



Third Quarter 2013 Report - IGE Resources AB

Highlights

- The Swedish Government dismisses appeals against the Exploitation Concessions Rönnebäcken K nr 1-3
- Short-term financing secured for IGE Resources from Altro Invest AB
- Initial funding secured to protect and restructure the portfolio of IGE Diamond.

Key figures, IGE Resources Group

SEK million					
	Q3 2013	YTD 2013	Q3 2012	YTD 2012	2012
Total revenues	0,1	0,1	-	-	-
EBITDA	-3,8	-14,0	-4,9	-18,8	-24.6
Impairment losses and depreciation	-0,3	-110,0	-0.2	-1.9	-126.2
Net result attributable to shareholders of parent company	-4,3	-90,0	-4,6	-19,9	-121.5
Investments in period	0.3	1,7	8,3	11,9	18.5
Cash at end of period	0.3	0.3	81,5	81,5	69.2
Interest bearing long term debt at end of period	9.0	9.0	5.0	5.0	5.0

Results

IGE had a small income of 0,1 million in the third quarter 2013, EBITDA for the quarter amounted to SEK -3,8 million, compared to SEK -4,9 million for the same period in 2012.

IGE has a negative cash flow of SEK 68.9 million year to date in 2013, mainly referable to the purchase of Ghana Gold. Cash flow in the same period 2012 was positive and amounted to SEK 70,5 million.

Cash and cash equivalents at the end of the period were SEK 0.3 million, compared to SEK 81,5 million end of third quarter 2012.

IGE Resources' total assets at the end of third quarter 2013 were SEK 164,8 million, compared to SEK 423,6 million at the end of the same period 2012.

Net investments during the third quarter amounted to SEK 0,3 million (SEK 8,3 million in third quarter last year).

Corporate

The Swedish Government dismissed appeals against the Exploitation Concessions Rönnebäcken K nr 1-3 on August 22nd.

The Annual General Meeting (AGM) held on August 2nd 2013 voted against the proposed purchase of Ghana Gold. The meeting decided not to grant discharge to the former

Board of Directors constituted by Ulrik Jansson, Hans Lindroth, Jukka Kallio and Terje E Lien for its financial management of the company in conjunction with the proposed purchase of Ghana Gold AB. A new Board was elected constituted by Stefan Persson, Björn Rohdin, Svein Breivik and Ole Weiss. Erlend Dunér Henriksen was appointed deputy board member. The former board or some of its members may be held financially responsible, by the existing board, for the damage they have caused the company and its shareholders. One item on the extraordinary shareholders meeting on November 22nd will be for the shareholders to decide to grant the board full powers to act versus the former board or some of its members to recover the 50 million SEK.

In August, Altro Invest AB provided IGE Resources with a temporary loan of primarily 4 million SEK with an interest of 7.5% combined with a security in the claim that IGE has against Alluvia and the former board of directors for the reason of the business with Ghana Gold together with possible implications referring to this mentioned business.

In September, the Board of IGE announced its plans to spin-off the African portfolio by way of a distribution of the shares in the IGE Diamond AB to the existing shareholders. IGE Resources AB will, as a consequence of that, be rebranded to Nickel Mountain Group AB and focus on the development of its nickel project Rönnebäcken, Sweden.

Operations; nickel

In a decision on 22 August 2013, the Government dismissed appeals from among others Vapsten Reindeer Herding Co-operative regarding the Chief Mine Inspector's decision to grant the three exploitation concessions Rönnbäcken K nr 1-3 to Nickel Mountain AB, a wholly owned subsidiary of Nickel Mountain Resources AB.

The company may now focus on the preparations for a Pre-Feasibility Study (PFS) and a permit application under the Environmental Code. This permit application will be tried by the Environmental Court and the company will conduct the investigations necessary for the Court's assessment. The drafting of an environmental impact assessment will require consultations to be held with affected authorities and stakeholders. The studies and preparation work for the PFS and the permit application are estimated to take at least 18 months. The preliminary estimated cost for the studies and preparation work is approx. SEK 100 million.

Operations; diamonds

In September, IGE Resources AB secured a SEK 500.000 short term, interest free, none secured loan to be used for the protection and restructuring of the existing portfolio of diamond assets held by its 100% owned subsidiary, IGE Diamond AB. The loan has been fully paid to the company. The creditors have accepted to lend the money without interest and security for a duration of 3 months and the loan can be converted to shares at a price equal to closing price on the 20th of September 2013, subject to approval from an Extra General Meeting to be summoned shortly. The main creditors are Altro Invest AB, Board member Svein Breivik (55 TSEK), Deputy Board member Erlend Dunér Henriksen (55 TSEK), Investor Relation assistant Tony Saetre (30 TNOK) and a number of Norwegian minority shareholders.

Events after the reporting period:

Summary of events:

- On October 4th, IGE Resources announced it has secured initial funding of SEK 2.0 million dedicated to the Rönnbäcken Nickel Project.

- On October 14th, IGE Resources announced it has secured additional funding of SEK 1.2 million dedicated to the Rönnbäcken Nickel Project.
- On October 23rd, it was announced that Nickel Mountain AB has applied to the Swedish Mining Inspectorate for extension of three exploration permits approaching expiration during November and December 2013.
- On October 25th, Nickel Mountain AB launched a deposit-wide mineralogy study of the Rönnbäcken Nickel Project.
- On October 30th, it was announced that IGE Resources has offered to all shareholders exclusive rights to subscribe for an interest free, unsecured convertible loan. See below for more details.
- On November 8th, IGE Resources announced it will provide all its shareholders with one free share in IGE Diamonds AB for every share held in IGE Resources AB when IGE Diamonds is separated completely from IGE as a separate legal entity. See below for more details.
- On November 11th, it was announced that the board of IGE decided that all shareholders who have contributed to the convertible loan also will be entitled to free IGE Diamonds shares in the ratio 1:1. See below for more details.
- On November 11th, IGE Resources announced that a preliminary count of received convertible loan commitments to this date amounted to a total of approximately SEK 8.25 million and that the subscription period has been extended until November 18th.

On October 4th, IGE Resources announced it had secured a SEK 2.000.000 short term, interest free, none secured loan to be used for the financing of the nickel project held by its subsidiary, Nickel Mountain Resources AB. The creditors have accepted to lend the money without interest and security for a duration of 3 months. The loan can be converted to shares at a price equal to closing price on the 3rd of October 2013 (0,30 NOK), subject to approval from an Extraordinary General Meeting to be summoned shortly. The main creditors are Altro Invest AB, Board member Svein Breivik, Deputy Board member Erlend Dunér Henriksen and a number of Norwegian minority shareholders.

On October 14th, IGE Resources announced it had secured an additional SEK 1.2 million short term, interest free, none secured loan to be used for the financing of the nickel project held by its subsidiary, Nickel Mountain Resources AB. The creditors have accepted to lend the money without interest and security for a duration of 3 months. The loan can be converted to shares at a price equal to closing price on the 11th of October 2013 (0,31 NOK), subject to approval from an Extraordinary General Meeting to be summoned shortly. The main creditors are Altro Invest AB, Deputy Board member Erlend Dunér Henriksen and a number of Norwegian minority shareholders.

On October 23rd it was announced that Nickel Mountain AB has applied to the Swedish Mining Inspectorate for the extension of three exploration permits Rönnbäcksjön nr 3, 4 and 8 approaching expiration during November and December 2013. Nickel Mountain has applied for an extension of another period of three years for the three permits.

On October 25th, Nickel Mountain AB launched a deposit-wide mineralogy study of the three deposits comprising the Rönnbäcken Nickel Project; Sundsberget, Rönnbäcknaset and Vinberget. The study will be undertaken by Vancouver GeoTech labs in Vancouver, Canada using thin section microscopy to identify individual mineral phases in approximately 560 samples. These mineralogy studies are an important component of a prefeasibility study (PFS) and need to be carried out early in the PFS process. The mineralogy study is expected to take 6 months to complete at a cost of approximately US\$100,000. Nickel Mountain will continuously receive results from the studies, with final reporting anticipated for mid-2014.

On October 30th, it was announced that IGE Resources has offered to all shareholders exclusive rights to subscribe for a convertible loan. There will be 3 opportunities to convert the loans:

- (1) The loan may be converted to shares at the rate of NOK 0.38 pr. Share latest before Monday, December 17th 2013.
 - (2) During the period May 5th to May 9th 2014 the conversion rate will be NOK 0,50.
 - (3) During the period November 17th to 21th 2014 the conversion rate will be NOK 0,60.
- Any loans which are not converted will be repaid by December 1st, 2014, at the latest.

On November 8th, IGE Resources announced it will provide all its shareholders with one free share in IGE Diamonds AB for every share

held in IGE Resources AB when IGE Diamonds is separated completely from IGE as a separate legal entity. Separation will be executed as soon as possible after the extraordinary General Meeting (EGM) of IGE 22 November 2013. The right to obtain free IGE Diamonds shares is determined by the number of shares held on the record day to be announced after the EGM.

On November 11th, it was further announced that the board of IGE decided that all shareholders who have contributed to the convertible loan also will be entitled to free IGE Diamonds shares in the ratio 1:1. The condition is that the conversion to shares in IGE takes place on the first occasion after the approval of the issue of new shares at the Extraordinary General Assembly (EGF) on Friday November 22. 2013. The record date will therefore be extended until after the EGF, confirmation to be given in due time.

On November 11th, IGE Resources announced that a preliminary count of received convertible loan commitments to this date shows that shareholders in the company have contributed to a total of approximately SEK 8.250.000 in interest free, unsecured convertible loans dedicated to the Rönnbäcken Nickel Project, , and that the subscription period has been extended until November 18th.

Financial position

Cash and cash equivalents at the end of the third quarter 2013 amounted to SEK 0.3 million, compared to SEK 81,5 million at the end of third quarter 2012. Total equity at the end of the reporting period amounted to SEK 147,3 million (SEK 345,4 million at end of the corresponding period 2012), representing an equity ratio of 89 per cent (82 per cent at the end of second quarter the previous year).

The Company's interest bearing long term debt amounts to SEK 9.0 million, which is constituted by a convertible loan, granted by Norrlandsfonden for the development of Rönnbäcken and a loan from the former Chairman Ulrik Jansson for the funding of the Group during spring 2013.

Group outlook

The financial situation of the Group was strained at the end of the reporting period due to the matured invoices left by the former management. In order to solve the most urgent payments, the main shareholder, Altro Invest

AB, offered a temporary loan of 4 million SEK with an annual interest of 7,5 %.

The new Board has been working on a medium term funding solution, primarily with focus on a convertible loan offer to the shareholders. This work is running in parallel with the process of reclaiming the funds transferred to Alluvia Mining Ltd and consequential damages in connection with the proposed Ghana Gold transaction.

In October, IGE offered all shareholders exclusive rights to subscribe for a convertible loan.

The convertible loans to IGE Resources AB (IGE), to be renamed to Nickel Mountain

Group AB (NMG), will be earmarked the subsidiary Nickel Mountain Resources AB (NMR). The objective is to accelerate the value adding Pre-Feasibility Study (PFS), plus performance of the parallel evaluations necessary for the preparation of the Environmental Application (EA).

Parent company

The Parent Company's business activity is to manage the Group's operations. The result before tax during the third quarter of 2013 amounted to SEK -2,2 million (-2,9). Cash and cash equivalents amounted to SEK 0.0 million (80,3). Investments in the Parent Company during the reporting period amounted to SEK 0 million (0,0).

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, 14th of November 2013

Björn Rohdin, CEO, IGE Resources AB (publ)

Consolidated Statement of income

(TSEK)	Note	Q3 2013	Q3 2012	Jan-Sep 2013	Jan-Sep 2012	2012
Other operating income		121	-	121	-	-
Other external expenses	12	-2,041	-1,702	-8,385	-10,819	-13,624
Personnel expenses		-1,897	-2,455	-5,553	-7,175	-10,022
Results from equity accounted participations	7	-	-696	-75	-772	-999
Operating result before depreciation and impairment losses		-3,817	-4,853	-13,892	-18,766	-24,645
Depreciation/amortization and impairment loss on property, plant and equipment, intangible assets	4	-263	-167	-109,965	-1,878	-126,229
Financial revenue	3	8	247	5	471	605
Financial expenses	3	-211	-23	-225	-220	-252
Total financial items		-203	224	-220	251	353
Result before tax		-4,283	-4,796	-124,077	-20,353	-150,521
Income tax	8	-	-	34,087	-	29,031
Result for the period		-4,283	-4,796	-89,990	-20,353	-121,490
<i>Result for the period attributable to:</i>						
Equity holders of the Parent Company		-4,276	-4,618	-89,977	-19,857	-121,450
Non controlling interest		-7	-178	-13	-536	-40
Result for the period		-4,283	-4,796	-89,990	-20,393	-121,490
Result per share before and after dilution		0,02	-0.04	-0.50	-0.16	-0.86
Average number of shares (Millions)		181.7	127,0	181.7	127,0	140.8

Statement of comprehensive income

TSEK	Q3 2013	Q3 2012	Jan-Sep 2013	Jan-Sep 2012	2012
Result for the period	-4,283	-4,796	-89,990	-20,393	-121,490
<i>Other comprehensive income</i>					
	1,659		-6,110		
Foreign currency translation differences		-1,108		-942	-1,637
Total other comprehensive income	-2,624	-5,904	-96,100	-21,335	-123,127
<i>Total comprehensive income for the period attributable to:</i>					
	-2,617		,96,087		
Equity holders of the Parent Company		-5,726		-20,799	-123,087
Non controlling interest	-7	-178	-13	-536	-40

Consolidated Statement of financial position

(TSEK)	Note	30/09/2013	30/09/2012	31/12/2012
ASSETS				
Fixed assets				
<i>Intangible fixed assets</i>				
Mineral interests		110,528	336,594	218,489
<i>Tangible fixed assets</i>				
Plant and machinery		347	769	605
<i>Long-term financial assets</i>				
Participation in equity accounted companies		283	662	434
Long-term receivables		113	31	31
Total fixed assets		111,271	338,057	219,559
Current Assets				
Other receivables		2,964	3,127	3,461
Prepaid expenses		336	957	591
Receivable Alluvia Mining Ltd	6	50,000	-	-
Cash and cash equivalents		267	81,484	69,193
Total current assets		53,567	85,568	73,245
TOTAL ASSETS		164,838	423,624	292,804
EQUITY	13			
<i>Equity attributable to equity holders of the parent company</i>				
Share capital		45,437	45,437	45,437
Other paid in capital		1,175,737	1,176,004	1,175,737
Reserves		1,827	8,632	7,937
Retained earnings and profit for the period		-1,075,836	-868,319	-985,860
		147,165	361,754	243,251
Non controlling interest		167	-16,263	181
Total equity		147,332	345,491	243,432
Liabilities				
Deferred tax liabilities	9	-	63,119	34,087
Other provisions	9	1,018	1,017	1,018
<i>Long term liabilities</i>				
Convertible loan	10	5,000	5,000	5,000
Other long term liabilities	11	4,958	1,203	1,155
Total long term liabilities		10,976	70,339	41,260
<i>Current liabilities</i>				
Accounts payable		1,674	4,920	6,261
Other liabilities		3,466	179	189
Accrued expenses and prepaid income		1,390	2,695	1,662
Total current liabilities		6,530	7,794	8,112
TOTAL EQUITY AND LIABILITIES		164,838	423,624	292,804

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 2012	12,982	1,107,044	9,574	-848,462	281,138	-15,727	265,411
Net result for the period				-19,857	-19,857	-536	-20,393
Transfer of paid premium related to previously issued and expired warrants		-510			-510		-510
<i>Other comprehensive income:</i>							
Translation reserve			-942		-942		-942
Transactions with shareholders:							
Costs referable to fund-raising		-12,533			-12,533		-12,533
New share issue	32,455				114,458		114,458
Closing balance at 30 September 2012	45,437	1,176,004	8,632	-868,319	361,754	-16,263	345,491
Net result for the period				-117,541	-117,541	496	-117,045
<i>Other comprehensive income:</i>							
Translation reserve			-695		-695		-695
Transactions with shareholders:							
Majority's takeover of minority's commitment						15,948	15,948
Costs referable to fund-raising		-267			-267		-267
Closing balance at 31 December 2012	45,437	1,175,737	7,937	-985,860	243,251	181	243,432
Balance at 1 January 2013	45,437	1,175,737	7,937	-985,860	243,251	181	243,432
Net result for the period				-89,976	-89,976	-13	-89,990
<i>Other comprehensive income:</i>							
Translation reserve			-6,110		-6,110		-6,110
Closing balance at 30 September 2013	45,437	1,175,737	1,827	-1,075,836	147,165	167	147,332

The total number of outstanding shares amounts to 181,749,225 as per September 30th 2013.

Consolidated Statement of cash flow

(TSEK)	Jan-Sept 2013	Jan-Sept 2012	Jan-Dec 2012
Cash flow from operations			
Result after financial items	-124,077	-20,393	-150,521
Adjustments for non cash items*	103,559	-1,412	122,521
Income tax paid	-	-	-
Total cash flow from operations before change in working capital	-20,518	-21,806	-28,000
Change in working capital			
Increase/decrease receivables	-49,106	803	865
Increase/decrease in short term liabilities	-1,582	-129	261
Total cash flow from operations	-71,206	-21,132	-26,874
Cash flow used for investments			
Purchase of intangible assets	-1,628	-11,877	-18,460
Sale of intangible assets	75	2,072	2,072
Purchase of tangible assets	-91	39	63
Total cash flow used for investments	-1,644	-9,776	-16,325
Financial activities			
New share issue net of transaction costs	-	101,925	101,925
Transfer of paid premium related to warrants issue by the company	-	-510	-510
Raised credits	4,120	-	-
Amortization of debt	-195	-	-
Total cash flow from financial activities	3,923	101,415	101,415
Change in cash and bank	-68,927	70,507	58,216
Cash and bank at 1 January	69,193	10,977	10,977
Cash and bank at the end of reporting period	266	81,484	69,193
*Adjustments for non cash items			
Depreciations and impairment losses on intangible assets	109,233	-	125,563
Depreciations and impairment losses of tangible assets	344	527	666
Exchange gain	-	-	-1,697
Exchange loss	-6,110	-943	-
Capital gain	-	212	212
Write-down of long term financial asset	-	-	999
Share of loss on equity accounted companies	75	771	-1,979
Dissolution of provision related to mine site rehabilitation	-	-1,979	-
Others	17	-	-1,243
Total	103,559	-1,412	122,521

Income statement Parent company

(TSEK)	Note	Q3 2013	Q3 2012	Jan-Sept 2013	Jan-Sept 2012	2012
Other external expenses	12	-1,595	-1,729	-6,985	-5,019	-7,114
Personnel expenses		-451	-1,436	-3,194	-3,801	-5,117
Depreciation/amortization tangible assets	4	-	0	-	-10	-10
Operating result		-2,046	-3,165	-10,179	-8,830	-12,241
<i>Result from financial items</i>						
Result from participations in group companies		-	-	-	-	-149,848
Financial revenue		3	244	5	466	596
Financial expenses		-134	-20	-151	-111	-135
Total financial items		-131	224	-146	355	-149,387
Result before tax		-2,177	-2,941	-10,325	-8,475	-161,628
Income tax	8	0	0	0	0	0
Result for the period		-2,177	-2,941	-10,325	-8,475	-161,628

Statement of comprehensive income

TSEK	Q3 2013	Q3 2012	Jan-Sept 2013	Jan-Sept 2012	2012
Result for the period	-2,177	-2,941	-10,325	-8,475	-161,628
Other comprehensive income	-	-	-	-	-
Total other comprehensive income	-2,177	-2,941	-10,325	-8,475	-161,628

Balance sheet Parent company

(TSEK)	Note	30/09/2013	30/09/2012	31/12/2012
ASSETS				
Tangible fixed assets				
<i>Long-term financial assets</i>				
Shares in subsidiaries		102,635	102,635	102,635
Receivables from subsidiaries		137,080	254,769	121,120
Total fixed assets		239,715	357,404	223,755
Current Assets				
Other receivables		497	239	277
Receivable Alluvia Mining Ltd	6	50,000	-	-
Prepaid expenses		96	622	210
Cash and cash equivalents		-	80,255	68,562
Total current assets		50,593	81,116	69,049
TOTAL ASSETS		290,308	446,966	292,804
SHAREHOLDERS EQUITY	13			
<i>Restricted equity</i>				
Share capital		45,437	45,437	45,437
Statutory reserve		2,300	2,300	2,300
<i>Total restricted equity</i>		<i>47,737</i>	<i>47,737</i>	<i>47,737</i>
<i>Non restricted equity</i>				
Share premium reserve		1,149,572	1,149,839	1,149,572
Retained earnings		-911,164	-749,536	-749,536
Result for the period		-10,325	-8,475	-161,628
<i>Total non restricted equity</i>		<i>228,082</i>	<i>391,828</i>	<i>238,408</i>
Total shareholders' equity		275,820	439,565	286,145
Long term liabilities				
Convertible loan	10	5,000	5,000	5,000
Other long term liabilities	11	4,000	-	-
Total long term liabilities		9,000	5,000	5,000
Current liabilities				
Accounts payable		1 621	981	572
Other liabilities	15	2,957	44	48
Accrued expenses		910	1,376	1,039
Total current liabilities		5,488	2,401	1,659
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		290,308	446,966	292,804

Changes in equity Parent Company

(TSEK)	Restricted Equity		Non restricted Equity			
	Share capital	Statutory reserve	Share premium reserves	Retained earnings	Result for the period	Total Equity
2012						
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					-8,475	-8,475
Transfer of paid premium related to previously issued and expired warrants			-510			-510
Reallocation of equity from share premium reserve to share capital		-241,467	241,467			0
Transactions with shareholders:						
Costs referable to fund-raising			-12,533			-12,533
New share issue	32,455		82,003			114,458
Closing balance at 30 September 2012	45,437	2,300	1,149,839	-749,536	-8,475	439,565
Result for the period					-153,153	-153,153
Transactions with shareholders:						
Costs referable to fund-raising			-267			-267
Closing balance at 31 December 2012	45,437	2,300	1,149,572	-749,536	-161,628	286,145
Balance at 1 January 2013	45,437	2,300	1,149,572	-749,536	-161,628	286,145
Transfer of prior year's net result				-161,628	161,628	0
Result for the period					-10,325	-10,325
Closing balance at 30 September 2013	45,437	2,300	1,149,572	-911,164	-10,325	275,820

Key ratios and share data

		30/09/2013	30/09/2012	2012	2011	2010
Number of outstanding shares at beginning of reporting period	Number	181,749,225	51,928,350	51,928,350	1,805,618,810	795,709,953
New share issue	Number	-	129,820,875	129,820,875	2,348,649,150	1,009,908,857
Number of outstanding shares at the end of reporting period*	Number	181,749,225	181,749,225	181,749,225	51,928,350	1,805,618,810
Average number of shares	Number	181,749,225	127,062,776	140,846,758	2,930,566,085	1,346,291,141
Operating result	TSEK	-13,892	-18,766	-13,913	-149,987	-149,987
Result after tax	TSEK	-89,990	-20,393	-15,597	-477,330	-477,330
Operating result per share	SEK	-0.08	-0.36	-0.27	-0.05	-0.11
Result after financial items per share	SEK	-0.68	-0.39	-0.30	-0.19	-0.41
Result per share after tax	SEK	-0.50	-0.39	-0.30	-0.16	-0.35
Shareholders equity per share before dilution*	SEK	0.81	1.90	1.93	7.61	0.22
Dividend	TSEK	-	-	-	-	-
Price per share at the end of reporting period	SEK	0.29	0.53	0.45	1.66*	0.23

* 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 2012.

Total number of shares amounts to 181,749,225 as per September 30th 2013.

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 2012.

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 2012 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. Financial items

Financial revenue (TSEK)	Group		
	30/09/2013	30/09/2012	31/12/2012
Interests	4	424	556
Exchange gains	1	47	49
Total financial revenue	5	471	605

Financial expenses (TSEK)	Group		
	30/09/2013	30/09/2012	31/12/2012
Interest	-208	-3	-3
Exchange losses	-17	-217	-249
Total financial expenses	-225	-220	-252

4. Depreciation and impairments

Impairments during the quarter are related to the diamond concessions in DRC. During the second quarter the company did not fulfil the contractual obligations related to the diamond concessions in DRC resulting in that these contracts at present are in default. The situation in DRC has resulted in an impairment of the diamond portfolio of SEK 75.5 million.

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 project.

Segment reporting

(TSEK)	Jan - Sept 2013				
	Gold	Diamonds	Nickel	Other	Total
Operating result before depreciation and impairment losses	-	-434	-3,369	-10,089	-13,892
Depreciation of mineral interests	-	-103,841	-1,591	-4,188	-109,620
Depreciation according to plan	-	-301	-43	-	-344
Result before tax	-	-110,099	-3,487	-10,491	-124,077
Fixed assets	-	3,243	107,238	790	111,271
Current assets	50,000	2,548	400	619	53,567
Long term liabilities	-	1,976	-	9,000	10,976
Short term liabilities	-	82	801	5,647	6,530
Investments (gross amounts)	-	-	1,719	-	1,719
(TSEK)	Jan-Sept 2012				
	Gold	Diamonds	Nickel	Other	Total
Operating result before depreciation and impairment losses	-	-4,318	-8,663	-5,785	-18,766
Depreciation of mineral interests	-1,352	-	-	-	-1,352
Depreciation according to plan	-	-412	-104	-10	-526
Result before tax	-1,352	-3,714	-8,664	-5,646	-19,376
Fixed assets	-	239,175	98,219	662	338,056
Current assets	67	3,141	1,243	81,117	85,568
Long term liabilities	-	1,203	5,000	-	6,203
Short term liabilities	-	76	5,316	2,402	7,794
Investments (gross amounts)	-	-	11,887	-	11,887

6. Receivable Alluvia Mining Ltd

Receivable Alluvia Mining is related to a proposed purchase of Ghana Gold. A prepayment of SEK 50 million was made on the 23rd of January, subject to an approval of an upcoming General Meeting which was held during the second quarter 2013. The decision on the Extra General Meeting was declared invalid as a result of an appeal by a minority shareholder group. The Board, at the time, made a second attempt to pass the proposed purchase on the Annual General Meeting held on the 2nd of August 2013 but the meeting voted against the proposal. According to the purchase agreement the pre-payment of SEK 50 million shall be repaid immediately if a General Meeting voted against the proposed purchase, resulting in that IGE now has a claim on the seller Alluvia Mining Ltd amounting to SEK 50 million. The Board is currently working on getting the money refunded by Alluvia.

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.

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

As a consequence of the SEK 50 million payment to Alluvia Mining in January 2013, the Group was drained of cash at the end of May and needed external funding. IGE incorrectly announced on May 27th that IGE had received partial funds from a draw-down facility by Amarant Finance. In fact, it was the former Board member Ulrik Jansson who lent SEK 4 million to IGE at the end of May 2013. The loan runs with an interest of 12 per cent per annum. The loan has duration of three years. IGE Resources retains the right to off-set this SEK 4 million against its claim on the former Board Members.

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 1.1 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 6.9 million, IGE could end up in a situation where Tranter claim their first part payment refunded.

12. Related party transactions

IGE Resources transferred SEK 50 million as a part payment in advance referable to a proposed purchase of a company called Ghana Gold AB from Alluvia Mining Ltd. Alluvia Mining is a related party through its director of the Board, Terje E Lien, which also was a director of the IGE board at time of the transfer.

13. Result from participations in-group companies – Parent company

The Parent Company, IGE Resources AB, finances its subsidiaries by way of lending money on current bases. As a result of the impairment of the mineral interests held by the subsidiaries IGE Resources has decided to align its receivables to be more in line the value of the assets in the balance sheet of the subsidiaries. This resulted in impairment in the parent company of the IGE Group of SEK 124.2 million during the first quarter of 2013.

14. Adjustments related to Q2

The reported Consolidated Statement of income and Consolidated statement of financial position as of Q2, 2013 (30th of June, 2013) has been changed mainly due to reconciliation differences between group companies.

(TSEK)	Jan-June 2013	Adjustment	After adjustment Jan-June 2013
Other operating income	-		-
Other external expenses	-8,582	2,238	-6,344
Personnel expenses	-5,975	2,319	-3,656
Results from equity accounted participations	-75		-75
Other operating expenses	-		-
Operating result before depreciation and impairment losses	-14,632	4,557	-10,076
Depreciation/amortization and impairment loss on property, plant and equipment, intangible assets	-109,701		-109,701
Financial revenue	54	-44	10
Financial expenses	-131	104	-27
Total financial items	-77	60	-17
Result before tax	-124,410	4,617	-119,794
Income tax	34,087		34,087
Result for the period	-90,323	4,617	-85,707
<i>Result for the period attributable to:</i>			
Equity holders of the Parent Company	-90,317	-4,617	-85,701
Non controlling interest	-6		-6
Result for the period	-90,323	4,617	-85,707
Result per share before and after dilution	-0,50	-0,03	-0,47
Average number of shares (millions)	181,7		181,7

Statement of comprehensive income

TSEK	Jan-June 2013	Adjustmet	After adjustment Jan-June 2013
Result for the period	-90,323	4,617	-85,707
<i>Other comprehensive income</i>			
Foreign currency translation differences	5,168	-5,036	132
Total other comprehensive income	-85,155	-419	-85,574
<i>Total comprehensive income for the period attributable to:</i>			
Equity holders of the Parent Company	-85,149	419	-85,568
Non controlling interest	-6		-6

Consolidated Statement of financial position

(TSEK)	Jan-June 2013	Adjustmet	After adjustment Jan-June 2013
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Mineral interests	110,201		110,201
Plant and machinery	487		487
Participation in equity accounted companies	359		359
Long-term receivables	31		31
Total fixed assets	111,078		111,078
Current Assets			
Other receivables	3,089	147	3,236
Prepaid expenses	619	-16	603
Receivable Alluvia Mining Ltd	50,000		50,000
Cash and cash equivalents	825	617	1,442
Total current assets	54,533	748	55,281
TOTAL ASSETS	165,611	748	166,359
EQUITY			
Share capital	45,437		45,437
Other paid in capital	1,175,737		1,175,737
Reserves	5,168	-5,036	132
Retained earnings and profit for the period	-1,076,189	4,617	-1,071,572
	150,153	-419	149,734
Non controlling interest	175		175
Total equity	150,328	-419	149,909
Liabilities			
Deferred tax liabilities			
Other provisions	1,018		1,018
<i>Long term liabilities</i>			
Convertible loan	5,000		5,000
Other long term liabilities	5,059		5,059
Total long term liabilities	11,077		11,077
<i>Current liabilities</i>			
Accounts payable	1,502	918	2,420
Other liabilities	1,742	-673	1,069
Accrued expenses and prepaid income	962	922	1,884
Total current liabilities	4,206	1,167	5,373
TOTAL EQUITY AND LIABILITIES	165,611	748	166,359

15. Other liabilities

The Group has received a temporary loan from Altro Invest AB of 4 million SEK, with an annual interest of 7,5 %. 2,2 million SEK has been used as of September 30th.

Upcoming reports:

- Q4 and Year End report 2013: 20th February 2014

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