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IGE enters into agreement regarding DRC gold project acquisition

IGE Resources AB (OSE: IGE) today announced that the board will propose to an upcoming Extraordinary General Meeting of IGE to acquire the Wanga Gold project in the Democratic Republic of Congo (DRC). IGE intends to acquire full ownership of the Wanga alluvial gold license in north-eastern DRC.

The Wanga license is situated in the middle of the African gold belt. The license contains 30 years of old tailings from the Belgians whom stopped mining on the license in 1956. The tailings have inferred grades ranging from 0.46 to 5.08 g/ton, based on an competent persons report prepared by SRK Exploration Services in 2012. The License covers an area of 1.440 km² including tailings of approximately 38 km². The prioritized targets are 7 areas of totally 491 km². IGE intends to initiate production as soon as possible and has secured a financing offer for the commissioning and its operation by way of a forward trade contract instrument of USD 15 million per recovery line (see below). IGE believes that this funding will be sufficient to start production and generate positive cash flow. The acquisition also includes mining rights to an alluvial gold project in Ethiopia.

In addition to above mineral rights the proposed acquisition includes the right to purchase up to six recovery lines for the production of alluvial gold and diamonds. The recovery lines represent state-of-the-art technology significantly improving recovery rates compared to current industry standards. The new recovery lines will enable IGE to efficiently process large quantities of gravel from its diamond and gold operations in DRC. Each recovery line has a purchase price of USD 15 million, of which the current owner already has paid USD 2 million per line.

An Extraordinary General Meeting of IGE's shareholders will be summoned to resolve on the proposed acquisition. The purchase price, the proposed forms and more information regarding the contemplated acquisition will be announced prior to the EGM.

"The contemplated acquisition of the Wanga gold license adds significant resources to our existing diamond assets in DRC. It will also enable us to benefit from economies of scale as we move towards both diamond and gold production in the country. Furthermore, I am pleased that a financing solution for the development of the gold resource in DRC has been established without a demand for additional equity," says IGE's acting CEO Thomas Carlsson.

Ulrik Jansson, chairman of IGE commented; *"we are pushing hard to get into production and to get cash flow from the company's operations. Recent year's great development in the gold price makes this mineral a natural way for IGE to expand and diversify risk. With the support of the machinery included in the contemplated acquisition, IGE will be well prepared to start production with a relative short ramp up period. Based on the improved technology, we expect significant alluvial recovery on new prospects and old tailings of both Gold and Diamonds".*

Additional information will be made available in conjunction with the notice to the upcoming EGM.

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 for more detailed information.