project and further assessment of the Group's diamond concessions in Africa, focusing primarily on the projects in the Democratic Republic of Congo (DRC).

IGE had no income in the fourth quarter, while the Group's costs and investments primarily reflect the activities the subsidiary Nickel Mountain Resources' Rönnbäcken project, in addition to maintenance of the mineral portfolio in Africa.

EBITDA for the quarter amounted to SEK –5.9 million, compared to SEK -8.6 million for the same period in 2011.

EBIT was affected by an impairment loss related to the Bakerville diamond project in South Africa amounting to SEK 95.2 million (net).

Operating expenses during the quarter were reduced from SEK -8.6 million in the fourth quarter last year to SEK -5.9 million in this year's fourth quarter, a 32 per cent reduction in operating costs.

IGE has a positive cash flow of SEK 58.2 million in 2012, including a share issue of SEK 101.9 million. Cash flow in 2011 was SEK -29.2 million.
Cash and cash equivalents at the end of the year were SEK 69.2 million, compared to SEK 11.0 million end of 2011.

IGE Resources' total assets at the end of 2012 were SEK 292.8 million, compared to SEK 345.7 million at the end of 2011.

Net investments during the fourth quarter amounted to SEK 6.6 million (SEK 2.1 million in fourth quarter last year), reflecting mainly the current activity level in the Rönnbäcken nickel project.

Corporate

Following a share acquisition in December 2012, Amarant Mining Ltd became IGE's main shareholder with 29.9 per cent of the outstanding shares. An Extraordinary General Meeting of the shareholders appointed a totally new Board of Directors for IGE on 29 December 2012. Mr Ulrik Jansson was appointed as chairman, Hans Lindroth, Jukka

Kallio and Terje E. Lien became new board members.

In January 2013, the Board announced that IGE's main focus going forward is to commence small scale production on gold and diamond assets primarily held in the Democratic Republic in Congo (DRC).

The Board is determined to move IGE's diamond projects towards production and to continue development of the projects towards commercialization. IGE's strategy also implies evaluation of new geographically diverse mineral projects with the aim to spread the risk and add additional upside potential to IGE's asset portfolio.

The development of the Rönnbäcken nickel project continues at a reduced activity level pending the outcome of the renewed appeal process.

Events after the reporting period:

The Board of IGE announced that it will call an EGM to propose an acquisition the Wanga Gold project in the DRC. The Board will propose that IGE acquires full ownership of the Wanga alluvial gold license in North-Eastern DRC. The proposed acquisition also includes mining rights to an alluvial gold project in Ethiopia and the right to purchase up to six recovery lines for the production of alluvial gold and diamonds. Each recovery line has a purchase price of USD 15 million, of which the current owner already has paid USD 2 million per line, which is included in the proposed purchase.

Additional information will be made available in conjunction with the notice to the upcoming EGM towards the end of first Quarter 2013.

Operations; nickel

In October, the Swedish Chief Mine Inspector granted the Exploitation Concession Rönnbäcken K nr 3 encompassing the Sundsberget deposit. The concession is valid for 25 years and gives the right to extract and market nickel, cobalt, iron, chrome, gold, silver, platinum and palladium metals. Subsequently, the newly awarded concession K nr 3 has been appealed to the Government by a number of appellants including Vapstens Sameby (Vapsten Reindeer Husbandry Cooperative). In December, Nickel Mountain AB (NM) submitted its statement to the government with regard to the appeal of the three exploitation concessions K nr 1-3. The company is now awaiting the decision by the Swedish Government.
During the fourth quarter of 2012, NM received the results of a number of activities focused on the Rönnbäcken Nickel Project which were launched in the previous quarters.

NM received initial positive feedback on the marketing potential of the RNP magnetite concentrate in China from two separate trading groups which each handle large volumes of iron ore concentrates and related products. Both reported that the projected RNP magnetite specifications would be acceptable to various consumers in China. This is contrary to the previous indications by a steel consultant that market potential for blast furnace applications would be limited due to the elevated levels of Ni and Cr. More detailed market research and testwork will be required to better assess the marketability of the magnetite concentrate byproduct.

A final report by Tony Green of Grenvyn Consulting of the review of all geological and geochemical data along with drill core and geological scientific literature regarding the project area, has indicated that good geochemical signatures exist for the rock of RNP, permitting certain predictability of the nickel-bearing minerals. More systematic mineralogical studies are needed in order to predict the contents of deleterious minerals such as talc, brucite, and chlorite.

In response to the need for improved mineralogy, an initial program of thin section mineralogy was launched. Mineralogical descriptions were limited to 80 thin sections previously prepared from samples continuously collected during the logging of drill core. The results of this initial program are expected in the second quarter of 2013. Additional samples that systematically cover all parts of the deposits have been collected and are ready for mineralogical work when required to provide a robust geological model for mine planning.

A comprehensive program to develop geological-metallurgical domains is on-going. Domaining test work is being carried out by Outotec (Finland) OY on 22 samples representing distinct mineralization domains, in order to characterize their lithologies. This test work is expected to be completed in the second quarter of 2013.

Once the results of the geological-metallurgical domains test work and of the mineralogical program are available, then the geological and geochemical contexts can be used to assist in developing a sound model for future development work.

In December 2012, a joint study on the employment impact of the Rönnbäcken Nickel Project was completed by the Luleå University of Technology and the Raw Materials Group. The study indicated that the Rönnbäcken Nickel Project would generate a significant amount of indirect employments, in addition to the approximately 550 direct mine-related jobs. The study estimates that 290 indirect jobs would be created locally in the municipality of Storuman, plus 150 regionally in the County of Västerbotten, and another 608 jobs nationally in Sweden. The total number of direct and indirect jobs generated by the project on a national level would be close to 1600.

Events after the reporting period:

In February 2013, Eurus Mineral Consultants (EMC) presented the results of benchmarking analysis comparing RNP against other nickel ores worldwide. Based on flotation kinetics of mineral and gangue which are the driving forces of flotation performance, EMC reviewed all flotation test data for the Rönnbäcken deposits Vinberget and Rönnbäcknäset and compared their flotation kinetics and performance against a number of nickel ores world-wide.

Results of this analysis demonstrated: that despite its low head grade Rönnbäcken delivers similar or higher rates of nickel recovery and its overall flotation performance is better than that of other nickel ores. An absence of iron sulphides avoids dilution of the concentrate grade thus allowing a higher level of optimal flotation performance to be achieved. The flotation response of Rönnbäcken in terms of the concentration ratio is over 9 times higher than the average of similar nickel ores, and the recovery to head grade ratio is almost 5 times higher than the average of similar nickel ores. Aspects identified for further mineralogical and processing investigation could increase recoveries by 3-6%. A number of areas were highlighted for optimization to reduce capital expenditure and operating costs.

In February 2013, ÅF Infraplan completed a Preliminary Socio-Economic Impact Assessment (PSEIA), which evaluates the Rönnbäcken project's contribution to long-term local and regional development. With the majority of mine employees expected to live locally, tax revenues for the Storuman municipality alone are estimated to increase by more than 2 billion SEK during the life of mine. The PSIEA highlights some of the key planning challenges in this regard: provision of sufficient housing, resolution of issues with regard to traffic and infrastructure, and how to create an attractive society to draw families to the municipality. If these challenges are met successfully, the negative population trend of the past can be expected to reverse, and Hemavan-Tärnaby should experience positive, sustained development. The PSEIA has been posted on NM's website.

Operations; diamonds

IGE's strategy for its diamond portfolio has been reviewed and changed by the new Board of Directors appointed in December 2012. The diamond projects have been held in a care and maintenance mode during the latest year. The limited work carried out has mainly been focused towards assessment work carried out by the management during the second half of 2012 to get a better understanding of the potential of the projects and the local conditions, situation with partners, commercial terms etc. Based on encouraging result from this assessment, together with new Board's approach to the diamond projects, a renewed diamond focus within the IGE Group has been assumed.

IGE's two diamond projects in DRC, Longatshimo and Tshikapa are located about 28 kilometres apart in the Kasai District of the country's Kasai-Occidental province. Both Tshikapa and Longatshimo projects are interesting in terms of their diamond resources. The projects are located in a highly potential area for diamond mining and IGE's presence, existing infrastructure and experience supports a decision to move forward with the development of these projects.

Both projects have verified resources of similar volumes, around 3.5 million carats per project area, according to a NI 43-101 report from 2008. The resource statements are based on the gravel from the terrace areas of the concessions as a result of the difficulty to assess the gravel on the river beds and below the rivers. Based on the assessment work carried out by IGE during 2012, the Group has decided to concentrate on the river gravel as the grades are significantly higher and the investments to get a river operation commissioned are lower. The gravel in the river is naturally concentrated by water through millions of years resulting in higher enrichment of diamonds.

The challenge with river operations is mainly that it is harder to get a good understanding of the volume of gravel below the rivers and more exact identify where economically viable spots can be found. However, the upside potential seen in relation to the relatively low capital requirement to get a dredging operation commissioned, makes IGE of the opinion that it is worth the risk. Once a pool of gravel or pothole is identified, the process of starting a dredging operation is relatively quick.

The preparation work towards getting the two projects commissioned is underway. The feasibility of the project is currently being assessed, along with calculation exercises aiming to understand the magnitude of an investment required to get a mine commissioned based on this project.

As soon as the Group has managed to get the river operations commissioned and able to generate a revenue stream, the next step will be to prepare bigger scale terrace mining operations on the concession areas.

DRC is among the top producers in the world in terms of number of carats recovered on an annual basis despite the fact that no hard rock kimberlite mining exists in the country. The production coming out of DRC is based on small scale alluvial diamond recovery, mainly artisanal diggings in the areas surrounding the many rivers in the country.

The two diamond concession held by IGE in South Africa, Bakerville and Harts River, are put on hold. The costs related to these projects are on a minimum level at present while IGE is working to find a solution to get these projects commercialized, either together with a partner or as outright sales.

IGE's costs related to the activities in the fourth quarter were marginal.

Financial position

Cash and cash equivalents at the end of the fourth quarter 2012 amounted to SEK 69.2 million, compared to SEK 11.0 million at the end of fourth quarter 2011. Total equity at the end of the reporting period amounted to SEK 243.4 million (SEK 265.4 million at end of 2011), representing an equity ratio of 83 per cent (77 per cent at the end of fourth quarter the previous year).

The Company's interest bearing long term debt is limited to SEK 5.0 million, which is a convertible loan granted by Norrlandsfonden for the development of Rönnbäcken (interest bearing long term debt was SEK 5 million at the end of fourth quarter 2011).

Group outlook

IGE considers the financial position, cost structure and flexibility to be satisfactory. The current strategy implies to start small scale production focused on the rivers within both Longatshimo and Tshikapa diamond concessions in DRC. The Group has started the preparation work including refurbishment and purchase of complementary equipment required for these operations.

The development of Rönnbäcken will remain at a low level of activity until the appeal process with regard to the three exploitation concessions K nr. 1-3 has been resolved. The Company is awaiting the decision by the Swedish Government.

Parent company

The Parent Company's business activity is to manage the Group's operations. The result before tax during the fourth quarter of 2012 amounted to SEK -37.4 million (-3.7). The main part of the loss during the year is attributable to impairments of intergroup receivables. Cash and cash equivalents amounted to SEK 68.6 million (9.3). Investments in the Parent Company during the reporting period amounted to SEK 0 million (0).

The shares of IGE Resources AB (publ.) are listed on the Oslo Stock Exchange, ticker symbol IGE. This Interim report has not been subject to a special review by the Company's auditors.

Stockholm, 21th of February 2013

Thomas Carlsson, CFO and acting CEO, IGE Resources AB (publ)

Consolidated Statement of income

(TSEK)	Note	Q4 2012	Q4 2011	2012	2011
Revenue from sales	6	-	-	-	5,848
Work performed by the entity and capitalized		-	273	-	629
Other external expenses	12	-2,805	-4,416	-13,624	-43,176
Personnel expenses		-2,847	-4,339	-10,022	-25,559
Results from equity accounted participations	7	-227	-107	-999	-273
Operating result before depreciation and impairment losses		**-5,879**	**-8,589**	**-24,645**	**-62,531**
Depreciation/amortization and impairment loss on property, plant and equipment, intangible assets	3	-124,351	-306	-126,229	-168,850
Financial revenue	4	134	180	605	900
Financial expenses	4	-32	-	-252	-5,094
Total financial items		102	180	353	-4,194
Result before tax		**-130,128**	**-8,715**	**-150,521**	**-235,575**
Income tax	8	29,031	0	29,031	49,631
Result for the period		**-101,097**	**-8,715**	**-121,490**	**-185,944**
Result for the period attributable to:					
Equity holders of the Parent Company		-101,091	-8,487	-121,450	-181,197
Non-controlling interest		-6	-228	-40	-4,747
Result for the period		**-101,097**	**-8,715**	**-121,490**	**-185,944**
Result per share before and after dilution		-0.72	-0.003	-0.86	-0.06
Average number of shares (Millions)		140.8	2,931	140.8	2,868

Statement of comprehensive income

TSEK	Q4 2012	Q4 2011	2012	2011
Result for the period	-101,097	-8,715	-121,490	-185,944
Other comprehensive income				
Foreign currency translation differences - foreign operations	-695	5,874	-1,637	10,315
Total other comprehensive income	-101,792	-2,841	-123,127	-175,629
Total comprehensive income for the period attributable to:				
Equity holders of the Parent Company	-101,786	-2,613	-123,087	-170,882
Non controlling interest	-6	-228	-40	-4,747

Consolidated Statement of financial position

(TSEK)	Note	31/12/2012	31/12/2011
ASSETS			
Fixed assets			
Intangible fixed assets			
Mineral interests		218,489	326,991
Tangible fixed assets			
Plant and machinery		605	1,335
Long-term financial assets			
Participation in equity accounted companies		434	1,433
Long-term receivables		31	31
Total fixed assets		**219,559**	**329,790**
Current Assets			
Other receivables		3,461	4,433
Prepaid expenses		591	452
Cash and cash equivalents		69,193	10,977
Total current assets		**73,245**	**15,862**
TOTAL ASSETS		**292,804**	**345,652**
EQUITY	13,16		
Equity attributable to equity holders of the parent company			
Share capital		45,437	12,982
Other paid in capital		1,175,737	1,107,044
Reserves		7,937	9,574
Retained earnings and profit for the period		-985,860	-848,462
		243,251	*281,138*
Non controlling interest		181	-15,727
Total equity		**243,432**	**265,411**
Liabilities			
Deferred tax liabilities	9	34,087	63,119
Other provisions	9	1,018	2,996
Long term liabilities			
Convertible loan	10	5,000	5,000
Other long term liabilities	11	1,155	1,276
Total long term liabilities		**41,260**	**72,391**
Current liabilities			
Accounts payable		6,261	3,984
Other liabilities		189	352
Accrued expenses and prepaid income		1,662	3,514
Total current liabilities		**8,112**	**7,850**
TOTAL EQUITY AND LIABILITIES		**292,804**	**345,652**
Pledged assets	14	10,379	8,431

Consolidated Statement of changes in equity

(TSEK)	Equity related to the shareholders of the parent company						
	Share capital	Other paid in capital	Exchange differences	Retained earnings and profit for the year	Total	Non controlling interest	Total Equity
Balance at 1 January 2011	90,281	984,120	-741	-666,480	407,180	-11,765	395,415
Net result for the period				-181,708	-181,708	-4,236	-185,944
Bonus issue	46,736	-46,736			0		0
Reduction of share capital without redemption of shares	-241,467	241,467			0		0
Other comprehensive income:							
Translation reserve			10,315		10,315		10,315
Transactions with shareholders: Change of accounting principle related to reporting of non controlling interest				-274	-274	274	0
Costs referable to fundraising		-9,498			-9,498		-9,498
New share issue	55,123				55,123		
Reallocation of equity from share premium reserve to share capital	62,309	-62,309			0		0
Closing balance at 31 December 2011	**12,982**	**1,107,044**	**9,574**	**-848,462**	**281,138**	**-15,727**	**265,411**
Balance at 1 January 2012	12,982	1,107,044	9,574	-848,462	281,138	-15,727	265,411
Net result for the period				-121,450	-121,450	-40	-121,490
Reallocation of paid premium related to warrants issued by the company		-510			-510		-510
Other comprehensive income:							
Translation reserve			-1,637		-1,637		-1,637
Transactions with shareholders:							
New share issue	32,455	82,003			114,458		114,458
Majority's takeover of minority's commitment					-15,948	15,948	0
Costs referable to fundraising		-12,800			-12,800		-12,800
Closing balance at 31 December 2012	**45,437**	**1,175,737**	**7,937**	**-985,860**	**243,251**	**181**	**243,432**

The total number of outstanding shares amounts to 181,749,225 as per December 31st 2012.

Consolidated Statement of cash flow

(TSEK)	Jan-Dec 2012	Jan-Dec 2011
Cash flow from operations		
Result after financial items	-150,521	-235,575
Adjustments for non-cash items*	122,521	191,106
Income tax paid	-	-
Total cash flow from operations before change in working capital	**-28,000**	**-44,469**
Change in working capital		
Increase/decrease in inventories	-	1,375
Increase/decrease receivables	865	11,448
Increase/decrease in short term liabilities	261	-17,914
Total cash flow from operations	**-26,874**	**-49,560**
Cash flow used for investments		
Sale of associated company	-	500
Purchase of intangible assets	-18,460	-21,580
Sale of intangible assets	2,072	500
Purchase of tangible assets	63	-
Total cash flow used for investments	**-16,325**	**-20,580**
Financial activities		
New share issue net of transaction costs	101,925	45,625
Transfer of paid premium related to warrants issue by the company	-510	-
Raised credits	-	1,276
Amortization of debt	-	-5,956
Total cash flow from financial activities	**101,415**	**40,945**
Change in cash and bank	58,216	-29,195
Cash and bank at 1 January	10,977	40,157
Currency exchange difference	-	15
Cash and bank at the end of reporting period	**69,193**	**10,977**
***Adjustments for non cash items**		
Depreciations and impairment losses on intangible assets	*125,563*	*148,565*
Depreciations and impairment losses of tangible assets	*666*	*20,327*
Exchange loss	*-1,697*	*16,805*
Capital gain	-	*-366*
Capital loss	*212*	-
Write-down of long term financial asset	-	*4,433*
Share of loss on equity accounted companies	*999*	*231*
Dissolution provision related to mine site rehabilitation	*-1,979*	*1,112*
Others	*-1,303*	-
Total	***122,521***	***191,106***

Income statement Parent company

(TSEK)	Note	Q4 2012	Q4 2011	2012	2011
Other operating income		-	-	-	-
Other external expenses	12	-2,095	-2,937	-7,114	-15,879
Personnel expenses		-1,316	-827	-5,117	-6,527
Depreciation/amortization tangible assets	3	0	-8	-10	-38
Operating result		**-3,411**	**-3,772**	**-12,241**	**-22,444**
Result from financial items					
Result from participations in group companies		-25,637	-	-25,637	-104,000
Financial revenue		130	90	596	470
Financial expenses		-24	-4	-135	-1,047
Total financial items		**-25,531**	**86**	**-25,176**	**-104,577**
Result before tax		**-28,942**	**-3,686**	**-37,417**	**-127,021**
Income tax	8	0	0	0	0
Result for the period		**-28,942**	**-3,686**	**-37,417**	**-127,021**

Statement of comprehensive income

TSEK	Q4 2012	Q4 2011	2,012	2011
Result for the period	-28,942	-3,686	-37,417	-127,021
Other comprehensive income	-	-	-	-
Total other comprehensive income	-28,942	-3,686	-37,417	-127,021

Balance sheet Parent company

(TSEK)	Note	31/12/2012	31/12/2011
ASSETS			
Tangible fixed assets			
Long-term financial assets			
Shares in subsidiaries		102,635	102,635
Receivables from subsidiaries		245,331	241,357
Total fixed assets		**347,966**	**344,002**
Current Assets			
Other receivables		277	149
Prepaid expenses		210	203
Cash and cash equivalents		68,562	9,315
Total current assets		**69,049**	**9,667**
TOTAL ASSETS		**417,015**	**353,669**
SHAREHOLDERS EQUITY	13,16		
Restricted equity			
Share capital		45,437	12,982
Statutory reserve		2,300	243,767
Total restricted equity		*47,737*	*256,749*
Non restricted equity			
Share premium reserve		1,149,572	839,412
Retained earnings		-749,536	-622,515
Result for the period		-37,417	-127,021
Total non restricted equity		*362,619*	*89,876*
Total shareholders equity		**410,356**	**346,625**
Long term liabilities			
Convertible loan	10	5,000	5,000
Total long term liabilities		**5,000**	**5,000**
Current liabilities			
Accounts payable		572	100
Interest bearing loans and borrowings		-	47
Other liabilities		48	-
Accrued expenses		1,039	1,897
Total current liabilities		**1,659**	**2,044**
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		**417,015**	**353,669**

Changes in equity Parent Company

(TSEK)	Restricted Equity		Non restricted Equity			
2011	**Share capital**	**Statutory reserve**	**Share premium reserves**	**Retained earnings**	**Result for the period**	**Total Equity**
Balance at 1 January 2011	90,281	111,345	848,910	-119,047	-503,468	428,021
Transfer of prior year's net result				-503,468	503,468	0
Result for the period					-127,021	-127,021
Bonus issue	46,736	-46,736				0
Reduction of share capital without redemption of shares	-241,467	241,467				0
Transactions with shareholders:						
Costs referable to fundraising			-9,498			-9,498
New share issue	55,123					
Reallocation of equity from share premium reserve to share capital	62,309	-62,309				0
Closing balance at 31 December 2011	**12,982**	**243,767**	**839,412**	**-622,515**	**-127,021**	**346,625**
Balance at 1 January 2012	12,982	243,767	839,412	-622,515	-127,021	346,625
Transfer of prior year's net result				-127,021	127,021	0
Result for the period					-37,417	-37,417
Reallocation of paid premium related to warrants issued by the company			-510			-510
Reallocation of restricted equity to non restricted equity		-241,467	241,467			0
Transactions with shareholders:						
New share issue	32,455		82,003			114,458
Costs referable to fundraising			-12,800			-12,800
Closing balance at 31 December 2012	**45,437**	**2,300**	**1,149,572**	**-749,536**	**-37,417**	**410,356**

A reduction of restricted Equity, decided on the EGM held on the 22nd of November 2011 was registered by the Swedish Companies registration office and thereby came in to force, in February 2012. As a consequence of the reallocation, the share premium reserve increased with SEK 241.5 million during 2012.

Key ratios and share data

		2012	2011	2010	2009	2008
Number of outstanding shares at beginning of reporting period	Number	51,928,350	1,805,618,810	795,709,953	418,161,828	341,000,000
New share issue	Number	129,820,875	2,348,649,150	1,009,908,857	377,548,125	77,161,828
Number of outstanding shares at the end of reporting period*	Number	181,749,225	51,928,350	1,805,618,810	795,709,953	418,161,828
Average number of shares	Number	140,846,758	2,930,566,085	1,346,291,141	538,509,297	364,988,889
Operating result	TSEK	-24,645	-149,987	-149,987	-39,190	-92,573
Result after tax	TSEK	-121,490	-477,330	-477,330	-44,858	-98,311
Operating result per share	SEK	-0.47	-0.05	-0.11	-0.07	-0.25
Result after financial items per share	SEK	-2.34	-0.19	-0.41	-0.08	-0.27
Result per share after tax	SEK	-2.34	-0.16	-0.35	-0.08	-0.27
Shareholders' equity per share before dilution*	SEK	1.34	7.61	0.22	0.37	0.56
Dividend	TSEK	-	-	-	-	-
Price per share at the end of reporting period	SEK	0.45	1.66*	0.23	0.58	0.65

* A reversed split of 1:80 was executed on the 7th of December 2011

In calculating income and cash flow per share the average number of shares during the reporting period has been used, whereas in calculating shareholders' equity the number of outstanding shares has been used.

IGE possesses none of its own shares at the end of the reporting period.

Further information regarding key ratio definitions can be obtained from the annual report for the financial year 2011.

Total number of shares amounts to 181,749,225 as per the end of 2012.

Notes to the financial report

1. Accounting principles

This interim report has been prepared according to Annual Accounts Act and IAS 34 Interim Reporting. The interim report has also been prepared in accordance with the rules in the Swedish Financial Accounting Standard RFR2.

The Interim report does not contain all the information and disclosures available in the annual report and the interim report should be read together with the annual report for 2011.

2. Risks and Uncertainties

The operations of IGE involve certain significant risks, including but not limited to credit risk, foreign exchange risk, and political risk. For a complete discussion of the aforementioned risks, refer to the Company's

2011 annual report is available on the IGE website, www.ige.se. The management of IGE does not consider that any additional risk has become current since the expiration of the previous year of operation.

3. Depreciations and impairments

Impairments during the quarter are mainly related to Bakerville diamond project in South Africa. IGE decided to impair the mineral interest related to the Bakerville project as a precautionary measure and to align the value value of the diamond portfolio with the current activities within the Group. In addition a claim on a drilling contractor assigned for a drilling programme in Kenya that never was delivered has been impaired during the year. After a litigation process the contractor has now been declared in bankruptcy resulting in a need of an impairment of IGE's claim.

Impairments during the comparative periods are mainly related to the Group's withdrawal from the Angolan diamond projects.

4. Financial items

Financial revenue (TSEK)	Group 31/12/2012	31/12/2011
Interests	556	269
Exchange gains	49	631
Total financial revenue	**605**	**900**

Financial expenses (TSEK)	31/12/2012	31/12/2011
Interest	-3	-52
Exchange losses	-249	-5,042
Total financial expenses	**-252**	**-5,094**

5. Segment reporting

(TSEK)	Gold	Diamonds	Nickel	Other	Total
			Jan - December 2012		
Revenue from sales	-	-	-	-	**0**
Operating result before depreciation and impairment losses	-	-2,469	-9,947	-12,229	**-24,645**
Depreciation of mineral interests	-1,351	-124,211	-	-	**-125,562**
Depreciation according to plan	-	-537	-119	-11	**-667**
Result before tax	-1,351	-127,215	-10,175	-11,780	**-150,521**
Fixed assets	-	114,630	104,318	611	**219,559**
Current assets	56	2,697	1,442	69,050	**73,245**
Long term liabilities	-	1,155	5,000	-	**6,155**
Short term liabilities	-	69	6,382	1,661	**8,112**
Investments (gross amounts)	-	-	18,460	-	**18,460**

(TSEK)	Gold	Diamonds	Nickel	Other	Total
			Jan - December 2011		
Other revenues	-	5,848	-	-	**5,848**
Operating result before depreciation and impairment losses	-304	-26,547	-13,258	-22,422	**-62,531**
Depreciation of mineral interests	-	-165,267	-	-	**-165,267**
Depreciation according to plan	-	-3,382	-163	-38	**-3,583**
Result before tax	-301	-198,600	-13,637	-23,037	**-235,575**
Fixed assets	-	239,909	89,881	-	**329,790**
Current assets	1,498	4,245	453	9,666	**15,862**
Long term liabilities	-	1,276	5,000	-	**6,276**
Short term liabilities	-	1,430	4,375	2,045	**7,850**
Investments (gross amounts)	-	6,828	14,752	-	**21,580**

6. Revenue from sales

Revenue from sales during 2011 is related to sales of rough diamonds recovered from IGE projects.

7. Results from equity accounted participations

Result from participations in group companies during the period is attributable to the Group's interest in Nordic Iron Ore and Tasman Metals.

8. Tax

The positive amount reported is a reversal of a provision related to deferred tax liabilities. The reversal occurs as a result of impairments of the assets that the provision is related to.

The reversals of the deferred tax reported in the comparative periods are a result of the impairment of the Cassanguidi project that has been made historically.

9. Provisions

Deferred tax liabilities
The recognition of carrying amount of an asset will be recovered in the form of economic benefits that flow to the entity in future periods. When the carrying amount of the asset exceeds its tax base, the amount of taxable economic benefits will exceed the amount that will be allowed as a deduction for tax purposes. This difference is a temporary difference and the obligation to pay the resulting income taxes in future periods is a deferred tax liability. As the entity recovers the carrying amount of the asset, the taxable temporary difference will reverse and the entity will have taxable profit. This makes it probable that economic benefits will flow from the entity in the form of tax payments.

The deferred tax liabilities are calculated as the local tax rate of each project times the surplus value referable to each acquired project.

Other provisions
Other Provisions are constituted by an accrued cost related to an option vested to Mitchell River Group (MRG). If MRG decides to exercise the option, a provision of SEK 1.02 million will be deducted from the price to be paid for the shares. If they waive their right to exercise the option, the above provision will be set to zero and removed from the balance sheet of Nickel Mountain Resources.

Other provisions have historically included even a provision for mine site rehabilitation related to the former mining operations in Angola. As a consequence of the Group's withdrawal from the projects and loss of its rights to these licenses the provision has been dissolved during the year improving the Group result with SEK 2.0 million.

10. Convertible loan to Norrlandsfonden

In June 2010, IGE issued a convertible loan that provided the Company with an amount of totally SEK 5 million to Norrlandsfonden. The convertible loan was issued based on the following conditions:

- The maturity date of the convertible loan was set to August 31, 2018.
- The loan runs with an annual interest rate of STIBOR 90 (Stockholm Interbank Offering Rate) plus an interest surcharge of 4% to be paid quarterly.
- In case of conversion, the conversion rate per share will be SEK 56.
- IGE has got the right to repay the loan in cash in advance at any time during the duration of the loan. IGE will then be forced to pay a compensation for the lost interest to Norrlandsfonden of 15% (on an annual basis) on the loan amount during the period that it has been utilised by IGE.

If fully converted the convertible loan will result in an additional 89,286 shares will be issued (a dilution of about 0.05% based on 181,749,225 shares outstanding).

11. Other long term liabilities

Other long term liabilities are referable to outstanding accounts with the statutory Black Economic Empowerment partner for Bakerville, Tranter. Tranter initially owed IGE about SEK 8 million. At present SEK 1.3 of this amount has been paid. The amount reported in the Balance Sheet of IGE has been entered as duty of care. If the BEE partner fails to fulfil its obligations according to the contract, and thereby fails to pay the remaining SEK 6.7 million, IGE could end up in a situation where Tranter claim their first part payment refunded.

12. Related party transactions

- Agbaleo AB has invoiced IGE SEK 469.5 thousands during 2012 for services related to management assistance. Agbaleo was a related party on behalf of its Managing Director, Fredrik Lindgren who was a the Chairman of the board in IGE up to the Extra General Meeting held on the 27th of December 2012.
- Nickel Mountain Resources AB engaged ECPS, in the end of 2011, to assist the Board and Management on strategy and business development. ECPS was a related party by way of its owner Paul Sagberg. Paul was a board member in Nickel Mountain Resources up to the Annual General Meeting held on May 14th 2012. ECPS has invoiced IGE SEK 463.3 thousands during 2012.
- Nickel Mountain Resources AB has, since 1st of October 2011, engaged Intellectuals AS as a strategic advisor to be involved and assist in the fundraising during Q4 2011/Q1 2012. Intellectuals AS was a related party by way of its owner Magnus B Lindseth who was a member of the Board of IGE Resources up to the EGM of December the 27th. As consideration for the consultancy, Intellectuals AS has invoiced IGE SEK 910.4 thousands during 2012.
- Nickel Mountain Resources AB has, since May 2012, engaged J. McMullen & Associates as a consultant to be involved and assist in the pre-feasibility study of Rönnbäcken Nickel project. J. McMullen & Associates is a related party by way of its owner Jacques McMullen who is a member of the Board of IGE Resources. As consideration for the consultancy J. McMullen & Associates has invoiced IGE SEK 595.1 thousands during 2012.
- Mace Consult AS has invoiced IGE SEK 271.6 thousands during 2012 for services related to management assistance and market communication. Mace Consulting was a related party on behalf of its Managing Director, Magne Aaby who was a board member in IGE up to the Annual General Meeting held on the 10th of May 2012.
- Tim George has invoiced the SEK 841.4 thousand during 2012 for management assistance and consultancy services. Tim is a board member of IGE

13. Reversed split

The Extra General Meeting held on the 22nd of November 2011 decided to execute a reverse split of the company's shares at a ratio of 1:80. The first day of trading with the new number of shares was the 8th of December 2011. As a result of the reversed split the number of shares at the time was reduced from 4,154,267,960 to 51,928,350.

14. Pledged assets

Nickel Mountain Resources AB entered into an agreement with Mitchell River Group Pty Ltd. ("MRG") of Australia to form a strategic partnership with MRG of Australia. Pursuant to the MRG Agreement, MRG agreed to provide experienced personnel, systems and technical resources for the development of the Rönnbäcken Nickel Project for a term of 18 months, commencing June 2010. MRG will absorb the majority of its own costs, thereby accepting project risk and having an incentive to build value in the project. As a result of the agreement, MRG was entitled to accrue costs incurred during the term of the MRG Agreement and offset such costs against the cash payment. Such costs not paid by NMR would accrue as a loan to the Company to a maximum amount of USD 500,000 to be offset against the cash payment to exercise the option. If MRG waives their right to exercise the option, the above accrued expenses/loan will be set to zero and removed from the balance sheet of Nickel Mountain Resources.

To secure this loan, NMR agreed to grant MRG a fixed and floating charge of 10% over the mineral licences related to Rönnbäcken held by its subsidiary Nickel Mountain AB. This agreement has not yet resulted in a formal pledge.

As part of the above agreement, MRG has secured an option with a 24 month duration, which was vested on the 2nd of December 2011, for 10 per cent of the Rönnbäcken project in exchange for a USD 3 million cash payment.

15. Disputes

IGE Resources subsidiary Nickel Mountain Resources has during the period received claims from Paul Sagberg, former Board member of Nickel Mountain Resources AB. The claim in question corresponds to approximately SEK 200 thousand. As ground for its claim, Paul Sagberg cites that he is entitled to a Board fee for his directorship in the company during the period July 2011 to May 2012. The company is of the opinion that the consultancy agreement with Environmental Consultant Paul Sagberg (see note 14 above), corresponding to a consideration of NOK 540 thousand in total, replaced Sagberg's right to Board remuneration. Nickel Mountain Resources has contested the claim and notified Paul Sagberg that the claim is unfounded. The claim presented consequently does not give rise to any reservation on the part of IGE Group.

Paul Sagberg has, during the fourth quarter 2012, brought forward an additional claim of 120 TNOK to IGE Resources that the company contests. As ground for its claim, Paul Sagberg refers to an agreement that was made between ECPS, owned by Sagberg, and Nickel Mountain resources AB (NMR) during 2011. According to that agreement ECPS should be entitled to a bonus of 120 TNOK if NMR managed to secure the financing of a proposed pre-feasibility study before February 2013. IGE is of the opinion that NMR never secured a financing that, according to the agreement, triggers the payment of above bonus to ECPS.

16. New share issue

IGE Resources completed a fully guaranteed rights issue at the end of April 2012. 129,820,875 new shares were issued at a price of 0.75 NOK per share, resulting in an increase of share capital equivalent to SEK 32.5 million. The total number of outstanding shares after the rights issue amounts to 181,749,225.

Upcoming reports:
- Q1 2013: 3rd May 2013
- Q2 and 6 months interim report 2013: 22nd August 2013
- Q3 and 9 months interim report 2013: 14th November 2013
- Q4 and Year End report 2013: 20th February 2014

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