PROSPECTUS

IGE RESOURCES AB (PUBL)

LISTING ON THE OSLO STOCK EXCHANGE OF 385,398,899 NEW SHARES AT A SUBSCRIPTION PRICE OF NOK 0.23 PER SHARE ISSUED IN A COMPLETED PRIVATE PLACEMENT WITH GROSS PROCEEDS OF NOK 72.7 MILLION AND CONVERSION OF DEBT AMOUNTING TO NOK 15.9 MILLION

NO SHARES OR OTHER SECURITIES ARE BEING OFFERED OR SOLD IN ANY JURISDICTION PURSUANT TO THIS PROSPECTUS

MANAGERS:

RS Platou Markets

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28 SEPTEMBER 2010

IMPORTANT NOTICE

This prospectus (the "**Prospectus**") has been prepared in order to provide information about IGE Resources AB (publ) ("**the Company**", "**IGE**" or "**IGE Resources**") and its business in connection with the listing on the Oslo Stock Exchange of 385,398,899 new shares in the Company ("**the New Shares**") issued in connection with the private placement ("**the Private Placement**") completed on 22 September 2010.

For the definitions and glossary terms used throughout this Prospectus, see section 15.

The Company has furnished the information in this Prospectus. The Managers make no representation or warranty, expressed or implied, as to the accuracy or completeness of such information, and nothing contained in this Prospectus is, nor shall be relied upon as, a promise or representation by the Managers. This Prospectus has been prepared to comply with chapter 7 of the Norwegian Securities Trading Act and chapter 7 of the Norwegian Securities Trading Regulation which implements the Prospectus Directive (EC/2003/71), including the Commission Regulation EC/809/2004, in Norwegian law. The Financial Supervisory Authority of Norway (Nw. *Finanstilsynet*) has reviewed and approved this Prospectus in accordance with section 7-7 of the Norwegian Securities Trading Act. This Prospectus has been prepared and published in an English version only.

All inquiries relating to this Prospectus should be directed to the Company or to the Managers. No other person than the Company or the Managers are authorized to give any information about, or make any representation on behalf of, the Company in connection with the listing of the New Shares, and, if given or made, such other information or representation must not be relied upon as having been authorized by the Company.

With the exception of the Company's audited consolidated financial statements for 2007, 2008 and 2009, incorporated by reference, and the proforma financial statements in chapter 9, no information in the Prospectus has been reviewed or audited by the Company's auditor.

The information contained herein is as of the date hereof and subject to change, completion or amendment without notice. There may have been changes affecting the Company or its subsidiaries subsequent to the date of this Prospectus. Any new material information and any material inaccuracy that might have an effect on the assessment of the Shares arising after the publication of this Prospectus and before the end of the Subscription Period will be published and announced promptly as a supplement to this Prospectus in accordance with section 7-15 of the Norwegian Securities Trading Act. The delivery of this Prospectus shall not, at any time after the date hereof, under any circumstances, create any implication that there has been no change in the Company's affairs since the date hereof or that the information set forth in this Prospectus is correct as of any time since the date hereof.

This Prospectus does not constitute an offer to buy, subscribe or sell the New Shares which were issued in the Private Placement and/or any other securities in the Company. In relation to the New Shares issued in the Private Placement, this Prospectus serves solely as a listing prospectus as required by applicable laws and no such New Shares are being offered or sold pursuant to this Prospectus.

The distribution of this Prospectus may in certain jurisdictions be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions.

The New Shares have not been and will not be registered under the U.S. Securities Act of 1933 as amended, or with any securities authority of any state of the United States. The New Shares may not be offered or sold in or into the United States, Canada, Japan or Australia.

The contents of this Prospectus shall not to be construed as legal, business or tax advice. Each reader of this Prospectus should consult its own legal, business or tax advisor as to legal, business or tax advice. If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, bank manager, lawyer, accountant or other professional adviser.

In the ordinary course of their respective businesses, the Managers and certain of its respective affiliates have engaged, and may continue to engage, in investment and commercial banking transactions with the Company and its subsidiaries. Without limiting the manner in which the Company may choose to make any public announcements, and subject to the Company's obligations under applicable law, announcements relating to the matters described in this Prospectus will be considered to have been made once they have been received by the Oslo Stock Exchange and distributed through its information system.

This Prospectus is subject to Norwegian law, unless otherwise indicated herein. Any dispute arising in respect of this Prospectus is subject to the exclusive jurisdiction of the courts of Norway, with Oslo District Court as legal venue.

Investing in the Company's Shares involves risks, see section 2 "Risk Factors" of this Prospectus.

Cautionary note regarding forward-looking statements

Certain statements and information in this Prospectus are forward-looking. Such forward-looking statements and information are based on the beliefs of the Company's management or assumptions based on information available to the Company. When used in this document, the words "anticipate", "believe", "estimate" and "expect" and similar expressions, as they relate to the Company or its Management, are intended to identify forward-looking statements. Such forward-looking statements reflect the current views of the Company or its Management with respect to future events and are subject to certain risks, uncertainties and assumptions. The Company can give no assurance as to the correctness of such forward-looking statements. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, risks or uncertainties associated with the Company's products, technological development, growth management, relations with customers and, more generally, general economic and business conditions, changes in domestic and foreign laws and regulations (including those of the European Union), taxes, changes in competition and pricing environments, and other factors referenced in this document. Some of these factors are discussed in more detail under section 2 "Risk Factors". Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this document as anticipated, believed, estimated or expected. Except as required by applicable law, the Company does not intend, and does not assume any obligation to update the forward-looking statements included in this Prospectus as at the date hereof.

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1 SUMMARY

This summary should be read as an introduction to the Prospectus and any decision to invest should be based on consideration of the Prospectus as a whole by the investor, including the documents incorporated by reference and the risks of investing in the New Shares set out in "Risk Factors". This summary is not complete and does not contain all the information that you should consider in connection with any decision relating to the New Shares. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff might under the applicable legislation have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability will attach to the board of directors of the Company who have tabled this summary, including any translation thereof, and applied for its notification, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus.

1.1 Description of the Company

The legal entity of IGE Resources AB was founded in Sweden 1983. The current activities of the Company have been carried out since 1988. The Company changed its name to International Gold Exploration IGE AB during 1989 and to IGE Resources AB in April 2010. The Company's operations consisted of small scale exploration during the initial years. The Shares were listed on the Oslo Stock Exchange in 1997 under the symbol "IGE". The listing in Norway was a natural choice given the location of its activities. Norway has solid and long lasting history in the exploration and mining business. As the interest and profitability in global exploration and mining increased, so did the interest from the Swedish venture capital market.

IGE Resources is a Swedish public limited liability company registered with the Swedish Companies Register with registration number 556227-8043. The Company is regulated by the Swedish Limited Companies Act. The Articles of Association of the Company is included in Appendix 1. IGE Resources has its head office at Kungsgatan 44, SE-111 35 Stockholm, Sweden, with telephone number +46 (0)8 402 28 00 and facsimile number +46 (0)8 402 28 01.

The Group has projects and properties within Angola, South Africa, the Democratic Republic of Congo, Sweden and Kenya. The group structure consists of a parent company with subsidiaries responsible for the exploration and development activities within each geographical line of business.

The minerals and metal operations of the Group are in continuous development, and currently comprise a portfolio of diamond, base metal resources and gold.

1.2 The completed Private Placement

In order to finance further growth, the Company has issued 385,398,899 New Shares in the Private Placement, each New Share with a quota value of SEK 0.05.

The Subscription Price in the Private Placement was set to NOK 0.23 for each New Share. The Subscription Price was set by the Board prior to market opening on 22 September 2010, and was based on the result from a book building process. The Subscription Price represents a discount of approx. 20 % relative to the stock price on the Oslo Stock Exchange at closing on 21 September 2010. The Private Placement was not underwritten.

The total gross proceeds from the Private Placement were NOK 72.7 million. In addition, NOK 15.9 milllion of the subscription amount was settled by conversion of debt by subscribers holding claims against the Company.

The preferential rights of the existing shareholders were set aside as this was deemed necessary in order to complete a share issue of this size at the set subscription price under the prevailing conditions. The Private Placement was directed towards Norwegian and Swedish investors and international institutional investors. The main beneficiaries of the waiver of the preferential rights were the investors who were invited to participate in the Private Placement but were not shareholders in the Company at the time of the Private Placement. The minimum order in the Private Placement was set to a number of shares that equals an aggregate subscription price of at least the NOK equivalent of EUR 50,000. Norwegian investors subscribed for approx. 23% of the New Shares issued in the Private Placement. The subscribers were notified of their allocation on 22 September 2010. Payments will be made on or about 27 September 2010. The Private Placement will be registered in the Swedish Companies Register on or about 6 October 2010. Physical delivery of the New Shares to the subscribers VPC accounts and

VPS (as applicable) accounts is expected to take place on or about 7 October 2010.

1.3 Use of Proceeds

A substantial part of the proceeds from the Private Placement will be used for capital investments in the diamond projects of Bakerville (South Africa) and Cassanguidi (Angola). Depending on the result from the initial production in Luxinge additional equipment might be purchased in order to increase the production capacity within that project. The final license for the Bakerville project is estimated to be obtained during late 2010 / beginning of 2011. As soon as it is granted IGE will commence the ramping up of the project towards alluvial diamond production. The investments will be mainly in earth moving machines, equipment and diamond recovery plants. The diamond production of Bakerville is projected to commence during Q2 2011. The capital need for Bakerville is around 8.7 MUSD in total. 24% of the project is owned by a Black Economic Empowerment (BEE) partner that will participate in the funding of the project.

For Cassanguidi the capital need is about USD 2 million. The capital will be used to ramp up the production from about 3,500 carats/month at present to a targeted production of around 7,000 carats/month. The diamond resource is identified; the project needs more capacity in order to increase the positive cash flow per month. A part of the proceeds will also be used to create a larger stock of spare parts as a break down within the assembly of machinery results in severe losses in production.

1.4 Net proceeds and expenses of the issue of the New Shares

The total net proceeds from the issue of the New Shares issued in the Private Placement were approximately NOK 68.2 million (excluding the debt conversion of NOK 15.9 million).

The total placing commission in relation to the Private Placement is approximately NOK 3.6 million and other costs associated with the listing of the New Shares and the preparation of this Prospectus are estimated to NOK 0.9 million.

1.5 Rights conferred by the New Shares

The New Shares will in all respects carry full shareholder rights equal to the existing Shares of the Company from registration of the relevant share capital increase with the Swedish Companies Register, including the right to receive dividends. For a description of rights attaching to the Shares in the Company, see section 10 *"Share Capital and Shareholder Matters"*.

The New Shares are created according to the provisions of the Swedish Limited Companies Act.

1.6 Dilution resulting from the issue of the New Shares

The issuance of the New Shares will result in a dilution of approximately 21.34% per Share.

1.7 Summary of risk factors

Any investment in shares involves risk. The Company's financial development and the value of the Company's Shares may be affected by a number of risk factors, including, but not limited to, market risks, financial risk and operational risk in relation to the exploration and development of minerals/metals and gold resources and geo-science technological developments. Readers of this Prospectus should carefully consider all of the information contained herein and in particular the following factors, which may affect some or all of the Company's activities and which may impact the risk of investing in the Company's Shares. This list is not exhaustive. The actual results of the Company could differ materially from those anticipated as a consequence of many factors, including the summary of risk factors described below and risks described elsewhere in this Prospectus:

- Mineral exploration involves a high degree of risk, and few properties that are explored, are ultimately developed into producing mines. The long-term profitability of the Company will in part depend on the cost and success of its exploration programs.

- The Company has no control over mineral or metal prices, which can be affected by numerous factors like international economic and political development etc.

- The current and future operation of the Group will, from time to time, require permits and licences from governmental authorities, as well as political approval. There is no assurance that IGE Resources will be successful in obtaining such permits, licenses and approvals.

- The development of the Group's properties will depend upon the Company's ability to obtain financing through equity financing, debt financing, project financing or other means. There is no assurance that IGE Resources will be successful in obtaining the required financing.

- The Company's operations are subject to the environmental regulation in jurisdictions where it operates.

The follow risk factors are described in more detail in section 2 of this Prospectus:

- General risks

- Risks connected to exploration and development of minerals and metals

- Risks connected to technological developments

- Regulatory and political risks

- Risks related to the Shares

1.8 Key Financial Information

1.8.1 Summary of operating and financial information

The selected financial information set forth below should be read in conjunction with the financial statements and the notes to those statements, incorporated by reference, available at www.ige.se and section 8 of this Prospectus.

As a mining company, IGE Resources will be developed with integrated activities within exploration, production and sales of high-end industrial minerals and metals. Business development with the purpose to expand operations and develop new activity has prioritized attention. The Company evaluates structural options as well as organic growth for its current projects. The goal is to increase operational activity and develop a balanced portfolio of activities that can provide an operational cash flow as early as possible.

The following tables show consolidated financial information for IGE Resources as for the financial years 2009, 2008 and 2007 as well as for the second quarter isolated of 2010 and the six month period ending 30 June 2010 with comparable numbers for the same period in 2009.

Consolidated Income Statement (SEK '000)	**2nd Quarter 2010 IFRS Unaudited**	**2nd Quarter 2009 IFRS Unaudited**	**Jan-June 2010 IFRS Unaudited**	**Jan-June 2009 IFRS Unaudited**	**Full Year 2009 IFRS Audited**	**Full Year 2008 IFRS Audited**	**Full Year 2007 IFRS Audited**
Revenue from sales	6,291	-	6,291	-			
Other income	18,916	-	20,876	-	15,169	49,916	-
Other external expenses	-11,128	-23,721	-25,019	-15,344	-51,918	-31,883	-31,824
Personnel expenses	-12,285	-5,728	-16,892	-12,470	-23,110	-28,225	-22,887
Other operating expenses	-	-1,074	-4,923	-1,074	-1,069	-	-
Depreciations and writedowns	-4,191	-936	-4,411	-5,261	-5,931	-39,608	-11,312
Operating profit	**-2,397**	**-31,459**	**-24,078**	**-34,149**	**-66,859**	**-49,800**	**-66,023**
Financial revenue	1,296	1,239	1,547	2,415	6,136	8,249	6,782

Financial expenses	-8,499	-1,089	-8,749	-3,994	-5,059	-15,236	-3,288
Total financial items	-7,203	150	-7,202	-1,579	1,077	-6,987	3,494
Result before tax	**-9,600**	**-31,309**	**-30,280**	**-35,728**	**-65,782**	**-56,787**	**-62,529**
Result from assets held for sale	-	-843	**-**	-1,733	**-**	**-**	**-**
Income tax	135	-	135	-	-	-	-
Result for the period	**-9,465**	**-32,152**	**-31,145**	**-37,461**	**-65,782**	**-56,787**	**-62,529**
Result for the period attributable to:							
Equity holders of the parent company	-9,465		-31,145	-37,461	-65,782	-46,351	-61,715
Minority interest	-				-	-10,436	-814
Result for the period	**-9,465**	**-32,152**	**-31,145**	**-37,461**	**-65,782**	**-56,787**	**-62,529**
Earnings per share before dilution	-0.01	-0.07	-0,03	-0,08	-0.12	-0.16	-0.18
Earnings per share after dilution	-0.01	-0.07	-0,03	-0,08	-0.12	-0.16	-0.18

Consolidated Balance Sheet **(SEK '000)**	**30 June 2010 IFRS Unaudited**	**30 June 2009 IFRS Unaudited**	**31 December 2009 IFRS Audited**	**31 December 2008 IFRS Audited**	**31 December 2007 IFRS Audited**
Assets					
Fixed assets					
Intangible fixed assets					
Mineral interests	742,563	135,234	154,257	112,938	85,624
Tangible fixed assets					
Plant and machinery	87,466	51,266	47,700	52,933	6,274
Mine and other development assets	56,097	-	-	-	-
Long-term financial assets					
Shares in associated companies	25,480	25,425	25,593	25,731	-
Receivables on associated companies	-	-	-	3,090	-
Long-term receivables	39,763	43,595	40,370	43,695	27,000
Total fixed assets	**951,369**	**255,520**	**267,920**	**238,387**	**118,898**
Current Assets					
Inventory	1,655	-	-	-	16
Account receivables	-		262	196	871
Other receivables	26,874	7,216	17,249	4,965	3,967
Prepaid expenses and accrued income	1,296	3,682	1,038	4,374	2,313
Short term investments	2,630	-	-	-	9,807
Cash and cash equivalents	26,223	17,122	40,807	39,639	127,827
Total current assets	**58,678**	**28,020**	**59,356**	**49,174**	**144,801**
Assets held for sale	**-**	**10,676**	**-**	**-**	**-**
TOTAL ASSETS	**1,010,047**	**294,216**	**327,276**	**287,561**	**263,699**
EQUITY					
Equity attributable to equityholders of the parent company					
Share capital	68,327	23,974	39,785	20,908	17,050
Other capital-contribution	890,122	376,104	451,041	348,277	268,102
Reserves	-3,500	-4,263	845	-5,954	2,548
Retained earnings and profit for the period	-216,651	-156,968	-185,506	-119,507	-75,685
	738,298	238,847	306,165	243,724	212,015
Minority interest					32,884
Total equity	**738,298**	**238,847**	**306,165**	**243,724**	**244,899**
Liabilities					
Deferred tax liabilities	215,125	-	-	-	-

Other provisions	1,884	-	-	-	-
Long term liabilities					
Convertible loan	5,000	-	-	5,500	-
Interest bearing long term liabilities	27,517	16,155	11,974	19,429	-
Other long term liabilities	57	316	91	-	-
Total long term liabilities	**249,583**	**16,471**	**12,065**	**24,929**	**0**
Current liabilities					
Interest bearing short term liabilities	-	20,000	-	-	-
Account payables	7,564	2,786	2,297	10,391	10,772
Other liabilities	2,616	3,648	2,386	1,372	2,148
Accrued expenses and prepaid income	11,986	4,456	4,363	7,145	5,880
Total current liabilities	**22,166**	**30,890**	**9,046**	**18,908**	**18,800**
Liabilities related to assets held for sale	-	8,008	-	-	-
TOTAL EQUITY AND LIABILITIES	**1,010,047**	**294,216**	**327,276**	**287,561**	**263,699**

Consolidated Cash flow statement	**Jan - June**	**Jan - June**	**Full Year**	**Full Year**	**Full Year**
	2010	**2009**	**2009**	**2008**	**2007**
	IFRS	**IFRS**	**IFRS**	**IFRS**	**IFRS**
(SEK '000)	**Unaudited**	**Unaudited**	**Audited**	**Audited**	**Audited**
Cash Flow from Operations					
Income after financial items	-31,280	-37,461	-65,782	-56,787	-62,529
Adjustments for items not included in cash flow	18,598	6,304	11,644	-15,928	11,617
Change in inventories	500	-1346	-	16	-
Change in receivables	-6,074	1,385	689	-4,874	-8,182
Change in liabilities	-13,662	-4,059	-8,098	-363	15,677
Net cash flow from operations	**-31,918**	**-35,177**	**-61,547**	**-77,936**	**-43,417**
Cash Flow from investment activities					
Cash holding in aquired subsidiary	1,922	799	-		-
Sale of associated company	-	-	7,829		-
Acquisition of tangible assets	-2,331	-139	-224	-1,617	-5,276
Sale of tangible assets	-	-	226	-40,902	-
Acquisition of shares in associated companies	-51	-	-	-2,575	-
Acquisition of intagible assets	-30,762	-31,390	-56,227	-46,842	-31,677
Sale of intangible assets	4,328	2,000	2,000		-
Acquisition of financial assets	-	-	-	-4,734	-18,151
Net cash flow from investment activities	**-26,894**	**-28,730**	**-46,396**	**-96,670**	**-55,104**
Cash Flow from financing activities					
New share issue	42,025	25,120	115,681	65,380	89,764
Raised credits	5,000	20,000	91	20,800	-
Amortization of debt	-3,116	-3,640	-6,387	-	-
Net Cash Flow from financing activities	**43,909**	**41,480**	**109,385**	**86,180**	**89,764**
Net change in cash and cash equivalents	**-14,903**	**-22,427**	**1,442**	**-88,426**	**-8,757**
Cash and cash equivalents at beginning of period	40,807	39,639	39,639	127,827	136,674
Currency exchange difference	319	-90	-274	238	-90
Cash and cash equivalents as at end of period	**26,223**	**17,122**	**40,807**	**39,639**	**127,827**

1.8.2 Capitalisation and indebtedness

At 30 June 2010 the Company had the following capitalization and indebtedness:

	Unaudited	**Audited**
(SEK '000)	**30/06/2010**	**31/12/2009**
Total Current Debt	-	-

- Guaranteed	-	-
- Secured	-	-
- Unguaranteed/Unsecured	-	-
Total Non-Current Debt	**32,574**	**12,065**
- Guaranteed	-	-
- Secured	-	-
- Unguaranteed/Unsecured	32,574	12,065
Shareholder's Equity	**738,298**	**306,165**
a) Share Capital	68,327	39,785
b) Own shares	-	-
c) Other Reserves	669,971	266,380
d) Minority interests	-	-
Total	**770,872**	**318,230**
A. Cash	26,223	40,807
B. Cash equivalent	-	-
C. Trading securities	-	-
D. Liquidity (A)+(B)+(C)	**26,223**	**40,807**
E. Current Financial Receivables	**32,455**	**18,549**
F. Current Bank Debt	-	-
G. current portion of non-current debt	-	-
H. Other current financial debt	-	-
I. Current Financial Debt (F)+(G)+(H)	**0**	**0**
J. Net Current Financial Indebtedness (I)-(E)-(D)	-58,678	-59,356
K. Non-current bank loans	-	-
L. Bonds issued	-	-
M. Other non-current loans	32,574	12,065
N. Non-current Financial Indebtedness (K)+(L)+(M)	32,574	12,065
O. Net Financial Indebtedness (J)+(N)	-26,104	-47,291

The significant increase in equity during the first half year of 2010 is a result of the purchase of the activities of Pangea Diamondfields Plc. The transaction was paid in IGE shares resulting in the increase of equity.

Since 30 June 2010 and up to the date of this Prospectus, the Group has spent approximately SEK 14 million. On 22 July 2010, the Company completed a private placement by issuing 53,675,699 shares which were subscribed by YA Global Master SPV Ltd in line with the Standby Equity Distribution Agreement. In addition the Company made a directed Private Placement against private and international institutional investors by issuing 385,398,899 shares on the 22 September 2010. The net proceeds from these two private placements, amounting to about SEK 98.2 million, will mainly be used for capital investments in IGE's Cassanguidi (Angola) and Bakerville (South Africa) diamond projects.

Except for the above mentioned private placements there have not been any material changes to the capitalisation and indebtedness of the Company since 30 June 2010. A more extensive description of the capitalisation and indebtedness can be found in section 8.9 of this Prospectus.

1.8.3 Significant changes

Other than stated in section 8.6 of this Prospectus, there there has been no significant change in the financial or trading position of the Group which has occurred since 30 June 2010.

1.8.4 Trends

The Company has not experienced any trends outside the ordinary course of business that are significant to the Company after 31 December 2009 or for the financial year 2010 as at the date of this Prospectus, other than those described in the Market overview section of this Prospectus in chapter 6.

1.9 Directors, senior management and employees

1.9.1 Board of Directors

The Board of Directors of the Company is comprised of John Afseth (Chairman), Rob Still (Director), Timothy George (Director), Anton Esterhuizen (Director), Olle Johansson and Magne Aaby (Director).

1.9.2 Executive management and employees

The executive management of the Company is comprised of Tomas Fellbom (CEO) and Thomas Carlsson (CFO).

As of 30 June 2010, the Group had 355 employees.

1.9.3 Auditor

Ernst & Young AB with the authorized auditor Jaan Kubja as head auditor is the independent auditor for the Company, and has been their auditor since 2004. Ernst & Young AB has its registered address at Jakobsbergsgatan 24, SE-103 99 Stockholm, Sweden. Jaan Kubja, is a member of the Swedish Institute of Public Accountants (Sw. *Föreningen Auktoriserade Revisorer*).

1.10 Major shareholders and related party transactions

1.10.1 Major shareholders

As far as the Company is aware of, there is no natural or legal person who directly or indirectly has a shareholding in the Company of 5% or more, other than the shares held by Capital International Private Equity Fund IV, LP. Capital International Group was the biggest owner of Pangea Diamondfields by the time IGE purchased the activities of Pangea. As a result of the share based payment related to that transaction Capital International Group received shares in IGE.

1.10.2 Related party transactions

As at the date of this Prospectus, the Company is a party to the following agreements with related parties:

-Mace Consulting has invoiced IGE SEK 216 thousands during the reporting period for services related to management assistance and market communication. Mace Consulting is a related party on behalf of its Managing Director, Magne Aaby who is a member of the board in IGE.

-The creditor of the long term liability of SEK 6.5 million is Pangea Exploration (Pty) Ltd. Pangea Exploration (Pty) Ltd is owned by a trust of which Robert Still is a trustee and a potential beneficiary and Anton Esterhuizen. Robert Still and Anton Esterhuizen are directors of the Lender and IGE Resources. The borrower is a member of the IGE Group. As a consequence, this loan is considered to be between related parties, and is thus deemed a related party transaction.

-TSEK 400 was paid to John Afseth during the second quarter of 2010 for work carried out in relation the financing of the Group. John Afseth is the Chairman of IGE Resources AB.

The above mentioned transaction is based on the principle of “arms length” pricing and market terms.

More information regarding related party transactions are found in section 11.2 of this Prospectus.

1.11 Research and development, patent and licenses

The main investments in the Group relate to the exploration and development of the licences owned by the Group, as well as acquisition of new licences. These investments have been significant, and they have been related to the costs of external consultants etc mainly connected to the Cassanguidi, Luxinge and Lacage diamond-projects in Angola, Bakerville in South Africa, Tshikapa and Longatshimo in the Democratic Republic of Congo and the projects Rönnbäcken, Bidjovagge and Stekenjokk in Scandinavia.

The Group is not dependent on any patents or technical licences, industrial or financial contracts or new manufacturing processes. The Group is, however, dependent on various mining rights such as exploration licences in order to conduct exploration and obtain exploitation concessions and subsequent environmental permits in order to extract mineral resources from the assets of the Group. The conditions of the licence agreements vary to some extent depending on in which country it is located. In Angola, for instance, the licence will automatically be transformed into a mining licence if the operator of the contract fulfils the requirements according to the exploration licence. In the Nordic regions the operator has to apply for exploitation concessions, which are conditioned by, amongst others, that various environmental permits have been received.

The Group has paid investment guarantees for the following four licenses by 31 March 2010: Lacage, Luanguinga, Cariango and Luxinge.

1.12 Advisors

RS Platou Markets and Remium AB have acted as Managers to the Company in connection with the Private Placement and the preparation of this Prospectus.

Advokatfirma DLA Piper Norway DA has acted as legal advisor to the Company with respect to Norwegian law in connection with the Private Placement and the preparation of this Prospectus.

Rasmusson & Partners Advokat AB has acted as legal advisor to the Company with respect to Swedish law in connection with the Private Placement.

1.13 Additional information

1.13.1 Share capital

The Company’s share capital as of the date of this Prospectus is SEK 71,010,995.55 divided into 1,420,219,911 Shares, each with a quota value of SEK 0.05. The Company’s share capital is fully paid up.

The Company’s share capital following the registration of the Private Placement will be SEK 90,280,940.50 divided into 1,805,618,810 Shares, each with a quota value of SEK 0.05.

All Shares of the Company are of the same class and equal in all respects. Each Share carries the right to one vote in general meetings.

The Company’s statutory share register is operated through the Euroclear in Sweden. The Shares are also registered in the VPS in Norway. The Company’s Euroclear registrar in Sweden is Nordea. The Company’s VPS registrar in Norway is DnB NOR Bank ASA. The international securities number (ISIN number) for the Company’s Shares is SE 000378119.

1.13.2 Articles of association

The objects and purposes of the Company is to solely, through subsidiaries or through co-operation with others, engage in mining and mineral prospecting business as well as own and administrate real and personal property, as well as to conduct other activities compatible therewith.

According to the Articles of Association the Board of Directors shall have at least three (3) and maximum six (6) members. The Articles of Association does not provide for limitations on the transferability or ownership of Shares. The Articles of Association contains no provisions restricting foreign ownership of Shares. There are no limitations under Swedish law on the rights of non-residents or foreign owners to hold or vote the Shares.

The Articles of Association is attached as Appendix 1 to this Prospectus.

1.13.3 Documents on display

The documents listed below (or copies thereof) will be available for inspection for the life of the Prospectus on the Company's website www.ige.se and at the Company's headquarters at Kungsgatan 44, SE-111 35 Stockholm, Sweden during normal business hours:

(a) the memorandum and Articles of Association of the Company;

(b) all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the issuer's request any part of which is included or referred to in the Prospectus; and

(c) the historical financial information for the Company and its subsidiary undertakings for each of the three financial years preceding the publication of the Prospectus (2007, 2008, 2009) and the interim reports for the first half year including second quarter of 2009 and 2010.

2 RISK FACTORS

Investing in IGE Resources AB, like all other equity investments, is associated with risk. Prospective investors should carefully consider each of the following risk factors and the other information contained in this Prospectus before making an investment decision. The trading price of the Company's Shares could decline due to any of these risks and investors could lose all or part of their investment. The description of risks is not necessarily exhaustive and factors not mentioned here might nevertheless have a significant bearing on the value of the Shares in the Company. There may be additional risks that are currently not considered to be material or of which the Company is not presently aware. If any of the following risks were to materialise, the business, financial condition and results of operations could be adversely affected.

2.1 Overview

The Company's risk profile will be dependent on developments in the main areas of activity in which it is involved. The Company's main interest is:

- Exploration, extraction and processing of diamonds, minerals and metals

The risks discussed below are divided into the areas in which the Company will operate.

2.2 Risks related to exploration and development of minerals and metals

2.2.1 General risks

The Company's prospects, which are in the exploration stage, will only be developed if the exploration is successful. Mineral exploration involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. The long-term profitability of the Company will in part depend on the cost and success of its exploration programs.

Substantial expenditures are required to establish mineral reserves through exploration in order to eventually develop the resources and later extract the established resource. Although substantial benefits may be derived from the discovery of a major mineral resource, no assurance can be given that the resources discovered will be of sufficient size, have a beneficial location, and be amenable to processing in order for the deposit to justify commercial and profitable operations.

2.2.2 Market risks

Minerals and metal prices

The Company has no control over mineral, diamond or metal prices, which can be affected by numerous factors including international economic and political trends, inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and increased or decreased production due to changes in extraction and production methods. The effect of these factors on the price of precious and base minerals and metals, and therefore the future economic viability of any of the Company's exploration projects, cannot be accurately predicted.

Macroeconomic fluctuations

The Company is exposed to the economic cycle, and changes in the general economic situation could affect demand for the Company's products and services.

Market conditions may affect the Shares regardless of the Company's operating performance or the overall performance of the mineral exploration and development sector. Accordingly, the market price of the Shares may not reflect the underlying value of the Company's net assets, and the price at which investors may dispose of their Shares at any point in time may be influenced by a number of factors, only some of which may pertain to the Company while others of which may be outside the Company's control.

2.2.3 Operational risks

Exploration risks

The Company's existing activities are primarily directed towards exploration for and development of mineral and metal deposits. Mining operations generally involve a high degree of risk.

The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of mineral deposits. These include, rock bursts, cave-ins, adverse weather conditions, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk are and will be taken, operations are subject to risks which may result in environmental pollution and consequent liability.

The exploration for and development of mineral and metal deposits, involve significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation.

Whether a mineral or a metal deposit will be commercially viable depends on a number of factors, some of which are, the particular attributes of the deposit, such as size, grade and proximity to infrastructure, commodity prices which are highly cyclical, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. The Company's projects are in the early stages. Expenditures made by the Company or initial drilling results are no guarantee for further developments or discoveries of profitable commercial mining operations. Lack of availability of drilling rigs could cause increased project expenditures and /or project delays.

Permits and licences

The Company holds Pre-claims, Claims and mining rights in Angola, Democratic Republic of Congo, South Africa, Kenya and Sweden. Some of these licenses are subject to certain conditions. The Company has no reason to expect that the conditions will not be fulfilled or that these permits will not be granted, however, the Company has no guarantee that such conditions will remain to be fulfilled and that all necessary permits will be granted for specific projects.

Risk of inaccurate estimates

There are considerable uncertainty factors in estimating the size and value of mineral/metal reserves. The reservoir technique is a subjective and imprecise process where the estimate of the accumulation of mineral/metal reserves in the property cannot be accurately measured. In order to evaluate the recoverable reserves, a number of geological, geophysical, technical and production data must be evaluated. The evaluation may later prove to be inaccurate, and estimated reserves may therefore be adjusted downward or upward.

Competition

The minerals and metals industries are highly competitive in all phases and the Company will be competing with many established companies, which may have more advantageous financial and technical resources. The Company has no guarantee that this competition will not have an adverse effect either now, or at some time in the future, on the Company's ability to acquire, explore, and develop its mineral and metals resource deposits.

The mining and metal industry is a global business with producers in several different countries. There is strong competition for the discovery and acquisition of properties considered to have commercial potential. The Company competes with other mining companies, many of which have greater financial resources than the Company, for the acquisition of properties, leases and other interests as well as for the recruitment and retention of skilled personnel. Such factors may influence the Company's ability to secure new exploration areas or recruit and retain staff. The Company has tried to position itself within the diamond sector in southern Africa. The purchase of the diamond activities of Pangea DiamondFields was part of the strategy.

Dependence on key personnel

The Company's development and prospects are dependent upon the continued services and performance of its senior management and other key personnel and consultants. Financial difficulties or other factors could adversely affect the Company's ability to retain key employees.

Uninsured losses

The Company's business is subject to a number of risks and hazards in general, including adverse environmental conditions, industrial accidents, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, snow falls and avalanches. Such occurrences could have material adverse effects on the Company's business, operating result or financial condition. Although the Company intends to obtain some insurance to protect against certain risks to the extent considered reasonable, its insurance will not cover all the potential risks associated with a mining company's operations.

2.2.4 Financial risk

Requirement for new capital

The development of the Company's properties, licenses, Claims and Pre-claims will depend upon the Company's ability to obtain financing through equity financing, debt financing, project financing or other means. There is no assurance that the Company will be successful in obtaining such required financing. Any additional equity financing may be dilutive to existing shareholders and debt financing, if available, may involve restrictions on financing operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, or delay or postpone indefinitely exploration, development or production in connection with any or all of the Company's projects.

Interest rate risk

Interest rate risk refers to the risk the Company is exposed to due to changes in the market's interest rate, which may affect the net profits. Nevertheless, the Company's risk exposure in this respect is small since the majority of its liquid assets are placed in bank accounts in SEK.

Currency risk

Currency risk refers to the risk that the value of a financial instrument may shift as a result of changes in currencies conversion rates. The Company's accounts are held in Swedish Crowns (SEK). Additionally, the Company conducts operations in other countries and in other currencies. This foreign exchange exposure may affect the Company's results and amount of liquid assets.

2.3 Risks related to technological developments

The Company's ability to compete is highly dependent upon, among other things, its ability to utilize geo-related services and data of competitive quality. As a result of significant technological developments, such as 3D and 4D seismic data acquisition and processing, as well as additional technical developments in the future, the Company is generally dependent on its ability to keep pace with changes and improvements in data acquisition and processing technologies.

2.4 Regulatory and political risks

The Company has licences, exploration and/or development projects in Angola, Democratic Republic of Congo, South Africa, Kenya and Sweden. Consequently, the Company's activities are exposed to various political and economic risks, as well as other risks and uncertainties. Such risks and uncertainties vary from country to country and include, but are not limited to terrorist activities, extreme fluctuations in currency exchange rates, hyperinflation, labour unrest, risk of war or civil unrest, expropriation and nationalization; renegotiation or nullification of existing concessions, licenses, permits and contracts, illegal mining, changes in taxation policies, restrictions on foreign exchange and repatriation, and changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors, or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

The exploration, development and operating activities of the Company are generally subject to various laws governing exploration, development, mining, processing, taxes, labour standards and occupational health and safety, toxic substances, use of motorised machinery, land use, water use, and land claims of local people and protection of the environment and cultural monuments and other matters. While it is the Company’s assumption that its activities are currently being carried out in accordance with all applicable laws, no assurance can be provided in terms of new rules and regulations that could be adopted, or changes in the application of existing rules and regulations, which could limit or curtail production or development. Hence, amendments to current laws and regulations governing exploration, development and operating activities, as well as more stringent implementation thereof, could have a substantial adverse impact on the Company. Political risk is relevant with respect to operations in Angola, Democratic Republic of Congo, South Africa, Kenya, Sweden and Norway.

Changes in exploration, mining or investment policies or shifts in political attitude could have a materially adverse impact on the Company’s financial results. The Company’s operations may be affected to a varying degree by government regulations with respect to, for example the implementation of restrictions on exploration, development, processing, production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. Failure to strictly comply with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in losses, reductions or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners seeking to carry out other interests.

The operations of the Company will, from time to time, require permits from governmental authorities and will be governed by laws and regulations regarding prospecting, development, mining, taxation, employment standards, occupational health, waste disposal, land use, environmental protection, mine safety and other matters. In the future the Company may need to apply for permits from different authorities. Companies engaged in the exploration and development of resource properties can experience increased costs as a result of the need to comply with changes in applicable laws, regulations and permit requirements.

All phases of the Company's operations are subject to environmental regulations in the jurisdictions in which it operates. Environmental legislation may evolve in a manner, which in the future may require stricter regulations, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There are no assurances that future changes in environmental regulations, if any, will not adversely affect the Company’s operations. Compliance with respect to environmental regulations, closure and other matters may involve significant costs and/or other liabilities. Non-Governmental Organizations, which are typically opposed to mining, may also from time to time criticize the Company's operations and development plans. Environmental groups may mobilize against the exploitation of thorium, as well as other activities.

2.5 Risks related to the Shares

Volatility of the share price

The trading price of the Shares could fluctuate significantly in response to quarterly variations in operating results, general economic outlook, adverse business developments, interest rate changes, changes in financial estimates by securities analysts, announcements with respect to commodity prices or competitors or changes to the regulatory environment in which the Company operates.

In addition, the stock markets have from time to time experienced significant price and volume fluctuations, which may be unrelated to company specific operating performance or prospects, but that affect the market price of securities. Furthermore, the Company’s operating results and prospects may from time to time be weaker than the expectations of market analysts and investors. Any of these events could result in a material decline in the price of the Shares.

Market conditions may affect the Shares regardless of the Company’s operating performance or the overall performance of the mineral exploration and development sector. Accordingly, the market price of the Shares may not reflect the underlying value of the Company’s net assets, and the price at which investors may dispose of their

Shares at any point in time may be influenced by a number of factors, only some of which may pertain to the Company while others of which may be outside of the Company's control.

The market price of the Shares could decline due to sales of a large number of Shares in the Company at the market or the perception that such sales could occur. Such sales could also make it more difficult for the Company to offer equity securities in the future at a time and at a price that are deemed appropriate.

Shareholders may be diluted if they are unable to participate in future offerings

The development of the Company's properties, licenses, Claims and Pre-claims will, inter alia, depend upon the Company's ability to obtain financing through equity financing. Shareholders may be unable to participate in future offerings, due to misapplication of shareholders pre-emptive rights in order to raise equity on short notice in the investor market, or for reasons relating to foreign securities laws or other factors.

3 STATEMENT OF RESPONSIBILITY

3.1 Responsibility statement

Board of Directors of IGE Resources

The Board of Directors of IGE Resources AB (publ) accepts responsibility for the information given in this Prospectus. The Board of Directors hereby declares that, to the best of our knowledge, having taken all reasonable care to ensure that such is the case; the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import.

Stockholm, 28 September 2010

The Board of Directors of IGE Resources AB (publ)

John Afseth
(Chairman)

Rob Still | Timothy George | Anton Esterhuizen | Magne Aaby | Olle Johansson

4 THE COMPLETED PRIVATE PLACEMENT

4.1 Background

In order to finance further growth, the Company has completed a Private Placement of 385,398,899 New Shares directed towards Norwegian and Swedish investors and international institutional investors. The Subscription Price in the Private Placement was set by the Board at NOK 0.23 per New Share. 69,155,899 of the New Shares have been settled by conversion of debt of NOK 15.9 million. The gross proceeds of the Private Placement were NOK 72.7 million.

4.2 Use of proceeds

A substantial part of the proceeds from the Private Placement will be used for capital investments in the Diamond projects of Bakerville (South Africa) and Cassanguidi (Angola). Depending on the result from the initial production in Luxinge additional equipment might be purchased in order to increase the production capacity within that project. The final license for the Bakerville project is estimated to be obtained late 2010/beginning of 2011. As soon as it is granted IGE will commence the ramping up of the project towards alluvial diamond production. The investments will be mainly in earth moving machines, equipment and diamond recovery plants. The diamond production of Bakerville is projected to commence during Q1 2011. The capital need for Bakerville is around 8.7 MUSD in total. 24% of the project is owned by a Black Economic Empowerment (BEE) partner that will participate in the funding of the project.

For Cassanguidi the capital need is about USD 2 million. The capital will be used to ramp up the production from about 3,500 carats/month at present to a targeted production of around 7,000 carats/month. The diamond resource is identified; the project needs more capacity in order to increase the positive cash flow per month. A part of the proceeds will also be used to create a larger stock of spare parts as a break down within the assembly of machinery results in severe losses in production.

4.3 Overview of the Private Placement

4.3.1 Completion of the Private Placement and the Subscription Price

On 22 September 2010 the Board of Directors of IGE resolved to conduct a private placement of up to 385,398,899 shares. The Subscription Price was set to NOK 0.23 per New Share and determined through an accelerated book-building process. The Subscription Price represents a discount of approx. 20 % relative to the stock price on Oslo Stock Exchange at market close on 21 September 2010. The Private Placement was not underwritten.

The book-building process commenced on 21 September 2010 at 17:30 hours (CET) and closed on 22 September 2010, and the Managers, on behalf of the Company, approached various categories of potential investors in relation to the Private Placement. These included Norwegian, Swedish and international financial institutions and funds and other professional investors, both existing shareholders and investors not currently shareholders in the Company. The minimum order in the Private Placement was set to a number of shares that equals an aggregate subscription price of at least the NOK equivalent of EUR 50,000.

The preferential rights of the existing shareholders were set aside as this was deemed necessary in order to complete a share issue of this size at the set subscription price under the prevailing conditions.

Through the book-building process the Company received orders to subscribe for 385,398,899 New Shares corresponding to NOK 88.6 million. 69,155,899 of the New Shares was settled by conversion of debt of NOK 15.9 million. Norwegian investors subscribed for approx. 23% of the New Shares issued in the Private Placement.

The following investors subscribed for more than 5 % of the New Shares in the Private Placement:

Investor	Debt converted (NOK)	# of New Shares	% of New Shares
SSE Opportunities	0	45,000,000	11.67%
Ulrik Jansson	0	43,470,000	11.27%
Rutger Arnhult	0	26,465,000	6.86%
Sycamore Trust	6,000,000	26,086,956	6.77%
Amic Mining Management Holding Limited	5,400,000	23,478,260	6.09%
AM Capital	4,505,857	19,590,683	5.08%
Total:	**15,905,857**	**184,090,899**	**47.74%**

The subscribers were notified of their allocation on 22 September 2010. Payments will be made on 27 September 2010. The Private Placement will be registered in the Swedish Companies Register on or about 6 October 2010.

The Company will issue 385,398,899 New Shares in the Private Placement, each New Share with a par value of SEK 0.05. Physical delivery of the New Shares to the subscribers' VPC accounts and VPS accounts (as applicable) is expected to take place on or about 7 October 2010.

The following table shows the difference between the Subscription Price and the volume weighted price any members of the administrative, management or supervisory bodies or senior management, or affiliated persons, have paid for shares in the Company acquired by them in transactions during the past year from the date of this Prospectus:

Relevant person	Volume weighted purchase price for Shares acquired in the Company during the last 12 months	Subscription Price	Difference
Fredric Bratt (CEO of IGE Nordic AB)	NOK 0.70	NOK 0.23	NOK 0.47
Thomas Carlsson (CFO of the Company)	NOK 0.29	NOK 0.23	NOK 0.06
Thomas Fellbom (CEO of the Company)	NOK 0.29	NOK 0.23	NOK 0.06
Kaptensbacken AB (owned by Lars Olof Nilsson, former board member of the Company)	NOK 0.25	NOK 0.23	NOK 0.02
Carpe Diem Afseth AS (owned by John Afseth, chairman of the Company)	NOK 0.25	NOK 0.23	NOK 0.02

Information regarding securities members of the administrative, management or supervisory bodies or senior management, or affiliated persons, have the right to acquire is found in section 7 of this Prospectus.

4.3.2 Resolutions regarding the Private Placement

With reference to the authorization given by the AGM on 6 May 2010, the preferential rights for current shareholders were waived in the Private Placement. One of the reasons to that the preferential rights were waived was that the Company wanted to act quickly on opportunities that arise in the capital market, maximizing the likelihood of securing the required funding. The main beneficiaries of the waiver of the preferential rights were the investors who were invited to participate in the Private Placement but were not shareholders in the Company at the time of the Private Placement.

On 6 May 2010, the AGM of the Company granted the Board with the following authorisation (translation from Swedish):

> The Meeting resolved, in accordance with the Board's proposal, to authorize the Board, until the next annual general meeting, through the issuance of shares, convertibles or warrants, encompassing a share capital increase with up to SEK 25,000,000 corresponding to up to 500,000,000 shares. The authorization shall include the right to issue shares with preferential rights for the Company's existing shareholders and private placements. The authorization may be used for the purpose of raising capital and/or acquisitions where the consideration in whole or in part shall be made in shares, convertibles and/or warrants. Payments for subscribed shares may be settled by way of cash contribution, contribution in kind or set-off of debt.

The authorisation was registered with the Swedish Companies Register on 21 May 2010.

On 22 September 2010, the Board, pursuant to the authorisation granted by the AGM on 6 May 2010, passed the following resolution with respect to the Private Placement (translation from Swedish):

> It was noted that the annual general meeting on May 6, 2010, authorized the Board to decide upon an issue of shares/warrants/convertible bonds encompassing a maximum of 25,000,000 SEK corresponding to a maximum of 500,000,000 new shares. It was also noted that the authorization entitles the Board to deviate from the shareholders' preferential rights. The Swedish Companies Registration Office has registered the authorization on May 21, 2010, under number 250992AB/10.
>
> It was further noted that the mentioned authorization had been utilized by the Board first on June 8, 2010, by issuing a convertible bond of SEK 5 million at a conversion price of SEK 0.70, then on June 22, 2010, by issuing 10,802,538 new shares, and finally on July 19, 2010, by issuing 53,675,699 new shares.
>
> The Board decided to utilize the mentioned authorization and increase the Company´s share capital, at present amounting to SEK 71,010,995.55 distributed on 1,420,219,911 shares, with at most SEK 19,269,944.95 through a directed issue of at most 385,398,899 new shares (quota value SEK 0.05). The issue shall have the following terms:
>
> - The right to subscribe for the new shares shall, with deviation from the shareholders' preferential right, be given to certain chosen investors in accordance with Appendix 1.
> - The new shares shall be issued at a subscription price of NOK 0.23 per share.
> - The new shares shall be subscribed for no later than September 27, 2010.
> - Payment for subscribed shares shall be made at the latest on September 27, 2010, by payment to account advised by the Company. However, subscribers holding claims against the Company may pay subscription amount, wholly or partly, through set off.
> - The Board shall be entitled to extend the subscription and payment period.
> - The new shares shall be entitled to dividend for the first time on the first record date for dividend occurring after the shares have been registered by the Swedish Companies Registration Office.
>
> It was decided to authorize the Company's CFO Thomas Carlsson to make such minor adjustments that may be necessary in order to register the decision with the Swedish Companies Registration Office and Euroclear Sweden AB.
>
> It was noted that documents according to Chapter 13, Section 6-8, of the Swedish Companies Act had been available at the meeting.
>
> The Board's decision on the directed issue has been taken in order to secure further capital to finance the continuation of the Group's operations. The subscription price has been set taking into consideration the necessary reduction in relation to the stock price under prevailing market conditions.
>
> It was noted that the Company's share capital, should the issue become fully subscribed, after registration with the Swedish Companies Registration Office will amount to SEK 90,280,940.50 distributed on 1,805,618,810 shares.

4.4 The New Shares

4.4.1 Registration in the Swedish Companies Register and the rights conferred by the New Shares

The New Shares will in all respect carry full shareholder rights equal to the existing Shares of the Company from the date the Private Placement was registered with the Swedish Companies Register. The registration of the New

Shares in the Private Placement will take place on or about 6 October 2010. For a description of rights attaching to the Shares in the Company, see Section 10 "*Share Capital and Shareholder Matters*".

The New Shares will be created according to the provisions of the Swedish Companies Act.

4.4.2 Registration of the New Shares in the VPC and the VPS

As the Company is a Swedish registered company, a statutory register of shareholders is maintained by the Swedish Central Securities Depository - Euroclear Sweden AB (formerly VPC AB) (the "**VPC**") in accordance with the Swedish Financial Instruments Accounts Act (1998:1479) and the Affiliation Agreement/Issuer Agreement entered into with VPC. In order to facilitate the listing of the Shares (including the New Shares) on the Oslo Stock Exchange, the Company has entered into a Registrar Agreement with DnB NOR Bank ASA ("**DnB NOR**" or "**the Registrar**"). In accordance with the Registrar Agreement, 1,410,587,052 of the Company's Shares are for the time being registered in the Norwegian Central Securities Depository (the "**VPS**"). After registration of the New Shares it is estimated that 1,796,185,951 of the Company's shares will be registered in the VPS. In accordance with market practice in Norway and system requirements of the VPS and the Oslo Stock Exchange, the investors in the Company will be registered in the VPS as owners of the New Shares of the Company and the instruments listed and traded on the Oslo Stock Exchange will be referred to as the "Shares".

The New Shares are registered in book entry form in the VPC (in Sweden) and the VPS (in Norway). The securities number of the New Shares is ISIN SE 000378119. Registration of the New Shares in the VPC and the VPS will take place on or about 7 October 2010.

The Company's VPC registrar is Nordea, Regeringsgatan 59, SE 105 71 Sweden, Sweden. The Company's VPS registrar is DnB NOR Bank ASA, Verdipapirservice, P.O. Box 1171 Sentrum, N-0107 Oslo, Norway.

For the purpose of Swedish law, the owner of the Shares registered in the VPS and investors registered as owners of the shares in the VPS will have to exercise, indirectly through the Registrar as their nominee, all rights of ownership relating to the Shares. The investors registered as owners in the VPS must direct solely to the Registrar for the exercise of all rights attached to the Shares, and in particular, shareholders registered as such in the VPS will only be entitled to vote at general meetings of the Company if they have arranged for registration of entitlement to vote (Sw. *Rösträttregistrering*) in the VPC through DnB NOR at the latest five (5) business days (including Saturdays) prior to the general meeting and has notified the Company of his participation at the general meeting in accordance with the notice to the meeting.

Under the Registrar Agreement, DnB NOR undertakes to maintain a register in the VPS of the beneficial shareholders of the Company. DnB NOR also undertakes to distribute all dividends and other cash amounts declared and paid by the Company in accordance with the VPC/VPS system for payment of dividends. A shareholder may at any time require (at the shareholders own cost) the Registrar to register such shareholders ownership in the Shares in the VPC. After the registration of the ownership in the VPC, the relevant shares will cease to be registered with the VPS.

DnB NOR may terminate the Registrar Agreement by three (3) months prior written notice. Furthermore, DnB NOR may terminate the Registrar Agreement with immediate effect if the Company does not perform its payment obligations to DnB NOR or commits any other material breach of the Registrar Agreement. In the event that the Registrar Agreement is terminated, the Company will use its reasonable best efforts to enter into a replacement agreement for purposes of permitting the uninterrupted listing of its Shares. There can be no assurance, however, that it would be possible to enter into such an agreement on substantially the same terms or at all. A termination of the Registrar Agreement could, therefore, adversely affect the Company and the shareholders.

The Registrar Agreement limits DnB NOR's liability for any loss suffered by the Company. The Registrar Agreement provides that DnB NOR is not liable for any loss attributable to circumstances beyond DnB NOR's control, including, but not limited to, errors committed by others or any power and telecommunications network failure or changes in applicable legislation, and is not liable for any indirect damage or loss. Thus, the Company may not be able to recover its entire loss if DnB NOR does not perform its obligations under the Registrar Agreement.

4.4.3 Listing and trading of the New Shares

The New Shares will be admitted to trading on the Oslo Stock Exchange following Finanstilsynet's approval and publication of this Prospectus, registration of the New Shares in the Swedish Companies Register and registration of the New Shares in the VPC and the VPS. The Company expects the New Shares to be admitted to trading on or about 7 October 2010.

To the Company's knowledge, no Shares of the Company are listed on any other authorised or non-authorised stock exchange other than on the Oslo Stock Exchange or traded on any other regulated market place.

4.5 The Company's share capital after the Private Placement

The Company's registered share capital following the Private Placement is SEK 90,280,940.50 divided into 1,805,618,810 Shares, each with a quota value of SEK 0.05.

4.6 Dilution

The issuance of the New Shares resulted in a dilution of approximately 21.34% per Share.

4.7 Interest of natural and legal persons involved in the Private Placement

No members of the Board of Directors and executive management of the Company were allocated New Shares in the Private Placement. Neither RS Platou Markets AS nor Remium AB subscribed for New Shares in the Private Placement, nor did any employee of any of the Managers.

4.8 Costs and net proceeds

The total placing commission in relation to the Private Placement is approximately NOK 3.6 million and other costs associated with the listing of the New Shares and the preparation of this Prospectus are estimated to NOK 0.9 million. Net proceeds from the Private Placement were approximately NOK 68.2 million (excluding debt conversion of NOK 15.9 million).

4.9 Managers

RS Platou Markets AS, Haakon VII`s gate 10, 0116 Oslo and Remium AB, Kungsgatan 12-14, 111 35 Stockholm have acted as Managers to the Company in connection with the Private Placement, the listing of the New Shares on Oslo Stock Exchange and the preparation of this Prospectus.

4.10 Legal counsel

Advokatfirma DLA Piper Norway DA has acted as legal advisor to the Company and the Managers with respect to Norwegian law in connection with the Private Placement, the listing of the New Shares on the Oslo Stock Exchange and the preparation of this Prospectus.

Rasmusson & Partners Advokat AB has acted as legal advisor to the Company with respect to Swedish law in connection with the Private Placement.

5 PRESENTATION OF IGE RESOURCES

5.1 General

IGE Resources AB is a Swedish public limited liability company registered with the Swedish Companies Register with registration number 556227-8043. The Company is regulated by the Swedish Limited Companies Act. The Articles of Association is included in Appendix 1 to this Prospectus. IGE Resources has its head office at Kungsgatan 44, SE-111 35 Stockholm, Sweden, with telephone +46 (0)8 402 28 00 and facsimile +46 (0)8 402 28 01.

IGE Resources is a Swedish exploration and mining company with a focus on diamonds and nickel. Its Shares are listed on the Oslo Stock Exchange under the ticker "IGE".

IGE Resources is the Group's holding company whose primary focus is to be the shareholder for all group companies as well as being the main funding entity for the Group. IGE Resources' headquarter has three (3) employees. The other employees of the Group are employed by the subsidiaries.

The Group has projects and properties within Angola, South Africa, the Democratic Republic of Congo, Kenya, and Sweden. The group structure consists of a parent company with subsidiaries responsible for the exploration and development activities within each geographical line of business. A chart of the organisational structure immediately following completion of the Transaction is shown in section 5.3.

5.2 History and development

The legal entity of IGE Resources AB was founded in Sweden on 18th of April 1983. The current activities of the Company have been carried out since 1988. The Company changed its name to IGE Resources AB during 2010. The Company operations consisted of small scale exploration during the initial years. The Shares were listed on the Oslo Stock Exchange in 1997 under the ticker "IGE". The listing in Norway was a natural choice given the location of its activities. Norway has substantial and long lasting history in the exploration and mining business. As the interest and profitability in global exploration and mining increased, so did the interest from the Swedish venture capital market. In the spring of 2005, IGE Resources listed its Shares on the NGM Stockholm Stock Exchange ("**the NGM**") in Sweden under the ticker "IGE". As a result of low trading activity on the NGM in combination with a heavy burden on work and costs referable to the parallel listing on the NGM, the Board decided to de-list the Company from the NGM during the spring 2009. The last trading day on the NGM was 5 June 2009.

Below is a summary of important events in the history of the Company:

- 1983; the legal entity, which later became IGE Resources, was founded.
- 1989; the entity changed its name and became International Gold Exploration IGE AB.
- 1997; IGE Resources was listed on the Oslo Stock Exchange.
- 1999; IGE Resources entered into a Joint Venture with North Atlantic Natural Resources including the development of the advanced Norrliden project.
- 2001; 50% of Björkdalsgruvan was acquired by IGE Resources. IGE Resources restarted the production of gold in the mine.
- 2002; IGE Resources started to produce gold in Lolgorien, Kenya.
- 2003; IGE Resources issued an option which gave the holder, Minmet Plc, the right to acquire IGE Resources' share of Björkdalsgruvan. The strike price was 18 million shares in MinMet Plc.
- 2003; MinMet exercised the option and bought the Björkdal mine from IGE Resources.

- 2004; IGE Resources decided to do a dividend of its remaining holding in MinMet and Lappland Goldminers AB to its shareholders.

- 2005; IGE Resources was listed on the NGM.

- 2006; IGE Resources entered into negotiations with the state-owned diamond company in Angola, Endiama, regarding a potential Joint Venture for exploration of diamonds in Lacage, Angola.

- 2007; IGE Resources was granted two licenses in Burundi comprehending gold and vanadium

- 2007; IGE Resources was granted its first diamond license in Angola.

- 2007; IGE Resources transferred its mineral licenses in Sweden and Norway to its wholly owned subsidiary, IGE Nordic. IGE Resources sold 25.4% of the company and listed it on Oslo Axess in connection to the transaction. A management was recruited to IGE Nordic in order to manage the Group's activities in Scandinavia.

- 2007; IGE Resources entered in a Joint Venture with the South African mining company, Goldplat Plc, comprising the development of 7 targets in South Western Kenya with potential of containing high grades of gold.

- 2008; the preparatory work in order to start diamond production in Luxinge, Angola during autumn 2008 started.

- 2008; IGE Resources announces a voluntary offer to acquire all outstanding shares in IGE Nordic. IGE Resources acquired 99 % of (including the 74.6% already owned by the Company) of all outstanding shares in IGE Nordic. The EGM of IGE Nordic on 12 February 2009 decided to de-list IGE Nordic from Oslo Axess.

- 2008; IGE Resources continued its exploration of the Rönnbäcken Nickel project with positive results. Results from more than 16 000 metres of drilling within the licence area indicated that the project had a bigger potential than IGE Resources initially projected.

- 2009; IGE Resources increases cost reduction measures in the subsidiaries IGE Nordic AB and IGE Burundi SA, through cuts in employment. In Burundi, IGE Resources, continues its strive for large scale nickel opportunities, all other operations are being put on hold.

- 2009; In January IGE Resources started an alluvial diamond production in Luxinge, Angola, and Gold Production in Lolgorien, Kenya.

- 2009; IGE Resources de-listed its shares from the NGM. Last day of trading was 5th of June, 2009.

- 2009; In April, IGE Nordic announced an independent NI 43-101 compliant mineral resource estimate for the Rönnbäcken nickel project, northern Sweden, prepared by Scott Wilson Roscoe Postle Associates Inc. Canada.

- 2009; In line with the increased cost reduction measures taken by the Group, IGE Resources decides to close down the operations in Burundi.

- 2009; IGE Resources completed in September the sales of its 50% share of the small scale gold producing company, Kilimapesa Gold to Goldplat (Pty) Limited for USD 2.7 million of which USD 1.2 million has been paid, and the balance is payable in six (6) monthly amounts of USD 250,000 commencing when Kilimapesa Gold's mining licence is issued by the authorities in Kenya.
- 2009; In November, IGE Nordic announced an independent NI 43-101 compliant mineral resource estimate for the Rönnbäcken nickel project, northern Sweden, prepared by Scott Wilson Roscoe Postle Associates Inc. Canada. Indicated NPV at the time of the announcement was MUSD 142.
- 2010; In February, IGE Resources announced that the Company had entered into the Share Purchase Agreement pursuant to which IGE Resources acquires all activities of Pangea through Pangea's subsidiary Efidium. Merging the two companies' activities creates a significant diamond exploration and

production company with resources spread across three Southern African countries. The transaction was completed on 31 March 2010.

- 2010; In April, the entity changed its name from International Gold Exploration IGE AB to IGE Resources AB.

- 2010; On 29 April the Company announced its first sale of diamonds produced within the Cassanguidi project in Angola. The subsidiary IGE Diamonds sold 3,407 carats of rough diamonds in Luanda, Angola. The sale yielded an average price of USD 162 per carat before sales taxes.

- 2010; On 2 June, IGE Resources entered into a strategic partnership with Mitchell River Group (MRG) of Australia, whereby MRG will provide additional expertise, capabilities and technical resources to the development of Rönnbäcken Nickel Project.

- 2010; On 23 June, Exploitation Concessions for Rönnbäcken were granted by the Swedish Chief Mining Inspector.

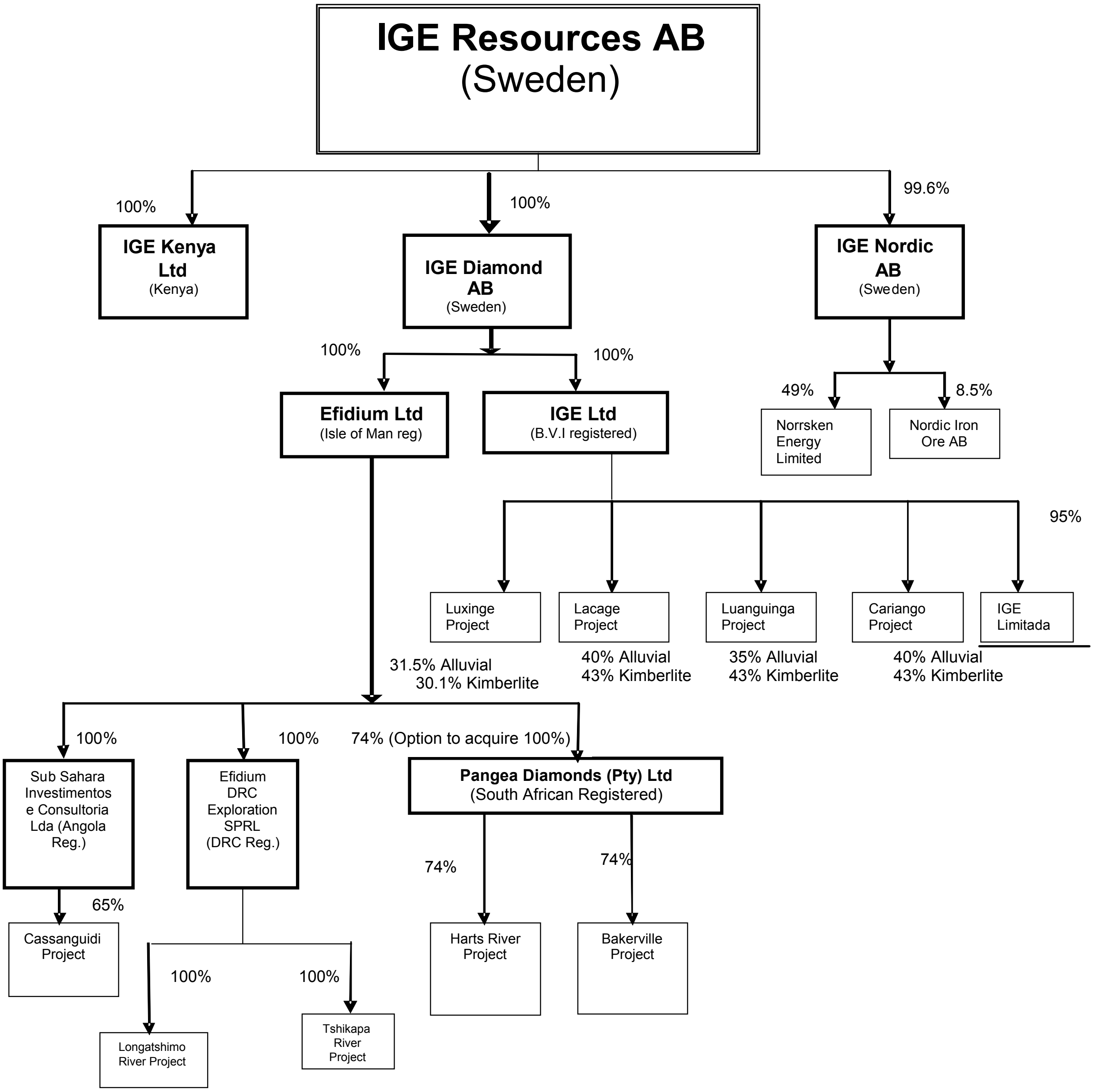
- 2010; The Company announced on 25 June that it has received all necessary government approvals for its Luxinge diamond project in Angola. On this basis the Company has signed a mining contract with the Angolan state owned diamond company Endiama and is moving forward towards diamond production. Luxinge is the second Alluvila diamond mine that has started production and sales of diamonds within the IGE Group.

- 2010; In August, the Geological Survey of Sweden classified the Rönnbäcken nickel deposits “an Area of National Interest for Mineral Extraction”.

- 2010; On 25 August IGE Resources announced on 25 August the first diamonds sale from its partly owned Luxinge mine in Angola. A total of 6,045 Carats of rough diamonds were sold in Luanda at an average price of USD 80 per Carat.

5.3 Organisational structure

The chart below shows the organisational structure of the Group at the date hereof.



The Group currently encompasses:

- IGE Resources AB (parent company, incorporated in Sweden)

Subsidiaries (wholly-owned)

- IGE Diamond AB (incorporated in Sweden)
- IGE Ltd (incorporated in the British Virgin Islands)
- Efidium and the subsidiaries of Efidium as shown in the chart above.[1]

[1] The presentation of the Efidium group in the chart is slightly simplified, and several of the projects are held through a number of indirect subsidiaries.

- IGE Kenya Ltd (incorporated in Kenya)

Subsidiaries (partly-owned)

- IGE Nordic AB (publ) (99.6%) (incorporated in Sweden)

IGE Resources plans to reorganize the structure of the Group by transferring Efidium and its diamond operations to IGE Diamond AB.

IGE Resources is the Group's holding company whose primary focus is to be the shareholder for all group companies as well as being the main funding entity for the group. IGE Resources has three (3) employees. The other employees of the group are employed by the subsidiaries.

The Company does not hold a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses in any other company except for the incorporated subsidiaries. IGE Africa is not a legal entity, but a business unit that includes all operations in Kenya (and previously Burundi) within the Group, section 5.6.3.

There is no difference as far as the proportion of capital and voting power in neither of the subsidiaries or invested companies.

5.4 Strategy

The Company has a portfolio of exploration permits with good potential, as well as a selection of small scale production properties. Its main focus is diamonds, nickel and gold. The plan is to start a small production and gradually ramp up a mine to its economic potential. This provides for a short start-up period, early cash flow generation that can be used to reinvest in future development and minimizes technical and financial risk. Such a plan also enables management to build competence as the mine grows and allows local stakeholders to get involved in the project at an earlier stage, thereby promoting sustainable development of the project.

For commodities that are not priorities, or to enable the strengthening of the resource base by starting earlier, the Company is developing strategic partnerships.

The Company has through careful, serious and long-lasting work managed to recruit a competent and experienced team of specialists within the area of prospecting and exploration. This creates good conditions for the Company to make progress and advance its projects in the best possible way. Along with its employees the Company works together with different consultants with high edge competencies within each part of the prospecting and mining process.

The Company's activities have, historically, primarily been focused on the Nordic region. As the Company has expanded its operations in Africa, the need to divide the Group into different business units has been identified. This has been carried out in order to clarify the structure of the Group and to secure that each line of business is allotted with the necessary resources in terms of human resources and funding. The Company also believes that dividing the company into separate business units that constitute subsidiaries will result in a more transparent Group and thereby create better conditions for a fair market valuation.

After the latest years' relatively turbulent market, both from a financial perspective as well as a from a diamond perspective, the Company considers that consolidation of diamond companies is opportune to be well positioned to take advantage of an eventual sustained upturn in the diamond market.

5.5 Resources in the Group

The minerals and metal operations of the Group are in continuous development, and currently comprise a portfolio of diamond, gold and base metal resources:

Project	Ownership (%)	Resources	Historical resources
IGE Diamond	*Alluvial/Kimberlite*		

Cassanguidi (diamond)	65%	902,000 Cts Samrec Compliant, additional 440 is estimated by the Group	
Tshikapa (diamond)	100%	3,353,000 Cts Samrec Compliant, additional 1,102,000 is estimated by the Group	
Longatshimo (diamond)	100%	3,567,000 Cts Samrec Compliant, additional 1,164,000 is estimated by the Group	
Bakerville (diamond)	74.6%	455,000 Cts Samrec Compliant, additional 579,000 is estimated by the Group	
Harts River (diamond)	74.6%	78,000 Cts Samrec Compliant, additional 790,000 is estimated by the Group	
Luxinge (diamond)	31.5% / 30.75%	n/a	Alluvial: Indicated resources: 249,151 carats/inferred: 759,000 carats
Cariango (diamond)	40% / 43%	n/a	
Luanguinga (diamond)	35% / 43%	n/a	
Lacage (diamond)	40% / 43%	n/a	
IGE Africa			
North western Kenya	100%	n/a	5M tonnes @ 1% Ni
South western Kenya	100%	n/a	
IGE Nordic			
Rönnbäcken (Ni)	100%	A measured & indicated resource of 257.1 Mt at a grade of 0.180% Ni, of which 0.110% is Ni in sulphides, plus an inferred resource of 83.5 Mt at a grade of 0.177% Ni, of which 0.103% is nickel in sulphides.	
Solvik	50% (Archelon Mineral AB 50%)	n/a	
Stekenjokk (Zn-Cu)	100%	Measured and Indicated resource of 7.4 Mt at a grade of 1.17% Cu, 3.01% Zn, 0.45% Pb and 47 g/t Ag, plus Inferred resources of 2.7 million tonnes grading 0.94% copper, 2.95% zinc, 0.39% Pb and 43 g/t Ag	
Norra Norrliden (Zn-Cu)	10% (Gold-Ore Resources Ltd. 90%)	Measured and Indicated resource of 1.48 Mt grading 0.63 g/t Au, 50.8 g/t Ag, 0.74% Cu and 3.54% Zn and inferred resources of 0.87 Mt grading 0.40 g/t Au, 30.9	

The activities of the Group are predominantly equity-financed. The Group currently has one loan of USD 1.1 million amortizing over three years and guaranteed by the Swedish Export credit guarantee Board. The credit was raised during the summer of 2008. In addition IGE has a loan to a trust controlled by a related party amounting to SEK 18.3 million. The lender is Pangea Exploration (Pty) Ltd., which is owned by a trust of which Robert Still is a trustee and a potential beneficiary and Anton Esterhuizen. Robert Still and Anton Esterhuizen are directors of the Lender and IGE Resources. IGE Resources currently considers it to have several projects with high potential and works intensively to attract venture capital in order to advance its most promising projects to a stage where the Group is able to finance itself.

The development of the Group's properties, licenses, Claims and Pre-claims will depend upon the Company's ability to obtain financing mainly through equity-financing. Debt financing might be a financing alternative for the Company in the future. The management will evaluate such an alternative if it is considered beneficial for the Company's shareholders and if it may be obtained on favourable conditions.

The currently prioritized projects have a relatively short history within the Group. The main part of the diamond projects with verified resources within the mineral asset portfolio of IGE was obtained in connection to the purchase of Efidium Ltd from Pangea DiamondFields during that was concluded on 31 March 2010. The details of the reserves, estimates etc. from diamond assets prior to the purchase of Efidium are based on historical data. In Angola, IGE Resources has commenced alluvial diamond mining consisting of mining near surface in sedimentary earth layers, Additional investments for the development of the Bakerville diamond project in South Africa are planned. The cash flow received from the operations will be reinvested in the development of the projects within the Group, both small scale and potential large scale projects. The kimberlite project in Cariango, Angola is an example. If the further results from the analyses and drillings within this concession confirm the already favourable results and expectations, it could be of interest to invest in additional exploration in order to confirm if the concession has the potential to source an economically viable kimberlite deposit.

5.6 Business units

5.6.1 IGE Diamond AB

IGE Diamond AB ("**IGE Diamond**") is incorporated and organized under the laws of Sweden. The principal place of business is Angola. Its registered office is Kungsgatan 44, SE-111 35 Stockholm, Sweden, telephone: +46 (0)8 402 28 00, facsimile: +46 (0)8 402 28 01.

IGE Resources' fundamental strategy in the diamond business is to maintain an accessible alluvial production in order to generate cash flow, support exploration and carry out development activities of the potentially larger and more profitable kimberlite pipes.

IGE Diamond has the third largest licence holding in Angola, a country that is one of the world's largest and most rapidly developing diamond producers. Under Angolan law, ownership is shared between IGE Diamond, Endiama (the state-owned diamond company) and local partners for each project. IGE Diamond is the operator for all of the projects. All the diamonds produced are sold through Sodiam, a state-owned company and the only officially allowed diamond trading company operating in Angola.

IGE Diamond has been active in Angola since 2005. Through the acquisition of Efidium Ltd in March 2010, the Company increased its number of diamond projects from four to nine. Before the acquisition all diamond projects were located in Angola. Subsequent to the purchase it owns diamond licences in Angola, the Democratic Republic of Congo and South Africa. Today, it employs about 340 people. From early on, IGE Diamond started a training program with Endiama for Angolan nationals in geology and geo-physics (in Sweden, Finland and Angola) and today some of the nationals are working for IGE Diamond in conjunction with these projects.

IGE Diamond maintains nine (9) concessions - Luxinge, Cassanguidi, Bakerville, Hartsriver, Tshikapa, Longatshimo, Lacage, Luanguinga and Cariango. Five of the concessions are strategically located within the Lucapa Graben corridor of Angola/DRC, one of Africa's most diamondiferous region. The figures in parenthesis below describe IGE Diamond's ownership percentage for each of the projects.

Efidium Ltd.

Efidium Ltd.'s registered address is Falcon Cliff, Palace Road, Douglas, IM2 4LB, Isle of Man, British Isles.

Pangea, the previous owner of Efidium, was officially established in its current format in 2005 by merging the diamond assets of Efidium and Dorado. Pangea and its principals, have more than 20 years of experience in exploration and mine development within Africa, including for examples titanium and gold in Mozambique, gold in Tanzania and gold, diamonds and vanadium in South Africa. Exploration and selected administrative services are performed for the group under the direction of the Pangea board.

Efidium's diamond assets are at various stages of exploration development, ranging from early exploration through bulk sampling to a project at mining stage, situated in Angola. The projects are held by Efidium and Efidium's subsidiaries, and are all located within highly prospective diamond-bearing geological environments. Whist alluvial deposits constitute the primary focus of the company; a number of the target areas are also located within regions of kimberlite potential. This potential will be evaluated later, on an opportunistic basis. The group is managed primarily from its head office in Johannesburg in South Africa, and also has offices in Luanda, Angola and Kinshasa, Congo.

The founding shareholders, executives and affiliates of Pangea have, over the last 20 years, established a successful track record for the creation of shareholder value in mineral exploration and mine development throughout the African Continent.

The African continent is responsible for over 65% of global diamond production. In addition, geologically highly prospective countries for diamond exploration such as Angola, the DRC and South Africa have recently undergone significant positive political, social and fiscal changes. Efidium, as a consequence, is concentrating its diamond exploration efforts within Africa and specifically within these countries.

Since 2003, and prior to the IPO of Pangea, Pangea had raised approximately USD 20 million to pursue its objectives. This has comprised initial seed capital from its founders and subsequent capital raisings from prominent international resource and private equity funds, each capital raising having taken place at higher valuations.

Below follows descriptions of the diamond projects owned by IGE Resources through Efidium. The figures in parenthesis below describe IGE Resources' ownership percentage in the respective project.

- **Cassanguidi Diamond project (Angola) (65% interest)**

Project Status: Operating
Exploration Stage: Pilot Mining -> Commercial Scale
Location: Lunda Norte Province, far north eastern Angola
Project Areas: Cabuaquece, Cale, Cachoque, Cassanguidi South
Licence Area: 112.50 km²

Cassanguidi is an advanced project in the pilot mining phase. The exploitation rights to this project are held by Marsanto-Pesca e Sua Industrializacao i Exportacao Lda ("Marsanto"). It is currently extracting diamondiferous gravels on a pilot mining basis from river terraces and hill-wash deposits using conventional open pit methods. The project is running with a production of about 3,500 ct per month at present, ramping up to about 5,500 cts per month by end 2010 after strengthening of the assembly of machinery.

The Cassanguidi Project is situated approximately 80 km east of Dundo and 30 km north of Nzaji in Lunda Norte Province. The licence area, within which the project is located, is intersected by the northward-flowing Luembe River. It lies within 2 km of the Cassanguidi Township. Access to the project from both Dundo and Nzaji is via narrow tarmacked roads.

Marsanto holds the mining licence for this area. The licence, in the form of an operating contract with Endiama, was signed under the PROESDA system in 1997. This system allows Angolan companies, where permitted, to explore and mine a concession free of any kind of equity participation obligation.

Endiama is required to provide all available geological and mineralogical information pertaining to the licence area, as well as information on any demarcated mining reserves or ore blocks.

An exploration camp comprising tents, buildings and modified containers has been established. These are used as accommodation, ablution, mess facilities and offices. A large number of the employees live in the nearby Cassanguidi Township, which is within walking distance of the project. The pan plant and recovery plants are located close to the current exploration areas and the camp.

Water is readily available for both the plant and the camp from the Cassanguidi River. Water is purified for domestic use. Bottled water is supplied for drinking. Although Dundo generates hydro-electric power and the associated power line passes within approximately 2 km of the edge of the licence area, the project supplies its own power using a generator. Diesel and petrol are readily available in Dundo and Nzaji.

A significant security contingent is employed at the project. Security is responsible for the following:

- Patrols of the concession area to ensure that no artisans or other unauthorised parties are present;

- Monitoring of the pans in the plant;
- Monitoring the final recovery grease tables, and holding one of two keys for the container in which the tables are secured;
- Monitoring the sort house, and holding one of two keys for the container in which the sort house is located;
- Holding one of the keys to the safe in which the diamonds are stored on site. Signing diamonds into the safe on a daily basis;
- Monitoring the acid wash process; and
- Escorting the diamonds during transport on site and to Luanda.

The basement, where exposed, comprises strongly weathered granite, represented by coarse angular fragments of quartz, set in a structureless matrix of red clay. Weathering extends to a depth of several metres. Enclaves of weathered amphibolite, representing xenoliths of greenstone lithologies, are seen in the trenches, and a large remnant of greenstone has been mapped. Although the Calonda and grés polymorphe are expected to be present in the concession, they are not exposed. Other than in the river valleys, the concession is covered by an overburden of Kalahari sand.

The primary exploration target in the Cassanguidi concession is currently colina deposits, and these are seen in all the prospecting trenches visited.

The colina package typically comprises the lower unit, with pebbles and cobbles derived from the Calonda, overlain by grés cascalho and the upper unit, derived from the grés polymorphe. As seen in the trenches adjacent to the camp, the package is variable in thickness, from about 0.6m to a maximum of about 1.4m. In the trenches in the vicinity of the plant, the package comprises mixed upper and lower units, is generally thinner, and may be reduced to a narrow zone of scattered small pebbles resting on weathered bedrock. Despite the poor development of the colina here, the horizon is diamondiferous, with high grades. The colina deposits are overlain by somewhat clayey Kalahari sand, and appear to be pre-Kalahari in age.

Lower terraces have been extensively worked, but the workings are now partially collapsed, and in-situ gravels are not seen. Spoil heaps indicate that the terrace comprises a well-rounded and well-sorted gravel of quartz, quartzite and chert pebbles and cobbles, together with clasts of Proterozoic conglomerate, altered volcanic and ultramafic rocks and bedded cherts.

The lezirias or flood plain deposits seen at Cassanguidi comprise lenticular mounds of well-rounded and well-sorted small to medium pebbled gravels overlain by grey organic-rich silt, typical of a braided stream environment. The deposits have been a major target for artisanal activity.

A mega pitting exploration programme is ongoing to evaluate additional areas thereby increasing the resources. Plant no. 2 has been relocated from the northern portion of the licence so as to work in tandom with plant no. 1. There are enough resources in close proximity to the plant to support the next three years of mining even at a greatly increased production rate. The commissioning of plant no 2 is very close to completion and is expected to be fully operational by end September 2010. An application for an extention to the existing licence will be reviewed and submitted by end September 2010.

- **Bakerville, South Africa (Pangea Diamonds (Proprietary) Limited, ("PDP") holds 74.6% (**with an option to acquire the remaining 25.4%)

Project Status: Operating
Exploration Stage: Pilot Mining
Orientation: Approximately 250km west of Johannesburg
Location: Situated within the Lichtenburg Diamond Fields

Project Areas: Patsema area Licence Area: 98.2 km2 (issued and approved)

The Bakerville Project is located within the Patsema Area of the Lichtenburg Diamond Fields. The Patsema Area is situated about 20 km north-west of the town of Lichtenburg close to the historic diamond rush settlement of Bakerville. The diamond fields was “officially” discovered in 1926, although it is thought that diamonds were being recovered from the area for at least two years prior to this.

Total recorded production from the Transvaal alluvial diamond fields, up to 1989, was 10.8Mcts, of which 7.5Mcts (70%) came from the Lichtenburg field. Of the Lichtenburg production, 6.9Mcts (92%) came from the Grasfontein-Welverdiend runs and potholes.

Production reached a peak in about 1931, and gradually tailed off since then. In the late 1970’s, approximately 30 small-scale diggers were recovering about 650 cts per year.

In the early 1980’s, interest in the area was renewed with the release of a government survey report which indicated that undiscovered diamondiferous gravels may occur beneath sand cover within sinkholes and channels outside of the known major runs, which are located on eight farms. This period saw the arrival of foreign and local mining and exploration companies to the area.

Under the previous South African mineral laws, the mineral rights over many of the prospective properties in the area were held by the large mining houses, ruling out exploration by outside parties.

The new law however, has now “opened-up” these properties, providing new exploration opportunities for new entrants, such as Pangea.

The alluvial deposits of the Lichtenburg area all rest on an irregular bedrock of Transvaal Dolomite, (Lyttleton and Monte Christo Formations) comprising dolomite inter-bedded with chert units. The gravels occur as patches and “runs”, representing an ancient drainage system. The runs are often punctuated by large sinkholes or potholes filled with gravel, which can be as much as 70m deep. Individual runs may be as much as 140m wide, and are often traceable for several kilometres, with diamondiferous gravel up to approximately 3m thick, with a reported average of 1.0-1.5m thick.

The gravel deposits owe their preservation to differential solution of the dolomite bedrock, which weathers less rapidly beneath the gravel “armour”. This, together with the more lush vegetation cover, protects the gravel from erosion. The gravels are made up of a chaotic mixture of water-worn pebbles, mainly of agate, quartzite and chert, with angular blocks, often large, of locally derived chert, in a sandy to clayey matrix, often rich in manganese and iron oxide pellets.

In the Patsema Area has been peneplained and appears to be an old land surface on which a thin diamondiferous deflation deposit has developed. This deposit, with no overburden, is rarely thicker than 1m and includes a mixture of pebbles derived from the underlying runs and potholes to which abundant chert rubble from weathering of the dolomite has been added. This diamondiferous deflation surface deposit forms the bulk of the current resource and information from diamond distribution in the deflation surface indicates where productive potholes and runs occur.

The infrastructure in the district is good and the Patsema Area is readily accessible by well-maintained tarmac and gravel roads. Electricity is supplied via the national grid. Although there is adequate water supply for domestic and agricultural purposes, water for mining operations requires pumping from the underground reservoirs using boreholes, which requires government approval.

An area covering approximately 8.5 km^2 in the northern portion of the farm Zamenkomst was subject to a ground gravity survey, followed-up by geological mapping, identifying and confirming potential gravel runs and potholes delineated from the gravity survey.

Various potential diamond-bearing gravel runs and potholes on the northern half of Zamenkomst have been drill tested. Potholes and runs identified by the drilling programme and the deflation surface have been the focus of a bulk sampling programme in 2007 and early 2008. Large diameter (2.5m) Bauer boreholes (26) were drilled into the potholes. A bulk sampling plant which was subsequently upgraded to a pilot mining plant consisting of a scrubber, two 16 foot pans and a 20tph DMS with X-ray recovery unit was established on Zamenkomst 4 IP. The earthmoving fleet consisted of a 30 ton excavator and three 30 ton ADTs. Due to the absence of overburden and relatively short haul distances this matched the capacity of the plant to treat the volumes.

This exploration by Pangea identified an extensive diamondiferous gravel deposit on surface. Trenching and bulk sampling was completed to prove a resource large enough to sustain commercial scale diamond mining. Exploration and bulk sampling has mainly concentrated on the northern half of the farm Zamenkomst 4IP where the company owns the surface. This programme has also been extended to the adjacent farms and in particular onto the farm Houthaaldoorns 2 IP. Following the successful completion of the pilot mining and a positive feasibility study an application for a Mining Right to allow full scale exploitation of the deposit was submitted in Q3 2009, IGE awaits the final approval which is expected to be obtained late 2010/beginning of 2011.

An on-site geologist is responsible for the geological mapping, borehole logging and management of the drill and bulk sampling activities. The earthmoving fleet and processing plant is managed and staffed by Pangea.

- **Harts River Project, South Africa (74%. Efidium has an option to acquire the remaining 26%)**

Project Status: On Hold
Exploration Stage: Bulk Sampling
Location: Between Vryburg and Warrenton
Project Areas: Brussels
Development Status: Bulk Sampling (Brussels), Pre Exploration on other 3
Licence Area: 239.91 km²

The Harts River Project comprises of a contiguous block of farms situated in the Northern Cape Province of South Africa between Vryburg and Warrenton, known as the Brussels Block.

The Harts River Project is based on a conceptual model of potentially diamondiferous gravels being present in the Dry Harts River and its tributaries. The drainages of this system are now small and ephemeral, but were of much greater significance in the past.

Sporadic small scale workings on large-boulder Rooikoppie-type gravels are found to the north of the area. These are presumed to have yielded diamonds, but no records of recoveries can be found. There is no record or evidence of any previous exploration on any of the farms comprising the Harts River Project.

The Brussels Area is situated at the upper end of the Harts/Dry Harts Valley, which is bordered on the east by high ground formed by outcrops of Ventersdorp lavas. The higher ground to the west is underlain by the Griqualand West Dolomite Sequence. The broad, open Dry Harts Valley narrows towards the north and abuts against the Griqualand West Dolomites at its northern end. Some remnants of Dwyka Tillite are scattered to the north and northeast, along the margins of the higher ground. The Brussels Area spans the entire upper portion of the terminating Dry Harts Valley and is underlain by calcrete and soil covered calcrete, indicating that this is a very old palaeo-river system.

Large areas of large-boulder Rooikoppie-type gravel are developed on top of thick calcrete to the north of the project.

Within the project area, the Harts River valley is broad and open, with deposits of alluvium distributed over valley widths in excess of 5km. The floor of the modern valley consists predominantly of Dwyka tillite and shale. The valley has been interpreted as a Dwyka age erosion feature that was possibly scoured by glaciers into a pre-existing river valley. The widened fluvial valley became filled with glacial sediments after retreat of the ice. Different ages of alluvial gravels were deposited along a broad zone down the central axis of the valley. Three stages of gravels have been identified on the Blocks and surrounding areas. The oldest gravels, representing the earliest or first stage of alluvial deposition, are relatively fine-grained and poorly sorted and occur at elevations of 15m-20m above the present river level. The second stage of gravel formation was by fluvial deposition in channels. These gravels are medium to course grained and occur 7m-10m above present river level. The third stage of gravel formation is associated with the present day Harts River and this gravel occurs 2m-5m above present river level.

The Brussels Area lies approximately 5km south of Vryburg and stretches for approximately 40 km from north to south. The Brussels Area comprises twelve farms or portions thereof, contiguous from Lange Rand 821 HN to Blauboschkuil 835 HN.

The first exploration drilling and bulk test mining took place on the Remaining Extent ("RE") of Portion 1 of Zamenkomst 819 HN located approximately 20km south of Vryburg on the Vryburg-Taung highway. The second completed bulk test mining took place at Gamabot HN also along the highway about 15 kilometres to the north.

Access to the Brussels Area is via the main R49 tarred road running between the towns of Vryburg and Warrenton and locally via farm tracks. The Dry Harts River runs through the area. The general infrastructure is good. A major water pipeline from the Harts Valley Irrigation Scheme passes through the western portion of the Brussels Block. Water from this source could possibly be used for larger scale mining in the future. The Eskom power grid is well developed in the general area and there is a railway and siding on the property.

Exploration drilling (more than 400 holes) identified and delineated gravel-bearing channels on all of the farms along a 40km strike length suggesting a massive gravel resource. Two areas were selected for bulk sampling situated about 15 kilometres apart. The first exploration drilling and bulk test mining took place on the Remaining Extent ("RE") of Portion 1 of Zamenkomst 819 HN located approximately 20km south of Vryburg on the Vryburg-Taung highway. The second completed bulk test mining took place at Gamabot 733 HN also along the highway.

The first 519,395 ton gravel bulk sample taken during 2006 was excavated and treated in order to ascertain the diamond grade and quality of the total gravel package. Subsequently 133,570 ton and 11 886 ton gravel bulk samples were excavated but different gravel layers were treated separately. The test work was successful and the company has achieved its target of identifying a large resource of more than 75 million cubic meters of diamondiferous gravel.

- **Tshikapa, southwestern DRC (100% interest)**

Project Status: On Hold-small scale pumping operation
Exploration Stage: Advanced Exploration
Location: Tshikapa District of the Kasai Occidental ProvinceWest of Tshikapa, southwestern DRC
Project Areas: Mvula Milenge, NanzambiLicence Area: 71km²

Efidium has seven exploration and exploitation permits in the Tshikapa Diamond Field of the Kasai Occidental Province. Four of these licences are on the Tshikapa River and 3 on the Longatshimo River. Of the seven licences, 4 are exploitation permits -PEPMs and 3 are in the process of transformation from prospecting permits -PR to PEPM. The project is located near the town of Tshikapa in southwestern DRC.

The Tshikapa Diamond Field is situated within the West Kasai Region of the DRC in the Kasai-Occidental Province, within the Congo-Angola diamond province. The Tshikapa Diamond Field lies directly downstream of the alluvial diamond fields of the Lucapa Graben in northeastern Angola.

A local company in the name of Efidium DRC was established in Kinshasa in 2007. Three of the four permits entitle Pangea to 100% of the profits less a 12% royalty of profits after costs to the original licence holder Permit. PEPM674 is 100% owned by Pangea in the name of Nanzambi Mining Corporation which is a 100% owned subsidiary company to Efidium and was formed in 2008. All permits are in good standing with stable legal tenure.

Production from the diamond field was dominated by the Belgian company Societe Internationale Forestiere et Miniere du Congo ("Forminiere') until independence in the early 1960's. Since then, official records of production are sketchy and unreliable as artisanal miners took control of mining in the area. Historical production from the diamond field was primarily sourced from active rivers and alluvial terraces along the river banks and, to a lesser extent, from the Kwango Formation conglomerates.

The local geology of the Tshikapa area comprises flat Cretaceous sediments unconformably overlying the basement rocks. The Cretaceous sediments are comprised of the Loia and Bukungu Series. The Loia comprises a basal conglomerate dominated with basement clasts followed by arkoses and fine orange-brown sandstones and the Bukungu contains sandstones and local conglomerate. These formations are not diamondiferous. The Loia and Bukungu are overlain by the diamondiferous Kwango Formation. This formation is comprised of a deltaic basal conglomerate succeeded by sandstones. The Kwango Formation is covered by Kalahari Supergroup sands.

In order to provide heavy equipment access to both the Tshikapa and Longatshimo River projects, Pangea pioneered a 4700 km overland route from South Africa through Namibia and Angola into the Southern DRC. This included the replacement or repair of bridges as well as the construction of new sections of road where these were either in disrepair or in some places, non-existent. Some of the smaller equipment has been flown to Kananga and thereafter driven by road to site.

Pangea established a new permanent camp in mid-2007 in the Mvula Milenge project area. The camp provides tented accommodation, ablution and mess facilities for 10 staff. Water is obtained from the nearby river and purified for potable purposes. Electricity is provided by a generator. Access to project areas within the concessions is by motorbike and four wheel drive vehicles as roads are limited.

Exploration commenced in May 2005 on the Mvula Milenge and Nanzambi licenses, on the Tshikapa River. The aim of the exploration programme has been to identify terrace and target areas with sufficient gravels to be classified as inferred resources.

The exploration programme included surface mapping and pitting, auger drilling, sampling and processing as well as classification of gravels of the terraces. In 2008 a river pumping programme was introduced with the aim of recovering gravels from the river flats but was terminated in 2009 as many of the flats had already been mined by the Belgians and remaining grades were not sufficient to cover the costs of the pumping programme.

The current advanced terrace exploration programme has been temporarily put on care and maintenance until market conditions improve. Resource areas have been delineated with the intent of starting a bulk sampling operation once the programme is resumed. All permits and related holding costs have been paid ensuring good legal tenure of the permits

A limited pumping operation is currently in progress to evaluate the potential of identified potholes on one of the exploitation permits. This is a joint project between the permit holder and IGE Resouces. IGE Resources has kept all licences and related documentation valid. A team of security guards is monitoring the licences and maintenance work has continued at the camp with the construction of two new brick accommodation buildings.

An electricity grid has been extended to the town of Tshikapa which now has 24 hour uninterrupted power. The Chinese are advancing rapidly with the construction of a new road from Kinshasa to Tshikapa which will greatly facilitate the movement of freight and supplies to site.

When finances are allocated to this project, the pumping and river diversion programme will be accelerated and the terrace mining operation will continue with the commissioning of a bulk sampling plant.

- **Longatshimo River Project, southwestern DRC (100% interest)**

Exploration Stage: Completed Bulk Sampling

Location: Tshikapa District of the Kasai Occidental Province,southwestern DRC

Project Areas: PEPM 624, 1497 and PR 483

Licence Area: 56 km²

Efidium has seven exploration and exploitation permits in the Tshikapa Diamond Field of the Kasai

Occidental Province. Four of these licences are on the Tshikapa River and 3 on the Longatshimo River. Of the seven licences, 4 are exploitation permits -PEPMs and 3 are in the process of transformation from prospecting permits -PR to PEPM. All permits straddle the Longatshimo River. The project is located near the town of Kamonia in southwestern DRC. The road from Tshikapa to the Longatshimo camp is in good condition and involves a travelling time of three hours.

The Tshikapa Diamond Field is situated within the West Kasai Region of the DRC in the Kasai-Occidental Province, within the Congo-Angola diamond province. The Tshikapa Diamond Field lies directly downstream of the alluvial diamond fields of the Lucapa Graben in northeastern Angola.

All permits entitle Pangea to 100% of the profits with a royalty for the original licence holders of 7% after costs. All permits are in good standing with stable legal tenure and no outstanding costs or taxes.

Production from the diamond field was dominated by the Belgian company Societe Internationale Forestiere et Miniere du Congo ("Forminiere') until independence in the early 1960's. Since then, official records of production are sketchy and unreliable as artisanal miners took control of mining in the area. Historical production from the diamond field was primarily sourced from active rivers and alluvial terraces along the river banks and, to a lesser extent, from the Kwango Formation conglomerates.

The local geology of the Tshikapa area comprises flat Cretaceous sediments un-conformably overlying the basement rocks. The Cretaceous sediments are comprised of the Loia and Bukungu Series. The Loia comprises a basal conglomerate dominated with basement clasts followed by arkoses and fine orange-brown sandstones and the Bukungu contains sandstones and local conglomerate. These formations are not diamondiferous. The Loia and Bukungu are overlain by the diamondiferous Kwango Formation. This formation is comprised of a deltaic basal conglomerate succeeded by sandstones. The Kwango Formation is covered by Kalahari Supergroup sands.

In order for large mining equipment to be transported to site, Pangea pioneered a 4,700 km over land route from South Africa through Namibia and Angola into the Southern DRC. This included the replacement or repair of bridges as well as the construction of new sections of road where these were either in disrepair or in some places non-existent.

Pangea set up a permanent camp in the Longatshimo River project area during mid 2007. The camp provides tented accommodation, ablution and mess facilities for 65 staff members. Water is obtained from the nearby river and purified for potable purposes. Fresh drinking water is also recovered from a natural spring in close proximity to the camp. Electricity is provided by a generator. Access to project areas within the concessions is traversed by motorbike and four wheel drive vehicles. Numerous additional access roads have been constructed from the plant to bulk sample sites as roads are limited.

A convoy of earthmoving equipment which includes a 120tph scrubber, a D6 dozer, two 25t ADT's, a 30t excavator and a 20tph DMS processing facility was driven overland from South Africa via Namibia and Angola to site during 2007. Additional equipment was also driven to site during 2008. The bulk sampling unit was commissioned in February 2008.

Exploration on the Longatshimo licences commenced in 2005. Exploration was conducted on eleven permits and after care assessment only three licences were retained. The aim of the initial exploration programme was to identify target areas with sufficient gravels to be classified as inferred resources and more specifically to identify follow up targets for the bulk sampling programme. The exploration programme included surface mapping and pitting, auger drilling, sampling and processing as well as classification of gravels. Optimal mega pits were dug and the gravels processed with the use of Boesman Jigs.

Exploration commenced in 2005 on three of the Longatshimo River project licences. The aim of the initial exploration programme was to identify target areas with sufficient gravels to be classified as inferred resources and more specifically to identify follow up targets for the bulk sampling programme. The exploration programme included surface mapping and pitting, sampling and processing as well as classification of gravels. Optimal mega pits were dug and the gravels processed with the use of Boesman Jigs.

Selective Bulk sampling areas were delineated by collating and assessing all results obtained from the initial exploration programme. The earth moving equipment was utilized to supply large samples (more than 1000m3) to the processing facility. To date 10 Bulk sampling terrace areas have been exploited with the main focus being Area 8, where 26 adjacent large individual bulk samples were taken and processed. This has resulted in the delineation of a potential initial mining area with an estimated 52,000 carats at an average grade of 0.33cts/m3 and overburden of 4.6m.

The Longatshimo Project is currently on “care and maintenance” until rough diamond prices improve and additional funding has been secured. On start up, the bulk sampling programme will be resumed and additional equipment will be acquired to commence with pilot mining. The first phase of pilot mining will entail expanding the earthmoving fleet with a 40 ton excavator, additional ADT’s and enhancing the processing capacity with a 35 ton DMS and scrubber. The regional exploration programme will also continue with the aim of increasing the resource base. Four separate parcels of diamonds were sent to Kinshasa for evaluation and Kimberley certification. These parcels attained an average evaluation price of $190/ct in Kinshasa by the official CEEC (Centre D’ Evaluation D’Expertise et de Certification). The parcels were sent to Antwerp and were held in storage awaiting sale by tender when the price of rough diamonds improved. A slight improvement in the market was forecast and a sale was conducted in mid May 2009. The total parcel of 3710 carats achieved an average price of 117$/ct which was quite acceptable during this depressed market and represented approximately 65% of the target price of US$180 per carat.

- **Luxinge** *(Alluvial 31.5%/Kimberlite 30.75%)*

  The total alluvial (historical measure) diamond resource stands at about 1,100,000 carats with an average estimated grade in the tributaries of 0.21 carats per cubic metre and in the Chiumbe River bed of 0.15 carats per cubic metre. The concession has potential for considerably more but only parts of the concession area has been properly explored. IGE was granted the mining licence for Luxinge by the end of June 2010 and made its first sale of diamonds from the project on the 25th of August.

  The production of diamonds in the Luxinge area is in progress. IGE Resources is continuously recovering diamonds from a one shift, five days a week, working schedule. IGE is currently evaluating the project and are ramping up the production based on a three shift working programme, increasing the amount of carats recovered significantly. Logistics is a challenge in these areas. Obtaining spare parts and consumables to the mining site may take several months and breakdowns and shortage of supply of fuel and lubricants will impact the production. But with the strengthening of the Group’s financial situation and improved management experience and routines, IGE Resources is better equipped to handle these challenges.

  The commercialisation of the new company, Sociade Minerio du Luxinge (SML), is in progress. Together with the partners of the new company, the formation and management structure is still to be decided. However IGE, as the major shareholder, has operational and financial control. The mining contract states that further investment required within the project is subject to investment from the remaining partners and that IGE does not fund 100% and free carry the local partners any longer after the point where the mining licence was granted and the incorporation of the formal company has taken place.

  The capital cost to bring the Luxinge alluvial diamond into production was about USD 7 million. Most of the capital was spent on the processing plant, the earth moving equipment, and a camp for 100 persons, in which both management and staff was installed during autumn 2008.

- **Cariango** *(Alluvial 40%/Kimberlite 43%)*

  The Cariango concession area is located in the Cuanza Zul region in mid-western Angola. The area is strongly indicated to hold gravel beds for diamonds as well as probably hosting kimberlites. An airborne geophysical survey was completed during the autumn of 2008. IGE Diamond are now in a position to “test” the ground by doing simple soil sampling to determine if there are Diamond “indicators” in the specific areas that have been identified by the airborne survey.

- **Lacage** *(Alluvial 40%/Kimberlite 43%)*

  At Lacage, airborne geo-surveys in summer of 2007 discovered over 100 possible kimberlitic structures larger than 7 hectares, 13 of which are larger than 50 hectares. The survey also discovered what could possibly be a giant kimberlite structure of about 300 hectares. This would make it one of the largest known kimberlites in the world. The first three years of the prospecting contract has expired on Project Lacage concession, reports have been submitted to the Council explaining why limited work has been done and why IGE should continue, these discussions are ongoing.

- **Luanguinga** *(Alluvial 35%/Kimberlite 43%)*

  At Luanguinga, airborne geo-surveys have discovered 9 possible kimberlitic structures larger than 7 hectares, of which one is larger than 50 hectares.

  For both Lacage and Luanguinga, a risk assessment has been completed by the Norwegian People Aid because of the potential presence of land mines after the civil war. None of the kimberlite targets of the Lacage project are suspected to hold land mines. Nevertheless, safety measures will be taken when work is initiated in this area. At Luanguinga, some targets will need to be de-mined before any exploration activity begins.

  IGE is still waiting for information about the ratification of the projects with regard to the Kimberlite contracts. IGE has been verbally advised that the contracts are within the Council of Ministers, but IGE is waiting for written confirmation to be received before starting activities.

  Endiama and the Minister of Mines, Geology and Industry have informed IGE that the company is considered for a number of interesting Diamond concessions, these concessions will only be considered if the appropriate mining exploitation licenses are issued and correctly applied.

5.6.2 IGE Nordic AB

IGE Nordic AB ("**IGE Nordic**") is a Swedish limited liability company with company registration number 556493-3199, incorporated and organized under the laws of Sweden. IGE Nordic's principal place of business is Stockholm, Sweden. Its registered office is Kungsgatan 44, SE-111 35 Stockholm, Sweden, telephone: +46 (0)8 402 28 00, facsimile: +46 (0)8 402 28 01. There are 26,816,042 shares outstanding. IGE Resources holds 99.6% of the shares in IGE Nordic.

IGE Nordic is an exploration and development company whose primary focus is the development of the 100% owned Rönnbäcken nickel sulphide deposit located in northern Sweden. The company's objective is to produce 30,000 tonnes per annum of nickel from Rönnbäcken for the international markets. The company's long-term objective is to become a leading mid-tier nickel producer capitalizing on opportunities both within the Nordic and other geographies. Currently, IGE Nordic has a diverse portfolio of projects based in Sweden.

- **Rönnbäcken Nickel Project (100%)**

  At Rönnbäcken, IGE Nordic is evaluating the possibility of a large tonnage, low-strip ratio, open pit nickel sulphide mine that could potentially produce a high grade nickel concentrate. IGE Nordic's activities during 2009 centred on the completion of a NI 43-101 Technical Report on the Preliminary Assessment (PA) of its 100%-owned Rönnbäcken nickel project. The study was prepared by the independent mining consultant Scott Wilson Roscoe Postle Associates Inc. ("**Scott Wilson RPA**"), Canada, and was issued in November of 2009.

  An update of Mineral Resources of the Rönnbäcknäset and Vinberget deposits was undertaken by SRK Consulting (Sweden) AB. Using all available and valid date, geological contacts to the serpentinite body were remodelled and SRK extended the model at depth to enable the evaluation of the down dip potential of the deposits. SRK utilized a metal price of USD 9/lb and applied a cut off grade of 0.048% Ni-AC. The Mineral Resource Statement was classified in accordance with the Guidelines of National Instrument 43-101, and accompanying documents 43-101.F1 and 43-101.CP.

  The Project Mineral Resource represents a signficant increase to the previous Mineral Resource Estimate prepared in April 2009, and now includes a total of:

  - Measured and Indicated Mineral Resources of 257.1 million tonnes (Mt) with an average total nickel content of 0.180% of which 0.110% is nickel in sulphide (Ni-AC);
  - Inferred Mineral Resources of 83.5 Mt with an average total nickel content of 0.177% of which 0.103% is nickel in sulphide (Ni-AC).

The focus of the 2010 winter drill program was to test for nickel sulphide mineralisation in areas outside of the documented deposit at Rönnbäcken. Assay results for the Sundsberget area confirm that significant thicknesses of mineralised serpentinite rock occur over an area in excess of 1,000 metres by 400 metres and that mineralisation is open down-dip. Assay results from drilling adjacent to the Vinberget deposit indicate mineralization to the northeast and southwest of the main deposit. These latter areas were added to the exploitation concession application. The extent of these discoveries makes IGE Nordic more optimistic that a target resource of 400-450 million tonnes at 0.10 to 0.15% nickel in sulphide could potentially be reached with additional exploration drilling. Another drill campaign commenced on 7 June, initially to follow-up and infill the exploration drilling at Sundsberget.

In addition to the drilling activity, IGE Nordic engaged Outotec Minerals Oy to conduct further process optimization test work aimed at raising nickel in sulphide recoveries from 74.5% to 80%, as well as reducing operating and/or capital costs. A comprehensive optimisation test program commenced at the Outotec Research Center in Finland in October 2009, focused on improving the nickel recovery, as well as the process economy, by carrying out a systematic test of key parameters. Simulations based on the laboratory results achieved confirmed that improved process metallurgy can be achieved. Upon completion of the lab optimisation testwork, the company embarked on mini-pilot testwork in order to more accurately assess steady-state closed circuit performance. In the pilot testing, a sulphide nickel recovery of 80 per cent was demonstrated on a continuous basis (previous optimisation program was carried out under batch conditions at lab-scale). This is better than previous estimates. Concentrate grades above 22% nickel were achieved in the mini pilot test. This is largely at par with previous assessments, and concentrate grades are expected to improve further in full-scale production.

The Swedish Chief Mining Inspector has granted exploitation concessions Rönnbäcken K nr 1 (Vinberget deposit) and K nr 2 (Rönnbäcksnäset deposit) to IGE Resources's subsidiary IGE Nordic AB. The granting of the exploitation concessions follows upon two years of thorough study and preparation, and establishes the right for mining activity to take place. An exploitation concession is granted for a mineral deposit if there is a probability for an economic exploitation of the deposit and if the site is considered acceptable from an environmental point of view. An exploitation concession is valid for 25 years, with extensions available if mining is on-going. The potentially impacted area has been surveyed for nature values and culture values and potential impacts on present land use for e.g. reindeer herding and hydropower generation and was addressed in the submitted EIA.

The Geological Survey of Sweden (SGU) has classified the Rönnbäcken nickel deposits "an Area of National Interest for Mineral Extraction." The area of interest, referred to as Rönnbäcken, consists of the three known deposits: Rönnbäcksnäset, Vinberget and Sundsberget, which in SGU's opinion are all part of the same mineralization and are therefore considered as one entire deposit. The SGU noted in its decision that nickel is considered a strategic metal, as all of the nickel consumed in Sweden is imported. Furthermore, the Rönnbäcken area is important for the country's raw material supply, having good potential to support future mining activity.

IGE entered into a strategic partnership with Mitchell River Group (MRG) of Australia, whereby MRG will provide additional expertise, capabilities and technical resources to the development of Rönnbäcken Nickel Project. MRG provides funding and management for early stage resource projects, and has a strong value development track record in nickel projects. The group has demonstrated its capacity to add considerable project value based on its geology and mining expertise, industry insight and metals project management capabilities. MRG has also proven highly successful in marketing and financing base metal projects. Going forward, MRG will invest in Rönnbäcken by supplying technical and management services to IGE. MRG will absorb the majority of its own costs, thereby accepting project risk and having an incentive to build value in the project. In return, MRG has secured an option to acquire 10 per cent of the Rönnbäcken. Overall control of the Rönnbäcken project remains with IGE. The partnership is initially for a period of 18 months and can on agreement be extended beyond 2011.

IGE is looking to secure a strategic investor in the Rönnbäcken Nickel Project, primarily to finance and accelerate the Pre-Feasibility Study, estimated to cost approximately USD13 million, in exchange for a minority interest in the Rönnbäcken Project. To this end, IGE has retained Hatch Corporate Finance to execute a private placement in a subsidiary of IGE Resources, which will own the assets of the Rönnbäcken Nickel Project (currently IGE Nordic AB). Hatch Corporate Finance is an independent corporate finance advisory firm focused on the metals and mining sectors.

IGE is currently working to expand its resource through exploration drilling. Prefeasibility activities are already underway, with completion expected for the end of 2011. Part of these activities will involve the evaluation of raising ore throughput to 30 million tonnes per year, from the current planned rate of 20 million tonnes per year of ore. The bankable feasibility study is scheduled to follow upon the prefeasibility study, with completion expected for the 2nd quarter of 2013. Construction is assumed to require two years, finishing during the 2nd quarter of 2015. Commissioning is forecast to commence in the 3rd quarter of 2015.

- **Norra Norrliden Zinc-Copper Project (10%)**

  In May 2008, Gold-Ore Resources Limited ("**Gold Ore**") bought Lundin Mining Corp.'s 90% share of the Norra-Norrliden project, in Sweden. The model for developing Norrliden relies on transporting the ore to a nearby processing plant, negating the need for building a plant at the site, thus reducing the potential capital costs. There are excellent infrastructure including roads and hydropower available.

  Gold-Ore engineers are reviewing a previous work plan developed by Lundin Mining Corp. There is a measured and indicated resource of 1.48 million tonnes grading 0.63 g/t gold, 50.8 g/t silver, 0.74% copper and 3.54% zinc and inferred resources of 0.87 million tonnes grading 0.40 g/t gold, 30.9 g/t silver, 0.72% copper and 1.87% zinc. A test mining permit has been granted for extraction of 63,000 tonnes of ore.

- **Solvik Gold Project (50%)**

  The Solvik gold-copper project in Sweden is owned by IGE Nordic 50% and Archelon Mineral AB 50%. The 2008 drilling program confirmed a continuation of the gold zone to the south-east, and that it is open along strike and at depth. In addition, two new gold structures have been identified from boulders. Samples of soil were taken to delineate the gold anomaly, while samples of bedrock were taken to assay for gold in the quartz vein system found in outcrops. The field program, together with earlier work, indicated several areas of gold mineralization in a 17 km long zone. Furthermore, gold mineralization at the Egenäs zone is more extensive than expected.

- **Jointly-owned companies**

  For non-core metals, IGE Nordic has created jointly-owned entities with partners. The objective is to maximize the development potential of the combined assets (IGE Nordic's and the partners') to provide the best opportunity for discovery.

  Norrsken Energy Limited (49%) (Uranium)

  Norrsken Energy Limited (UK) is a joint-venture company between Energy Ventures ("EVE") and IGE Nordic to evaluate early stage uranium exploration targets in Sweden. EVE is the manager of the joint venture and committed SEK 5 million (approximately $870,000) to fund the initial exploration programs. In 2009, EVE raised $1.1 million to advance exploration on its Swedish assets; a portion of the funds will be utilised to advance exploration of Norrsken Energy uranium projects. The consolidated Norrsken Energy project portfolio comprises 100% ownership of 13 exploration permits that encompass a range of uranium exploration opportunities, from drill-ready targets with known occurrences of bedrock uranium mineralisation, to greenfield exploration targets.

5.6.3 IGE Africa (business unit)

IGE Africa is currently not a registered entity in itself. IGE Resources has chosen to structure all operations in Kenya (and previously Burundi) in a separate business unit within the Group named IGE Africa. The organisation is continuously evaluated and if and when the management considers it to be necessary it will found a separate holding company responsible for the Group's activities in Africa (except for Angola). At the moment, IGE Resources considers the current organisational structure to be sufficient.

IGE Kenya Ltd (100%)

IGE Kenya Ltd. ("**IGE Kenya**") has three licences split into seven areas, all of which are prospective for gold. IGE Kenya has a head office in Lavington, Nariobi and several field camps. IGE Kenya employs approximately 5 people. The registered office address of IGE Kenya is P O Box 25492-00603 Lavington, Kenya.

- **South-western Kenya (100%)**

In south-western Kenya, IGE Kenya Ltd. holds three (2) licenses for gold exploration in highly prospective ground. The project areas are located in the immediate vicinity of other major gold and copper deposits. The Lolgorien and Akala sites are both located at the end of the Migori Greenstone Belt which also hosts the Macalder Mine deposit that produced 950 kg of gold between 1935 and 1966. The Macalder mine has an historical resource of over one million ounces.

North-western Kenya (100%)

The licence hosts gold bearing formations on the Mozambique Belt. Historical data estimates the area holds 5 million tonnes grading 1% Ni. The Turkana license has a significant potential for epithermal gold deposits.

IGE is currently considering a number of alternatives for its Kenyan gold projects. These projects are at a relatively early stage and IGE does not have the capacity and resources necessary to develop these assets alone. IGE will not allocate funds for investment in the further development of these assets during the coming 12-18 months. The Group has initiated discussions with potential partners and will continue to evaluate alternatives in order to develop these assets in a manner which is cost efficient and beneficial to IGE’s shareholders.

5.7 Property, plants and equipment

The Company rents administrative office space located in the city centre of Stockholm, Sweden. The facilities serve as the general corporate and operational headquarters.

As of today the Company’s main tangible fixed assets relates to the ownership of equipment and furnishings valued at SEK 87.5 million per 30 June 2010.

The Company is not aware of any environmental issues that may affect the Company’s utilisation of its assets, other than the general environmental issues pertaining to companies operating within the mining industry as further described in this Prospectus.

5.8 Research and development

The main investments in IGE Resources relate to the exploration and development of the licences owned by the Group, as well as acquisition of new licences. These investments have been significant, and they have been related to the development of mainly Luxinge, Cassanguidi and Lacage diamond-projects in Angola and the projects; Rönnbäcken, Bidjovagge and Stekenjokk in Scandinavia.

The following table shows the capitalised exploration and development expenditures (figures in SEK million):

30th of June 2010	31st of December 2009	31st of December 2008	31st of December 2007
742.6	154.3	112.9	85.6

The significant increase during first half year of 2010 is related to the purchase of Efidium Ltd.

The main part of its investments is related to the development and improvement of the prioritized projects within the Group both in terms of pure exploration as drilling, geology activities etc and reinvestments in the operational plants and machines. Historically, IGE Resources has been conservative regarding which expenditures to capitalize in the balance sheet respectively write off in the profit and loss statement.

IGE Resources is capitalizing its main part of the expenditures related to research and development of mineral assets. As long as IGE Resources considers the project to have the potential to become profitable and the license is in force, expenditures related to the project are capitalized. If IGE Resources stops its continued work due to lack of interest, lack of potential in the project or if the license has expired, the capitalized amount related to that project is written off in the profit and loss statement. As a project becomes more advanced and enters into a production phase, it is reclassified from being treated as a mineral interest in the balance sheet into a “Mine and other development asset”. As a project reaches that phase, the depreciation of the investment in the project commences in accordance with the estimated life of mine.

5.9 Patents and licences

The Group is not dependent on any patents or technical licences, industrial or financial contracts or new manufacturing processes. The Company is, however, dependent on various mining rights such as exploration licences in order to conduct exploration and obtain exploitation concessions and subsequent environmental permits in order to extract mineral resources from the assets of the Group. The conditions of the licence agreements vary to some extent depending on in which country it is located. In Angola, for instance, the licence will automatically be transformed into a mining licence if the operator of the contract fulfils the requirements according to the exploration licence. In the Nordic region the operator has to apply for exploitation concessions, which are conditioned by, amongst others, that various environmental permits have been received.

In order to be granted licenses in Angola the operator has to deposit an investment guarantee paid to the Angolan state diamond company, Endiama. Each granted diamond license in Angola is conditioned by a payment of USD 1.4 million as a long term deposit. The concessions consists of two parts each; alluvial and kimberlite. The required guarantee attributable to the alluvial part amounts to USD 400,000 and the required guarantee attributable to the kimberlitic part amounts to USD 1 million. The money is deposited at the Angolan state (Endiama) until the investing partner has accomplished the minimum framework and the plan of investments in accordance with the "Contract of the Association in Participation". When the investing partner has fulfilled its obligations according to the contract, the guarantee will be released and its value will be considered as investment expenses of the project in compliance with the presented plan of needs.

The Company has paid investment guarantees for four (4) licenses in Angola by the end of 2009: Lacage, Luanguinga, Cariango and Luxinge.

The following list provides a simplified overview of the Group's key exploration projects, which have the status of exploration licenses, except for Cassanguidi which has entered into a production status.

- Cassanguidi Diamond Project (Angola)
- Luxinge Diamond project (Angola)
- The Rönnbäcken Nickel Project (Sweden)
- Bakerville Diamond Project (South Africa)
- Harts River Diamond Project (South Africa)
- Tshikapa Diamond Project (DRC)
- Longatshimo Diamond Project (DRC)
- Lacage Diamond Project (Angola)
- Cariango Diamond Project (Angola)
- Luanguinga Diamond Project (Angola)

6 MARKET OVERVIEW

6.1 IGE Resources' principal markets

Final products will be sold through regulated commodity exchanges if such market places for the different commodities exist. With respect to the most common base and precious metals, like for instance gold, copper and nickel, there are regulated market places. The situation for diamonds is a bit different in this regard. The current situation in Angola, where the Company has two projects that have reached the production phase, the legislation states that all diamonds extracted within the country must be sold to Sodiam, the Angolan state owned diamond trading company. The legislation concerning the diamond industry and selling of diamonds in Angola is currently being reviewed. Depending on the outcome of this process, the opportunity for diamond producers to sell diamonds to other stakeholders might improve. IGE Resources will, to the greatest possible extent, evaluate and analyse the markets in order to secure that it is not selling its products below current market price.

6.2 Diamond

Diamonds are formed as pure crystals of carbon deep within the earth under conditions of extreme heat and pressure. Some of these crystals are then brought to the surface in a rising magma which solidifies into igneous rock, forming the primary deposits of diamonds. Today, there are over 6,000 of these magma deposits in the world, known as kimberlites, of which 850 contain diamonds. Only 50 of these are economic in terms of diamond mining. The African continent has proven very interesting in terms of providing diamondiferous kimberlites. South Africa and Botswana host several of the largest deposits. Angola, which is still relatively unexplored due to its long history of civil war, hosts the fourth largest diamond mine in the world. Angola, according to experts, is thought to be the next large-scale producer of diamonds in the world. The size of diamonds is measured in carats (ct); a carat is a unit of mass for gemstones equal to 0.2 grams.

There are several variables that affect the price of a rough diamond. The prices for one carat vary to a large extent, depending on the quality of the diamond and market conditions. The price of one carat can differ from a couple of USD per carat to more than one million USD per carat. Diamonds are available in varying colours, sizes and qualities. They naturally occur in colours ranging from very clear fine whites to pinks, bright yellows, greens and browns. The majority of diamonds used in jewellery are white diamonds.

The value of a diamond is determined by what are commonly referred to as the 4C's. The 4C's are the diamond's Cut, Colour, Clarity and Carat. Each of the 4C's is important; the most valuable diamonds are those that possess the best of all four of the measurements.

Market Overview

Global natural rough diamond production is estimated at around USD 14 billion per year. Rough diamonds fall into the broad groups of quality - gem, near gem and industrial. Gem and near gem diamonds are used in jewellery, whereas industrial diamonds are used principally for cutting and grinding purposes. Gem quality diamonds account for over 80 percent of the value of the world diamond market.

There are no regulated exchanges for diamonds as exist for many other commodities. Sales of diamonds are carried out in auctions, based on price estimates by independent valuators. Approximately 40 percent of all sales of rough diamonds are controlled by De Beers and its subsidiary DTC (Diamond Trading Company). DTC sorts, values and sells the diamonds of the De Beers Group, to a number of authorized sight holders, preferred buyers of their diamond production. The sales process in Angola is slightly different. All diamonds produced in Angola are required to be sold to Sodiam, the state-owned diamond trading company. Sodiam values the diamonds in collaboration with an independent valuator assigned by the producer, and sells the diamonds on auctions in Luanda about 10 times a year.

Geographically, Antwerp is the world's largest diamond trading centre, with other key centres being Mumbai, Johannesburg and Tel Aviv. It is estimated that approximately 80 percent of the world's annual production of rough diamonds is under the control of the De Beers Group. Other major diamond producers include Rio Tinto, BHP Billiton, and Alrosa.

The following table shows the value refinement chain of diamond production, from rough diamond to jewellery.

Value of diamond refinement chain 2008 (in USD billion)

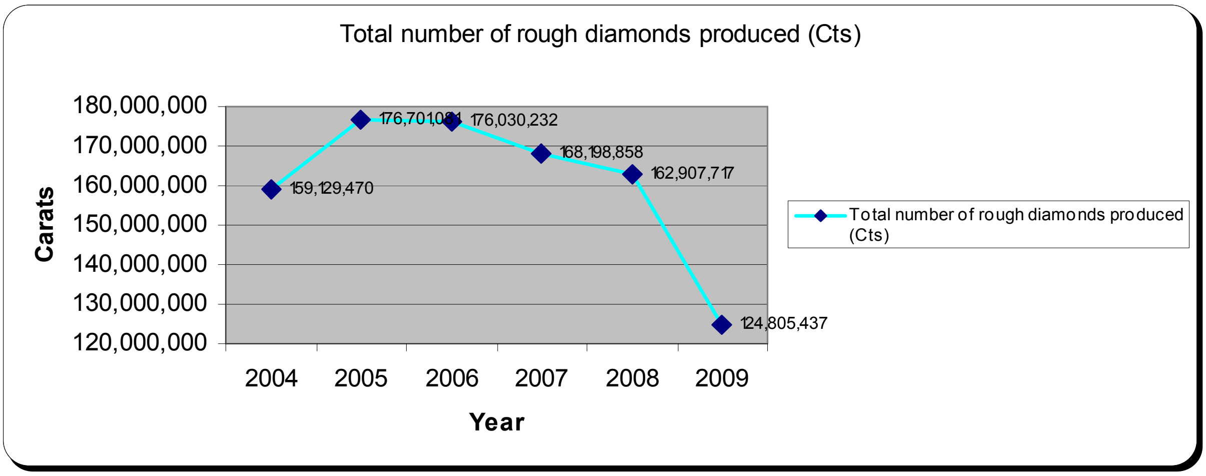
		Value increase
Cost/value of Rough Diamond Production	7,2	
		99%
Value of Rough Diamonds produced	14,3	
		8%
Rough sales to cutting centres	15,5	
		19%
Jewellery Manufacturer, value of diamond content in retail sales	18,4	
		252%
Retail sales of diamond jewellery	64,8	

Source: IDEX Diamond Pipeline

www.idexonline.com/

The value of global diamond production in 2008 was about USD 14 billion, centred mainly in seven countries: Botswana, Russia, Republic of South Africa, Angola, Canada, DRC and Namibia. The industry is dominated by mining giants De Beers, Alrosa, Rio Tinto and BHP Billiton.

The diagram below shows the total number of rough diamond carats produced during the five-year period of 2004 to 2009.



Source: Kimberley Process Certification Scheme 2010 (www.idexonline.com/)

Market Outlook

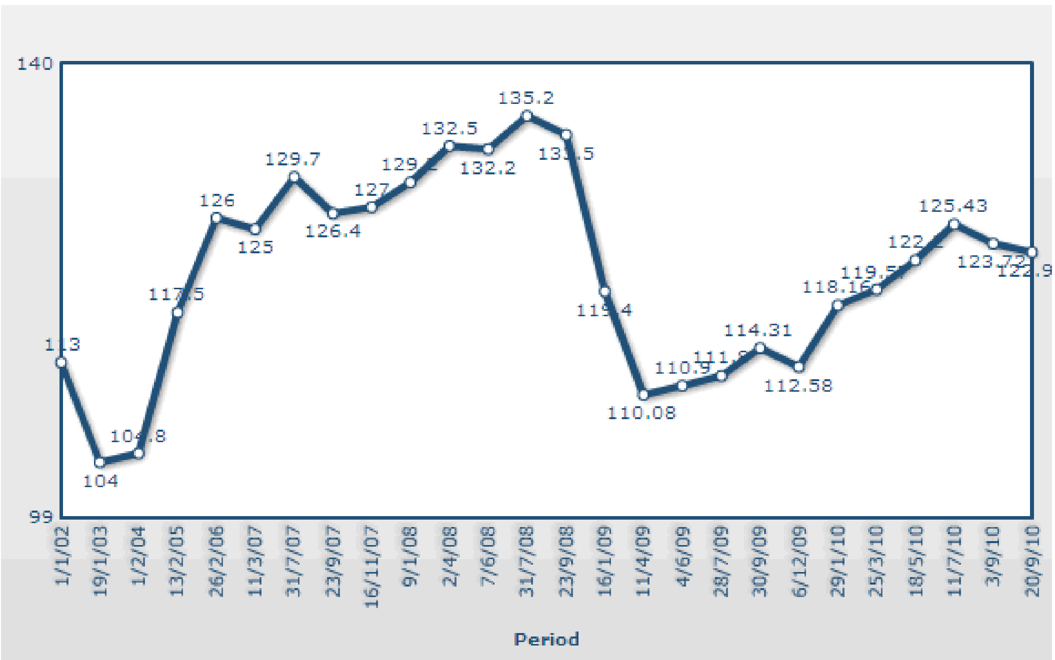
Recent years have been extremely volatile for the diamond industry: we have seen sharply rising rough diamond prices and market speculation, followed by the deepest crisis where the rough supply and manufacturing almost came to a total halt. The credit crunch and the uncertain fates of the banking system paralyzed the financial side of the business, and very few dared to finance transactions within diamonds.

There is very little unanimity as to how hard the crisis hit the diamond industry. There is consensus that the level of discounting at the retail levels has been significant, with some estimating 50 percent or more. Isolated panic and distress-selling fuelled market rumours late 2008/beginning 2009. Some major jewellery retailers went into bankruptcy or applied for protection against creditors, causing a ripple effect upwards into the supply chain. . Industry consultant Tacy Ltd estimates that worldwide diamond jewellery sales fell 11.3 percent, from USD 73.08 billion to USD 64.8 billion, similar to market levels market back in 2004 to 2005. The most problematic actions were taken by diamond industry financing institutions making margin calls, demanding the immediate delivery of additional collateral to make up for the perceived shortfall in prices and thus debt security

Historically, the diamond market has been less prone to the cyclical price fluctuations typical of many commodities, due to the retail nature of its product, and the domination of the market by De Beers. De Beers strives to preserve an orderly market for diamonds through adjustments to supply in times of over-production or economic recession. Since the Second World War, rough diamond prices have demonstrated an overall upward trend, with gem diamonds showing the greatest increase.

Diamonds are foreseen to garner interest as an investment, both from a short-term and a long-term perspective. Rising diamond prices in long term will be fuelled by declining production and a lack of new discoveries of large-scale deposits. There are currently no world-class discoveries to be turned into mines in the next 5 to 7 years. Supply from fresh resources is diminishing, and prices are predicted to increase accordingly. The projected shortfall in production versus demand has created difficult trading conditions in the rough diamond market, resulting in record price increases. Over the last five years, uncut diamond prices have risen by about 50 percent.

Longer-term, retail diamond demand is expected to grow at least 5 percent per annum over the next decade, as new buyers from Asia enter the market for purchasing diamonds. This translates into the equivalent of USD 500 million of new diamond mine production required to come on-stream every year for the next ten years. It takes eight to ten years to bring a mine into full production; hence, a significant increase in exploration must occur now to meet the increasing demand for diamonds. The projected shortages of supply against growing consumption imply that the future for the diamond industry is likely to continue to surpass expectations.



Source: www.Polishedprices.com 2010

The above table shows average USD per polished diamond carat during the period 2001 – 2010. In the short-term, the industry is expected to continue in its current course of recovery, after being hit severely by the “financial crisis” of recent years. Diamond prices appear experienced a strong start in 2010 with the volumes reported to PolishedPrices (an independent news and price list provider to the diamond industry) were at their highest level since before the crash, suggesting the market is comfortable with current price levels and capable of digesting further rises over the coming months.

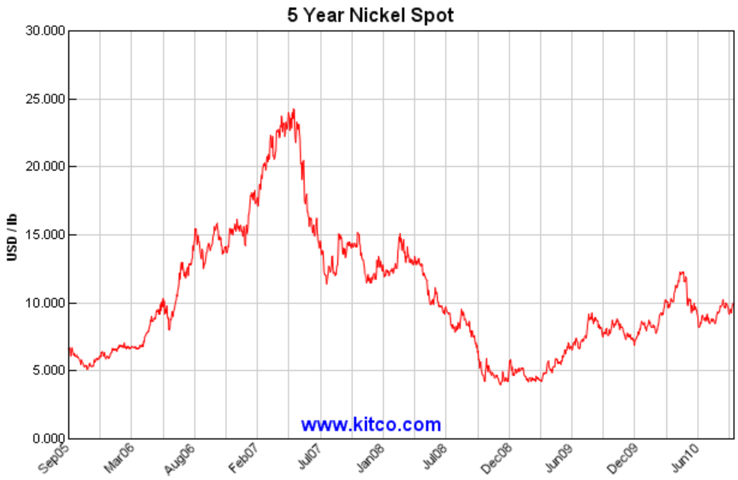
With stronger demand and improved liquidity at cutting centres, the market for diamonds appears to have entered its recovery phase. During the crisis, many of the major diamond producers either cut output from their mines or began stockpiling diamonds, to prevent supply from flooding the market. The strength of the rough market will become apparent from the next two to three sight sales, as producers such as Alrosa, De Beers and Rio Tinto are targeting higher rates of sales in 2010.

6.3 Nickel

Nickel is mainly used for producing stainless steel, nickel alloys, plating products, foundry steels, and battery materials. Stainless steel is by far the dominant sector accounting for approximately 66% of global nickel demand. Applications for stainless steel include process industries, power generation, oil and gas industries and construction. Russia is the world's leading nickel producer, accounting for around 20% of global nickel production. Other major nickel producers are Canada, Australia and Indonesia. Some of the industry's most well known producers are MMC Norilsk Nickel, Vale, BHP Billiton, Xstrata plc, Jinchuan Group Limited and Eramet; together they account for over 60% of primary nickel production.

The figure below illustrates nickel price from September 2005 to September 2010.

Historic nickel price chart



Source: Kitco, 8th Sep 2010

Market Overview

The growth in nickel production in recent years has primarily occurred through brownfield expansions – only one integrated green field project came on-stream in the period of 2000-2007. Established nickel producers expanded production at their refineries incrementally by way of expanding production at their own mines, investing in mine projects, and increasingly, through the purchase of custom feeds, creating an active market for intermediate nickel products.

In China, low nickel pig iron emerged in 2006 as a new source of nickel for its burgeoning stainless steel industry. Imported limonite ore from the Philippines, Indonesia and New Caledonia was treated in blast furnaces to generate a crude ferronickel. Initially, produced in blast furnaces, the quality of this product was improved with the use of electric furnaces and has successfully been used in the production of nickel-bearing stainless steel. The high nickel prices of the period allowed for the processing of these low grade ores to be economic, and output of low nickel pig iron grew rapidly to over 90,000 tonnes in 2009.

With the global economic slowdown in the latter part of 2008, the demand for nickel from end-use markets suffered. According to the International Stainless Steel Forum, output from the important stainless steel sector fell 7% in 2008. Beginning in the 2nd quarter of 2009, an unexpectedly high production of stainless steel as well as investors moving towards commodities, raised the demand for nickel pushing the price of nickel up to over

$9.00/lb in the summer. A rapid and immediate ramp-up in nickel pig iron (NPI) production ensued in China, in line with the rise in nickel prices. An additional 50,000 tonnes of nickel was quickly made available to the Chinese market with this product.

The upturn in stainless steel production took for the most part place in the Asian region. In addition to a 33% increase in Chinese stainless steel production, the neighbouring mills in Japan, South Korea and Taiwan quickly raised production levels to meet China's need for the industrial material. Chinese imports of refined nickel, ferronickel and nickel ore, as well as of stainless steel itself, soared in the first eight months of 2009 to feed their demand for stainless steel. In Europe and the U.S., sales of stainless steel remained sluggish, except for a period of restocking during the 3rd quarter, and the demand for nickel failed to recover. By the 4th quarter, rising stocks of stainless steel and weakening prices in China lead its largest stainless steel mills to implement maintenance shutdowns. These top users of nickel were no longer in the markets. Increasing LME inventories were an indication of weak fundamentals, in that there was an oversupply of nickel to meet the growing demand for the metal. Overall, global consumption of nickel fell for a third successive year in 2009, and the market sustained a sizeable surplus for the third year in a row.

Market Outlook

The demand for nickel metal has improved in 2010, with nickel consumption forecast to increase by around 7%. Improving macroeconomics and a restocking in the stainless steel industry created strong demand for nickel in the first half of the year. With stainless steel stock replenishment completed, the demand for nickel is expected to moderate in the second half of 2010, in established markets such as Europe and the U.S. China may be tightening its purse, but it will continue to need large quantities of metals including nickel to meet growth targets. The same impetus to build their economies is spreading to other developing countries, including India.

Growing nickel pig iron production along with new nickel capacity from laterite projects (ferronickel and high pressure acid leach), will keep the market balanced for the medium-term, while placing downward pressure on the nickel price. In the case of projects utilising high pressure acid leach, difficulties with the technology will result in continued delays in commissioning.

The historic rate of nickel consumption is expected to continue well into the long-term, as expansions of stainless steel production capacity and the emergence of the newly industrialized Asian economies as consumers, will remain key drivers behind sustained nickel demand for the long-term future. By 2015, a shortage in supply is likely to develop. Those nickel mine projects which currently are a couple of years away from commissioning are in an enviable position. With the costs for holding a project being lower compared to the costs of running a mine, these projects will be able to weather the subdued prices foreseen for the interim. Moreover, their project start-ups will coincide with the market need for new nickel product. Their ability to move into production quickly will be especially valued by established producers with surplus smelter capacity.

7 BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

7.1 Board of Directors

In accordance with Swedish law, the Board is responsible for conducting the Company's affairs and for ensuring that the Company's operations are organized and controlled in a satisfactory manner.

Presentation of the members of the Board

The Board of IGE Resources has 6 members. Pursuant to Swedish law, the directors are elected for a term lasting to the next Annual General Meeting. The table below sets forth the Company's Board at the date of this Prospectus:

Name	Position	Member since	Term expiry	Business address
John Afseth	Chairman	2009	2011	Kungsgatan 44, 111 35 Stockholm, Sweden
Rob Still	Director	2010	2011	Kungsgatan 44, 111 35 Stockholm, Sweden
Timothy George	Director	2009	2011	Kungsgatan 44, 111 35 Stockholm, Sweden
Anton Esterhuizen	Director	2010	2011	Kungsgatan 44, 111 35 Stockholm, Sweden
Olle Johansson	Director	2010	2011	Kungsgatan 44, 111 35 Stockholm, Sweden
Magne Aaby	Director	2009	2011	Kungsgatan 44, 111 35 Stockholm, Sweden

John Afseth (born 1954), Chairman (1,000,000 Shares and 0 warrants)

Dr. Afseth was born in 1954. Dr. Afseth has worked as Vice President of Marketing and Business Development of Photocure ASA in Oslo since 1998. Prior to this he worked as a general manager at Abbot Labs in Denmark, Norway and Iceland during the period 1995 to 1997. Before this, he was managing director of Medinnova from 1992 to 1995. Dr. Afseth started his business career by taking a marketing manager position at Dynal AS in Oslo in 1986, where he worked until 1992. Before his industrial career, Dr. Afseth had an academic career as Associate Professor in Microbiology at the University of Oslo and holds a PhD from this institution.

Timothy George (born 1965), Director (0 Shares and 0 warrants)

Mr. George holds a Bachelor of Engineering with Honours in Mineral Engineering (Class II) from the University of Leeds. He has extensive experience of diamond production and the industry in general from his former employment as CEO and chairman of the board of Xceldiam Limited, with operations in Angola and South Africa. Mr. George was responsible for the startup- and investments decision which among others, resulted in that the Company was listed on Alternative Investment Market in London in 2005. Mr. George was in charge of the execution of the sale of Xceldiam's assets to Petra Diamonds in 2007. He has also worked as Special Projects Officer within Anglo American and De Beers Corporations, as Divisional Metallurgist within diamond services division at Anglo American Corporations and with business development of Grinaker LTA Limiteds concessions, mining and infrastructure.

Magne Aaby (born 1948), Director (1,500,000 Shares and 0 warrants)

Mr. Aaby's educational background is in marketing. He has developed and owned companies within business development, marketing and design in Norway and Sweden. He has professional experience from the press and public relations sector and as marketing director within manufacturing and commercial trade. Mr. Aaby currently works as an investor and consultant. He has followed the mining sector over several years and has been a shareholder in IGE Resources for the last five years.

Olle Johansson (born 1958), Director (0 Shares and 0 warrants)

Olle Johansson has 25 years of mining industry experience, in the marketing and trading of metals. He is co-founder of Rockstream Capital LLP, a Money Management company with an investment focus in metals. Prior to this, he held a number of executive positions in Falconbridge Limited responsible for global marketing and sales of nickel, copper and PGMs; corporate strategic trading; and commodity risk management. Between 1991-99 Olle Johansson worked as President of Falconbridge Europe SA, Brussels, the marketing and sales subsidiary of Falconbridge Ltd. In 1999, he moved to Toronto to assume the position of Director of Commodity Olle Johansson worked for Boliden AB, managing the corporate (Trelleborg AB) price exposure regarding metals by recommending and implementing strategic metals trading on the London Metal Exchange in close liaison with the senior management.

Rob Still (born 1955), Director (2,125,506 Shares and 0 warrants)

Rob started his career as a chartered accountant, becoming a partner of Ernst & Whinney before leaving in 1986 to co-found the JSE listed exploration and mining company Rhoex Ltd. Since that time Rob has been involved in both the senior and junior sectors of the mining industry worldwide and has held both executive and non-executive director positions in mining and exploration companies listed in South Africa, Australia, Canada and the UK. Rob has participated in the development of several new mining projects including Rhovan, Ticor Titanium, Pangea Goldfields, Southern Mining (Corridor Sands), Great Basin Gold (Burnstone) and Zimbabwe Platinum Mines Ltd. He is currently chairman of Pangea Exploration, a private company active in exploration, mining project development and mining finance and Metorex Ltd, a copper miner.

Anton Esterhuizen (born 1951), Director (0 Shares and 0 warrants)

Anton is an experienced geologist with more than 30 years exploration experience. Among his career highlights, he is credited with the discovery and evaluation of the Xstrata Group's high-grade Rhovan vanadium deposit, the Taaiboschspruit colliery and contributed to the re-evaluation of the large Burnstone gold deposit, all in South Africa. In Tanzania, he was responsible for the discovery of a number of Barrick's gold deposits and his activities attracted major players into that country. He was the first recipient of the Des Pretorius Memorial Award for outstanding work in economic geology in Africa and received the Dreyer Award from the Society for Mining and Metallurgy and Exploration Inc (USA) for outstanding achievements in applied economic geology.

Independency

The Board is independent of any sectional interests. The board satisfies the requirement of having two board members independent of shareholders owning more than 10% of the Company's share capital and half of the members independent of the executive management of the Company and the Company's material business contacts. All board members are considered to be independent of the Company's major shareholders, executive management and material business contacts.

Consequently, the composition of the Board of Directors complies with the Norwegian Code of Practice for Corporate Governance.

Fraudulent offences, bankruptcies, receiverships and liquidations

None of the Company's board members have within the last five years preceding the date of this Prospectus been;

- Convicted in relation to a fraudulent offence;
- involved in any bankruptcies, receiverships or liquidations as member of the board, management, supervisory body, as partner with unlimited liability, founder or as senior manager; or
- subject to any official public incrimination and/or sanctions as such person by statutory or regulatory authorities (including designated professional bodies) or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a issuer or from acting in the management or conduct of the affairs of any issuer.

7.2 Management

The management of IGE Resources and of the subsidiaries is described in this section.

Presentation of the members of the management of IGE Resources

The table below sets forth the members of the management in the IGE Resources:

Name	Position	Business address
Tomas Fellbom	CEO	Kungsgatan 44, 111 35 Stockholm, Sweden
Thomas Carlsson	CFO	Kungsgatan 44, 111 35 Stockholm, Sweden

Tomas Fellbom (born 1963), CEO (873,543 Shares, 4,500,000 warrants and 4,000,000 call options)

Mr. Fellbom has a Master degree of Business Administration from the Stockholm School of Economics. Mr. Fellbom is currently the CEO of IGE Resources. Before he started at IGE Resources, in September 2007, he worked at the Swedish Trade Council within which he has served as the Vice President and head of the regions Southern Europe, Africa and the Middle East. In addition to the Trade Council, Tomas has among other things former work experience as the founder and the CEO of Spray Networks in France. Mr. Fellbom holds a dual citizenship of Sweden and France and lives in Stockholm and Paris.

Thomas Carlsson (born 1974), CFO (430,000 Shares, 1,000,000 warrants and 2,000,000 call options)

Mr. Carlsson has a Master's degree in Finance from Stockholm University. Mr. Carlsson is currently the CFO of IGE Resources. He has been employed by the Company since 2006 and has experience from working with corporate financing (public offerings as well as private placements), listings, controlling auditing and financial reports for listed companies. His former professional experience includes the positions as manager within ISS Facility Services, Fischer Partners FK AB (Corporate Finance) and Nordea. Mr. Carlsson is Swedish and resides in Stockholm, Sweden.

Presentation of the members of the management in the Group's subsidiaries

Fredric Bratt, Managing Director of IGE Nordic (100,000 Shares)

Mr. Bratt has more than 20 years of international and commercial experience from the mining & metals industry (mainly nickel, copper, cobalt, lead, zinc, precious and platinum group metals). He has held the position of CEO since August 2007. Mr. Bratt worked over eight years for Falconbridge International in Brussels, initially as Manager Raw Materials and later as Director Raw Materials, where he was responsible for acquiring nickel, copper, cobalt and PGM bearing raw materials for the smelter in Sudbury, Canada and the Falconbridge Nikkelverk A/S refinery in Kristiansand, Norway. He was previously employed by Boliden over five years as General Manager for the joint Boliden, Trelleborg and Falconbridge office in Moscow. He has held directorships on the board of Falconbridge International Limited, Barbados (1998-2006) and Falconbridge East Limited, Cyprus (1998-2006). He is currently member of the board of Norrsken Energy Limited (UK) and Nordic Iron Ore AB. Mr. Bratt is Swedish and resides in Stockholm, Sweden.

Boris Kamstra, Managing Director of IGE Diamond (0 Shares and 0 warrants)

Mr Kamstra is a Professional Engineer with many years of project and financial experience. Over the last four years he has been establishing and managing diamond projects over most of Africa. In some instances this has required pioneering new logistical routes to gain access for the heavy equipment required. He qualified cum laude from the University of Cape Town with a Civil Engineering degree in 1989. He then commenced his career at Grinaker Concrete Construction becoming a director of that company in 1999. During his tenure there he completed a number of large infrastructure projects throughout Africa including a few South African firsts. After which he completed an MBA at University of Witwatersrand. He has undertaken projects for the Landbank of South Africa, the National Union of Mineworkers and a number of private companies primarily in the role of Managing Director or CEO tasked with returning companies to profitability or assisting with the establishment of new ventures. Prior to IGE Diamond he was the CEO of Pangea DiamondFields PLC, which he successfully merged with IGE Resources in March 2010.

Cedric Simonet, Africa Region Manager, CEO of IGE Kenya (0 Shares and 0 warrants)

Mr. Simonet is a Doctor in Geology and a trained Lean 6 Sigma Black Belt. He is European Geologist number 739. He has been working in geology and management in the mineral industry for the last 10 years. His professional experience encompasses a variety of minerals including gemstones, gold, fluorspar and bauxite. At

Rockland Kenya Ltd, Mr. Simonet was general manager of the John Saul Ruby Mine. He worked several years with Alcan as mine manager and senior geologist of SOGEREM's fluorspar mines in France, and as Black Belt at the Gardanne alumina refinery in France. He is a director of Kilimapesa Gold (Pty) Ltd. He has lived more than 7 years in Kenya. Mr. Simonet is French and resides in Nairobi, Kenya.

Fraudulent offences, bankruptcies, receiverships and liquidations

None of the members of the executive management of IGE Resources have within the last five years preceding the date of this Prospectus been;

- Convicted in relation to a fraudulent offence;
- involved in any bankruptcies, receiverships or liquidations as member of the board, management, supervisory body, as partner with unlimited liability, founder or as senior manager; or
- subject to any official public incrimination and/or sanctions as such person by statutory or regulatory authorities (including designated professional bodies) or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a issuer or from acting in the management or conduct of the affairs of any issuer

7.3 Conflicts of interest, etc

IGE Resources has taken reasonable steps to avoid potential conflicts of interests arising from all related parties' private interests and other duties to the extent possible, and if such occurs, to mitigate any conflict of interest. It is the view of the Company that the scope of potential conflicts of interests between the director's duties to the Company and their private interests and / or other duties is very limited. The directors do not participate in the discussion or decision making of subjects that might be in conflict of their different interests.

To the Company's knowledge there are currently no potential conflicts of interests between any duties to the Company or its subsidiaries, of the Board or the executive management, and their private interests or other duties. There are no family relations between any of the Company's board members or management.

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any member of the administrative, management, supervisory bodies or executive management has been selected as a member of the administrative, management or supervisory bodies or member of senior management.

The following table includes the names of all companies and partnerships of which members of the Board and senior management has been or presently is a member of the administrative, management or supervisory bodies or partner (apart from the directorship in IGE Resources) at any time over the five years preceding the date of this Prospectus:

Name	Current Directorship	Directorship previous 5 years
John Afseth	Simtronics ASA, Playsafe Holding AS, Carpe Diem AS, Verdispar Baltic Development Property I AS, Verdispar Baltic Sea Property AS, Verdispar Emerging Europe CP AS, Fire Eater AS (DK)	Orion AS, Orion Securities AS, Orion Baltics UAB, Fibroline SA, Diatec AS
Timothy George	3 Laws Capital South Africa, The Elgin Distilling Company, iPower Renewable Energy Systems, Oubokskraal Properties	Xceldiam Limited
Rob Still	Pangea Exploration (Pty), Metorex Ltd, Zimplats Holdings Ltd, Pan African Resources, Beankin Investments (Pty)	New African mining fund, Grest Basin Gold Ltd, Kimberley Diamond Company NL, Pangea Diamondfields Plc.
Anton Esterhuizen	NWT Uranium Corp, Tanzanian Royalty Exploration Corporation, Pangea Exploration Pty, Pangea Diamonds Pty, Soloprop 1164, Efidium DRC SPRL, Huntrex 46.	Dimbi Diamants SAU, Etoile Diamants SAU, Upward Spiral 10
Olle Johansson	-	Falconbridge Europe S.A.
Magne Aaby	Mace Invest AS, Mace Consult AS, Colosseum Eiendom ANS, Inventarum AS, Gjervågåsen AS	Bo2en AS
Tomas Fellbom	IGE Nordic AB, IGE Diamond AB, IGE Ltd, IGE Kenya Ltd, Efidium Ltd	
Thomas Carlsson	IGE Ltd, IGE Nordic AB, Efidium Ltd	Tricent AB, RosInvest Sec Ltd

7.4 Remuneration and benefits

7.4.1 Board of directors

The Company has not granted any loans, guarantees or other similar commitments to any member of the Board and there are no agreements regarding extraordinary bonuses to any member of the board of directors. There are no agreements with any members of the board which provide for compensation payable upon termination of the directorship.

The members of the Board's remuneration for 2010 and 2009 are set out in the tables below:

Board member	Remuneration 2010 (SEK)
John Afseth	500,000
Rob Still	300,000
Magne Aaby	300,000

Anton Esterhuizen	300,000
Tim George	300,000
Olle Johansson	300,000
Total	**2,000,000**

The Board's remuneration for 2010 was resolved by the AGM on 6 May 2010 and is expected to be paid out to the Board members in May 2011.

Board member	Remuneration 2009 (SEK)
John Afseth	400,000
Lars Olof Nilsson	250,000
Magne Aaby	250,000
Ole Jörgen Fredriksen	250,000
Tim George	250,000
Total	**1,400,000**

7.4.2 Executive management

The remuneration to the Company's executive management is described below:

Total costs including salary, social cost, pension cost and additional benefits in 2009 for Tomas Fellbom (CEO) and Thomas Carlsson (CFO) were SEK 3,799,821 and SEK 1,919,274 respectively.

There are no agreements with any member of management which provide for compensation payable upon termination of the employment.

7.4.3 Shareholdings and warrants of members of the executive management and the Board

The following table sets forth the number of Shares and warrants held by board members (privately or trough controlled companies) of the Company as at the date of this Prospectus:

Board member	Shares	Warrants
John Afseth	1,000,000	-
Timothy George	-	-
Rob Still	2,125,506	-
Anton Esterhuizen	-	-
Olle Johansson	-	-
Magne Aaby	1,500,000	-
Total	**4,625,506**	**-**

The following table sets forth the number of Shares and warrants held by the Company's executive management as at the date of this Prospectus.

Executive Management	Shares	Warrants	Call options
Tomas Fellbom	873,543	4,500,000	4,000,000
Thomas Carlsson	430,000	1,000,000	2,000,000
Total	**1,303,543**	**5,500,000**	**6,000,000**

7.4.4 Description of warrants and incentive programmes for members of the executive management and the Board

The 2008 Incentive Programme

An incentive programme including 12,000,000 warrants was resolved by the EGM on 28 May 2008 ("**the 2008 Incentive Programme**"). 5,500,000 of these warrants have been allocated to the management as follows:

Holder	Warrants
Tomas Fellbom	4,500,000
Thomas Carlsson	1,000,000
Total	**5,500,000**

4,000,000 of these warrants have been allocated to former board members and 2,500,000 warrants are still unallocated.

The warrants issued under the 2008 Incentive Programme have following main terms:

Exercise price: SEK 2.68 for each share subscribed in IGE Resources

Consideration: SEK 0.20 paid for each warrant by all Swedish subscribers except for the Norwegian subscribers which paid no consideration for the warrants. The consideration paid by the Swedish subscribers has been determined by the use of Black & Scholes Model

Exercise periods: The warrants issued to former board members and the management may be exercised during the period 5 May to 31 May 2011

The warrants under the 2008 Incentive Programme not exercised at 31 May 2011 at the latest will automatically lapse.

Call options on Shares in IGE Resources

Tomas Fellbom and Thomas Carlsson have been granted totally 6,000,000 call options from two independent shareholders of IGE, whereof Tomas Fellbom has acquired 4,000,000 call options and Thomas Carlsson has acquired 2,000,000 call options. Each call option gives the holder the right to purchase one Share in IGE Resources from the grantor at a price of NOK 0.38 per Share. According to the terms of the call options, Tomas Fellbom and Thomas Carlsson respectively have the right to exercise the call options in the period between 1 January 2012 and 31 December 2012.

Call options on shares in IGE Nordic

At the EGM of the Company held on 28 May 2008, a resolution was passed to approve the issuance of totally 575,000 call options of the Company's shareholding in IGE Nordic to the board and the management of IGE Nordic. 525,000 of the call options have been allocated as follows:

Name	Call options
Fredric Bratt	100,000
Benny Mattsson	25,000
Tomas Fellbom	100,000
Curt Järnfeldt	100,000
Lars Olof Nilsson	100,000
Erling Stensholt	100,000
Total	**525,000**

50,000 of the call options of the above resolved program have not been allocated.

The Company currently owns 26,710,291 of the shares (99.6%) in IGE Nordic. Each call option gives the holder the right to buy existing shares in IGE Nordic from the Company at price of SEK 11.36 per share. The holder of the call options has the right to exercise the call options during the period between 1 October 2011 and 31 December 2011.

7.4.5 Pension obligations

The executive management of IGE Resources (Mr. Fellbom and Mr. Carlsson) was employed by IGE Resources 1 September 2007 and 1 September 2006 respectively. IGE Resources had pension related expenses of SEK 1.1 million in 2009 and fulfils the requirements according to Swedish applicable law on required pension. IGE Resources personnel have pension insurances that give them the right to receive future pension payments that are dependent of how the amount contributed is administrated by the insurance company. See the table below for specification of the pension related expenditures for the executive management in 2008 and 2009.

Executive management (SEK)	2009	2008
Thomas Fellbom	378,660	335,496
Tomas Carlsson	159,384	134,184
Total	**538,044**	**469,680**

7.5 Board Practices

7.5.1 Compensation for termination

No members of the administrative, management or supervisory bodies have service contracts with the Company or any of its subsidiaries providing for benefits upon termination of employment.

The Company has not granted any loans, guarantees or other commitments to any member of the Board and there are no unusual agreements regarding extraordinary bonuses to any member of the Board.

7.5.2 Nomination committee, audit committee and remuneration committee

The Annual General Meeting of 2010 resolved below principle for the election of the members of the Nomination Committee before the Annual General Meeting 2011:

The Chairman of the Board shall, contact the two biggest shareholders in the Company according to the shareholder register as per 30 September 2010. These two shareholders shall in turn appoint a representative each of the Nomination Committee. The appointed representatives shall together with the chairman of the Board constitute the Nomination Committee. If the contacted shareholders waive their right to appoint a member of the

Nomination Committee, the Chairman shall contact the third largest shareholder etc. The names of the Nomination Committee members shall be announced well before the Annual General Meeting2011. The Nomination Committee is responsible for nominating directors to the Board of Directors as well as proposing to the General Meeting the remuneration to the Board of Directors, as well as other duties following from the Swedish Code of Conduct.

The Company has not established a separate audit committee. The Board will have a meeting with the responsible Auditor in connection with the last Board meeting before the Annual General Meeting every year. During this meeting the Board along with the responsible Auditor will review the accountings and the work of the management regarding the financial reporting during the year of operations. The Board also receives updates on current basis regarding the financials of the Group, budgets and accountings in order to continuously have a sufficient perception of how the Group's is ran from an accounting perspective. If the Board notifies something deviating the potential issues will be addressed on the upcoming Board meeting. The Board considers the current solution to be a preferable alternative compared to appointing an Audit committee as the whole Board becomes automatically involved in, and more aware of, the Group's accounting and the needs related to the auditing of different companies.

A remuneration committee consisting of 2 representatives from the Board was elected to the constitutional Board meeting held on March 26th 2010, the Chairman and Magne Aaby. The remuneration committee is responsible for proposing the remuneration to the Company's management.

7.5.3 Corporate governance

The corporate governance principles of the Company comprise the framework of guidelines and management principles regulating the division of roles between the owners, board of directors and executive management of a company.

IGE Resources is of the opinion that sound corporate governance contributes to increase shareholder value through improved growth and higher profits, as well as lower capital expenditures. Corporate governance in the Company is based on openness and equal treatment. Investor confidence is maintained and developed through open and accountable investor information. The Board and the management are committed to ensuring transparency within the business, fair treatment of all shareholders and accountability in all forms of communication.

The Norwegian Code of Practice for Corporate Governance issued by the Norwegian Corporate Governance Board on 21 October 2009 (the "**Code of Practice**") applies to the Company. The Company aims at complying with the Code of Practice, but will to some extent deviate from certain of the recommendations of the Code of Practice due to the different practice and principles under which Swedish public limited companies operate and that the Company follow and apply the Swedish Code of Conduct.

The Code of Practice is a "comply or explain" guideline and the Board will state and explain any deviation by the Company from the recommended guidelines in its annual reports. The Company will post its corporate governance principles on its website.

The Company follows the Code of Practice, maintains high standards of corporate governance and is committed to ensure that all shareholders of the Company are treated equally. As per the date of this Prospectus, the Company complies with the Code of Practice except in relation to the following; Appointment of an Auditing Committee. This deviation from the Code of Practice is explained in section 7.5.2 above.

7.6 Employees and consultants

7.6.1 Employees

The average number of employees of the Group during 2009 was 144. The same number for 2007 and 2008 was 42 and 137 respectively.

As of 30 June 2010 the Group had 355 employees as set out in the table below.

IGE Resources	3
Subsidiaries	352

Group	**355**
Geographic location	
Sweden	9
Democratic Republic of Congo	5
South Africa	7
Angola	329
Kenya	5
Total	**355**

7.6.2 Hired consultants

The Group is on a continuous basis hiring external consultants with expertise within business segments which the Company operates. Such consultants include, inter alia, GTK, for flight survey operations, SGU for educating Angolans within geology and geophysics, SRK for preliminary studies of Rönnbäcken, Styrud AB for Drilling, Swedish Geological for help concerning the establishment of guidelines and policies related to CSR.

8 FINANCIAL INFORMATION

The selected financial information set forth in this Prospectus should be read in conjunction with the financial statements and the notes to those statements from the latest presented annual report, 2009, available at www.ige.se.

8.1 Historical consolidated financial information

IGE Resources' annual reports for 2009, 2008 and 2007 (including explanatory notes) and the interim financial information for the second quarter of 2010 and 2009 can be inspected on www.ige.se (for exact link, see Section 16.3 below). The annual reports of 2009, 2008, 2007 along with the interim reports covering the periods second quarter isolated and first half years of 2009 and 2010 have been incorporated by reference in this Prospectus.

The annual reports have been audited by Ernst & Young AB, IGE Resources' statutory auditor. The responsible auditor, Jaan Kubja, is a member of the Swedish Institute of Public Accountants (Sw. *Föreningen Auktoriserade Revisorer*).

8.1.1 Consolidated income statement

The following table shows IGE Resources' audited consolidated income statement for the financial years 2009, 2008 and 2007, and the unaudited consolidated income statement for the second quarter isolated and the first half year periods, ending 30 June 2010 and 2009.

Consolidated Income Statement (SEK '000)	2nd Quarter 2010 IFRS Unaudited	2nd Quarter 2009 IFRS Unaudited	Jan-June 2010 IFRS Unaudited	Jan-June 2009 IFRS Unaudited	Full Year 2009 IFRS Audited	Full Year 2008 IFRS Audited	Full Year 2007 IFRS Audited
Revenue from sales	6,291	-	6,291	-			
Other income	18,916	-	20,876	-	15,169	49,916	-
Other external expenses	-11,128	-23,721	-25,019	-15,344	-51,918	-31,883	-31,824
Personnel expenses	-12,285	-5,728	-16,892	-12,470	-23,110	-28,225	-22,887
Other operating expenses	-	-1,074	-4,923	-1,074	-1,069	-	-
Depreciations and writedowns	-4,191	-936	-4,411	-5,261	-5,931	-39,608	-11,312
Operating profit	**-2,397**	**-31,459**	**-24,078**	**-34,149**	**-66,859**	**-49,800**	**-66,023**
Financial revenue	1,296	1,239	1,547	2,415	6,136	8,249	6,782
Financial expenses	-8,499	-1,089	-8,749	-3,994	-5,059	-15,236	-3,288
Total financial items	-7,203	150	-7,202	-1,579	1,077	-6,987	3,494
Result before tax	**-9,600**	**-31,309**	**-30,280**	**-35,728**	**-65,782**	**-56,787**	**-62,529**
Result from assets held for sale	-	-843	**-**	-1,733	**-**	**-**	**-**
Income tax	135	-	135	-	-	-	-
Result for the period	**-9,465**	**-32,152**	**-31,145**	**-37,461**	**-65,782**	**-56,787**	**-62,529**
Result for the period attributable to:							
Equity holders of the parent company	-9,465		-31,145	-37,461	-65,782	-46,351	-61,715
Minority interest	-				-	-10,436	-814
Result for the period	**-9,465**	**-32,152**	**-31,145**	**-37,461**	**-65,782**	**-56,787**	**-62,529**

Earnings per share before dilution	-0.01	-0.07	-0,03	-0,08	-0.12	-0.16	-0.18
Earnings per share after dilution	-0.01	-0.07	-0,03	-0,08	-0.12	-0.16	-0.18

Management discussion and analysis of the consolidated income statement

The consolidated operating loss for the first half year 2010 amounted to SEK 24,078, full year 2009: a loss of 66.9 million, compared to a consolidated operating loss of SEK 49.8 for 2008 (2007: SEK 66.0 million)

Full year 2009 generated a consolidated net loss of SEK 65.8 million. Consolidated net loss for 2008 was SEK 56.8 million (2007: - SEK 62.5 million) including ordinary financial expenses.

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

Other income consist of revenues attributable to the subsidiary IGE Nordic's sale of exploration permits and currency gain related to inter company balances. The currency gain occurs as a result of the difference between the receivables in the parent company and the debt accounted for in different currencies in the subsidiaries.

The increase in the negative operating results of the Group reflects the increased rate of activities. The Group has increased its use of geology, geochemistry etc consultants which are reflected in the increase of item "other external expenses". Costs related to the financing of the Group have also increased during 2009 due to the conducting of several rounds of financing during the year.

The revenues during 2008 are mainly related to the sales of IGE Nordic's Uranium license portfolio to Norrsken Energy Ventures. The substantial depreciations and write downs are related to exploration permits in IGE Nordic as a consequence of impairments tests. The increase in cost related to personnel is referable to the increase in operations, mainly recruitments made within the Luxinge Diamond project in Angola. Financial expenses are a result of a write-down of claims on IGE Burundi.

The result of 2007 is in line with the increased operations within the Group, mainly in Angola. The main part of the administration in Angola was recruited during 2007. Offices was rented, personnel recruited etc which affected the result negative.

The Company has intensified its work in Angola and Rönnbäcken during the previous two years. In Kenya, the sales of Kilimapesa Gold which was completed in September 2009, has lowered the level of activities. IGE Resources' rate of investment increased during 2009. Currently IGE Resources is in a test mining phase in the Luxinge project in Angola. The rate of investments and expenditures has increased as a result of this. In March 2009, small scale test mining commenced within the Luxinge project. Future revenues from initial production will be reinvested in the Group's exploration activities in order to advance the projects in the most efficient and profitable way. Exploration and start up of mining projects are capital intensive, IGE Resources considers it to be relatively dependent of the market for external capital during the coming three to five years in order to advance its projects according to plan.

8.1.2 Consolidated balance sheet

The following table shows IGE Resources' audited consolidated balance sheet as of 31 December 2009, 2008 and 2007, and the unaudited consolidated balance sheet as of 30 June 2010 and 2009.

Consolidated Balance Sheet	**30 June**	**30 June**	**December 31st**	**December 31st**	**December 31st**
	2010	**2009**	**2009**	**2008**	**2007**
	IFRS	**IFRS**	**IFRS**	**IFRS**	**IFRS**
(SEK '000)	**Unaudited**	**Unaudited**	**Audited**	**Audited**	**Audited**
Assets					
Fixed assets					
Intangible fixed assets					
Mineral interests	742,563	135,234	154,257	112,938	85,624
Tangible fixed assets					
Plant and machinery	87,466	51,266	47,700	52,933	6,274
Mine and other development assets	56,097	-	-	-	-
Long-term financial assets					
Shares in associated companies	25,480	25,425	25,593	25,731	-

Receivables on associated companies	-	-	-	3,090	-
Long-term receivables	39,763	43,595	40,370	43,695	27,000
Total fixed assets	**951,369**	**255,520**	**267,920**	**238,387**	**118,898**
Current Assets					
Inventory	1,655	-	-	-	16
Account receivables	-		262	196	871
Other receivables	26,874	7,216	17,249	4,965	3,967
Prepaid expenses and accrued income	1,296	3,682	1,038	4,374	2,313
Short term investments	2,630	-	-	-	9,807
Cash and cash equivalents	26,223	17,122	40,807	39,639	127,827
Total current assets	**58,678**	**28,020**	**59,356**	**49,174**	**144,801**
Assets held for sale	**-**	**10,676**	**-**	**-**	**-**
TOTAL ASSETS	**1,010,047**	**294,216**	**327,276**	**287,561**	**263,699**
EQUITY					
Equity attributable to equityholders of the parent company					
Share capital	68,327	23,974	39,785	20,908	17,050
Other capital-contribution	890,122	376,104	451,041	348,277	268,102
Reserves	-3,500	-4,263	845	-5,954	2,548
Retained earnings and profit for the period	-216,651	-156,968	-185,506	-119,507	-75,685
	738,298	238,847	306,165	243,724	212,015
Minority interest					32,884
Total equity	**738,298**	**238,847**	**306,165**	**243,724**	**244,899**
Liabilities					
Deferred tax liabilities	215,125	-	-	-	-
Other provisions	1,884	-	-	-	-
Long term liabilities					
Convertible loan	5,000	-	-	5,500	-
Interest bearing long term liabilities	27,517	16,155	11,974	19,429	-
Other long term liabilities	57	316	91	-	-
Total long term liabilities	**249,583**	**16,471**	**12,065**	**24,929**	**0**
Current liabilities					
Interest bearing short term liabilities	-	20,000	-	-	-
Account payables	7,564	2,786	2,297	10,391	10,772
Other liabilities	2,616	3,648	2,386	1,372	2,148
Accrued expenses and prepaid income	11,986	4,456	4,363	7,145	5,880
Total current liabilities	**22,166**	**30,890**	**9,046**	**18,908**	**18,800**
Liabilities related to assets held for sale	-	8,008	-	-	-
TOTAL EQUITY AND LIABILITIES	**1,010,047**	**294,216**	**327,276**	**287,561**	**263,699**

Management discussion and analysis of the consolidated balance sheet

The Group's total assets as of 30 June 2010 were SEK 1,010 million, full year 2009 amounted to 327.3 (2008: SEK 287.6 million). The significant increase is related to the purchase of Efidium Ltd during the first Quarter 2010 including its exploration and mining assets. Total investments during the first six month of 2010 amounted to SEK 494 million (full year 2009: SEK 35.5 million, 2008: SEK 159.1 million). Cash in bank as per 30 June amounted to SEK 26.2 million (31 December 2009 SEK 40.8 million, 2008: SEK 39.6 million).

The Group has a long term USD loan with book value SEK 9.2 million at 30 June 2010. The loan is guaranteed by the Swedish export credit guarantee board (Sw. *Svenska Exportkreditnämden*).

Additional loan within the Group amounts to SEK 6.5 million, which is related to the balance sheet of the acquired Efidium Ltd. Efidium was during a period before the IGE acquisition funded by loans from company's controlled by two members of the Pangea Board.

IGE was granted a convertible loan from Norrlandsfonden amounting to SEK 5 million in June 2010. The SEK 5 million (USD 600,000) loan is designated for use as working capital for the Rönnbäcken nickel project. Apart from these loans the Group is currently fully financed by equity. The main part of the Group operations is financed by Equity, which results in the increase in share capital during the years 2007-2009. External direct expenditures related to Exploration and evaluation costs, including the costs of acquiring licenses, are capitalized as exploration and evaluation assets on an area of interest basis. Exploration and evaluation assets are only recognised if the rights of the area of interest are in force. As IGE Resources is advancing its projects the Group will continue to acquire assets in terms of mineral interests, equipment and machines. As long as IGE Resources has no positive cash flow, the Group considers it to be better to finance the operations by equity due to the fact that it is difficult for the Group to be able to receive debt financing with reasonable terms and conditions in the current market situation.

8.1.3 Consolidated cash flow statement

The following table shows IGE Resources' audited consolidated cash flow statement for the financial years 2009, 2008 and 2007, and the unaudited consolidated cash flow statement for the six months periods ending 30 June 2010 and 2009.

Consolidated Cash flow statement (SEK '000)	Jan - June 2010 IFRS Unaudited	Jan - June 2009 IFRS Unaudited	Full Year 2009 IFRS Audited	Full Year 2008 IFRS Audited	Full Year 2007 IFRS Audited
Cash Flow from Operations					
Income after financial items	-31,280	-37,461	-65,782	-56,787	-62,529
Adjustments for items not included in cash flow	18,598	6,304	11,644	-15,928	11,617
Change in inventories	500	-1346	-	16	-
Change in receivables	-6,074	1,385	689	-4,874	-8,182
Change in liabilities	-13,662	-4,059	-8,098	-363	15,677
Net cash flow from operations	**-31,918**	**-35,177**	**-61,547**	**-77,936**	**-43,417**
Cash Flow from investment activities					
Cash holding in aquired subsidiary	1,922	799	-		-
Sale of associated company	-	-	7,829		-
Acquisition of tangible assets	-2,331	-139	-224	-1,617	-5,276
Sale of tangible assets	-	-	226	-40,902	-
Acquisition of shares in associated companies	-51	-	-	-2,575	-
Acquisition of intagible assets	-30,762	-31,390	-56,227	-46,842	-31,677
Sale of intangible assets	4,328	2,000	2,000		-
Acquisition of financial assets	-	-	-	-4,734	-18,151
Net cash flow from investment activities	**-26,894**	**-28,730**	**-46,396**	**-96,670**	**-55,104**
Cash Flow from financing activities					
New share issue	42,025	25,120	115,681	65,380	89,764
Raised credits	5,000	20,000	91	20,800	-
Amortization of debt	-3,116	-3,640	-6,387	-	-
Net Cash Flow from financing activities	**43,909**	**41,480**	**109,385**	**86,180**	**89,764**
Net change in cash and cash equivalents	**-14,903**	**-22,427**	**1,442**	**-88,426**	**-8,757**
Cash and cash equivalents at beginning of period	40,807	39,639	39,639	127,827	136,674
Currency exchange difference	319	-90	-274	238	-90
Cash and cash equivalents as at end of period	**26,223**	**17,122**	**40,807**	**39,639**	**127,827**

Management discussion and analysis of the consolidated cash flow statement

Net cash flow from operating activities was negative as per 30 June 2010 with SEK 31.9 million (30 June 2009: SEK -35.2 million).

Net cash flow from investments as per 30 June 2010 amounted to SEK -26.9 million (30 June 2009: SEK -30.7 million).

Net cash flow from financing as per 30 June 2010 amounted to SEK 43.9 million (30 June 2009: SEK 45.1 million).

As per 30 June 2010, cash and cash equivalents amounted to SEK 26.2 million (30 June 2009: SEK 17.1 million).

The rate of expenditures has increased during the previous years due to the large increase in activities within the Group. The start-up of diamond production in Angola requires big investments and each granted diamond licence in Angola is followed by a deposit to be paid by IGE Resources of USD 1.4 million. This affects the cash flow of the Group negatively. Investments in machinery, equipment and plant are other explanations to the increase in the negative cash flow.

During 2009 the main part of the negative cash flow was related to investments in the commissioning of the Luxinge Diamond project in Angola. Equipment and Diamond concentrator plants were purchased along with investments in exploration in order to improve the supporting historical reports describing the diamond resource. A drilling program in Rönnbäcken also started which resulted in the increase of the intangible assets. An additional SEK 86 million was raised form external sources in order to finance the development of the assets within the Group.

The expenditures during 2008 were related mainly to the startup of the operations in Angola in a more serious manner. Personnel were recruited and head office etc was rented.

In 2007 IGE raised about SEK 90 million by way of its subsidiary IGE Nordic AB. The funding of IGE Nordic was done in combination with the IPO of the company on Oslo Axess. The funds were mainly designated for the development of the Rönnbäcken Nickel project in the northern part of Sweden. The cash flow during 2007 was SEK -8.8 million.

8.1.4 Reconciliation of equity

The table below shows the reconciliation of equity as of 30 June 2010, 31 December 2009, 31 December 2008, 2007 and 1 January 2007, and illustrates the effect of share-based payments.

Changes in shareholders' equity	**Equity related to shareholders of the parent company**						
(SEK '000)	**Share Capital**	**Other capital contribution**	**Exchange differences**	**Retained earnings and profit for the year**	**Total**	**Minority interest**	**Total equity**
Balance at 1 January 2007	**17,050**	**268,102**	**2,118**	**-69,162**	**218,108**	**-**	**218,018**
Acquisition						700	700
Exchange differences			430		430	-	430
Net result for the period				-61,715	-61,715	-814	-62,529
Total income and expenses for the financial year 2007			430	-61,715	-61,285	-114	-61,399
Transactions with shareholders							
New share issue in subsidiary				55,192	55,192	32,998	88,190
Closing balance at 31 December 2007	**17,050**	**268,102**	**2,548**	**-75,685**	**212,015**	**32,884**	**244,899**
Balance at 1 January 2008	**17,050**	**268,102**	**2,548**	**-75,685**	**212,015**	**32,884**	**244,899**
Disposal of subsidiary to minority interest company						348	348
Exchange differences			-8,502		-8,502	-	-8,502
Net result for the period				-46,351	-46,351	-10,436	-56,787
Total income and expenses for the period			-8,502	-46,351	-54,853	-10,088	-64,941
Transactions with shareholders							
New share issue	2,550	62,440			64,990	-	64,990
Non registered share issue	1,308	17,345			18,653	-	18,653
Acqusition of minority interest in subsidiary				2,529	2,529	-22,796	-20,267
Issued call options		390			390		390
Closing balance at 31 December 2008	**20,908**	**348,277**	**-5,954**	**-119,507**	**243,724**	**0**	**243,724**
Balance at 1 January 2009	**20,908**	**348,277**	**-5,954**	**-119,507**	**243,724**	**-**	**243,724**
Exchange differences			6,799		6,799	-	6,799
Net result for the period				-65,782	-65,782	-	-65,782

Total income and expenses for the period			845	-185,289	184,741	-	184,741
Transactions with shareholders							
New share issue	18,877	108,628			127,505	-	127,505
Acqusition of minority interest in subsidiary				-217	-217	-	-217
Issued call options		120			120	-	120
Costs referable to fundraising		-5,984			-5,984	-	-5,984
Closing balance at 31 December 2009	**39,785**	**451,041**	**845**	**-185,506**	**306,165**	**0**	**306,165**
Balance at 1 January 2010	**39,785**	**451,041**	**845**	**-185,506**	**306,165**	**-**	**306,165**
Net result for the period				-31,145	-31,145	-	-31,145
Other comprehensive income:						-	
Exchange differences			-4,345		-4,345	-	-4,345
Transactions with shareholders:							
Costs referable to fundraising		-2,073				-	-2,073
New share issue	28,542	441,154			469,696	-	469,696
Closing balance at 30 June 2010	**68,327**	**890,122**	**-3,500**	**-216,651**	**738,298**	**0**	**738,298**

IGE Resources' equity per 30 June 2010 was SEK 738.3 million. In comparison IGE Resources' equity per 31 December 2009 was SEK 306.2 million (2008: 243.7 million). The equity ratio as per 30 June 2010 was 73% (2009: 94%, 2008: 85%).

8.2 Investments

The table below sets forth the Company's principle investments (cash considerations) for the period from 2007 to 30 June 2010. For more information about investments see the consolidated financial statements, which can be inspected on www.ige.se.

1000 SEK	Jan-June 2010	2009	2008	2007
Investing activities; Mineral Interest	588.7	45.8	64.9	58.2
Investing activities; Mine and other development assets	56.1	-	-	-
Investing activities; Equipment	43.8	2.8	48.7	4.5
Total	**688.6**	**48.6**	**113.6**	**62.7**

During the previous three years the Company's main investments are made within the following:

- During the first half year of 2010 the Company invested about SEK 563.2 million in the purchase of diamond assets from Pangea Diamondfields. In addition about SEK 14.5 million was invested in the development of Rönnbäcken Nickel Project and SEK 26.1 million in the Luxinge project in Angola
- During 2008 and 2009 the Company has invested about SEK 25 million in Scandinavia, mainly focused on the Rönnbäcken Nickel project and Bidjovagge Gold project.
- By the end of 2008 the Company has invested about SEK 59 million in Angola in development and application processes of its Lacage, Luanguinga, Cariango and Luxinge diamond projects.
- Main investments in Scandinavia has historically constituted of the development of the Stekenjokk, Lindbastmora, Olserum and Bidjovagge projects.

Investments in total during 2009 amount to about SEK 35.5 million. Investments within the Company mainly consist of capitalized exploration and development expenditures. In order to ramp up the Diamond projects of Cassanguidi and Luxinge to production the main part of the investments are already made. The need of investments going forward is primarily assigned to the Bakerville Diamond project in South Africa. The rate of the investments in Bakerville project is controlled by IGE. There is no firm commitments attached to the project at present, However, IGE is positive of the potential of the project and aims to ramp it up towards production as soon as possible. In addition, IGE will invest in the alluvial diamond projects in DRC in order to start small scale production of diamonds. The licence for Bakerville is estimated to be obtained beginning 2011/end of 2010. The start up of the project will commence as soon as the licence has been granted. The commissioning of the Project will be financed with external capital. At present IGE is planning to finance the ramp up mainly with equity. As long as each project or license is considered to be of economic interest for future development, exploration costs associated with the project are capitalized as an intangible asset (Mineral interest). When a project has reached production start and sales of minerals it is reclassified from mineral interest (intangible fixed assets) to Mine and other development assets (tangible fixed assets). At present Cassanguidi diamond project is the only project reported within that asset category.

The development of the Rönnbäcken Nickel project will be financed separately. IGE is looking to secure a strategic investor in the Rönnbäcken Nickel Project, primarily to finance and accelerate the Pre-Feasibility Study, estimated to cost approximately USD13 million, in exchange for a minority interest in the Rönnbäcken Project. To this end, IGE has retained Hatch Corporate Finance to execute a private placement in a subsidiary of IGE Resources, which will own the assets of the Rönnbäcken Nickel Project (currently IGE Nordic AB). Hatch Corporate Finance is an independent corporate finance advisory firm focused on the metals and mining sectors, and has successfully executed transactions with a combined value in excess of USD10 billion, since 2003.

Drilling is a considerable part of the capitalized expenditures. The main part of all investing activities is related to development of mineral interests.

8.3 Interim financial information

The quarterly and half year financial reports for IGE Resources' can be inspected on www.ige.se, (for exact link, see Section 16.3 below). The interim financial information has not been audited.

8.4 Segment information

The table below show breakdown of the accountings by category of activity for 2007, 2008 and 2009.

			2007		
(TSEK)	**Gold**	**Diamonds**	**Nickel**	**Other**	**Totalt**
Other revenues	-	-	-	-	**0**
Depreciation of concessions	-	-	-	-10,551	**-10,551**
Depreciation according to plan	-94	-	-	-667	**-761**
Operating result	-4,108	-11,278	-5,495	-45,142	**-66,023**
Result before tax	-4,276	-11,413	-5,495	-41,345	**-62,529**
Fixed assets	9,918	47,834	1,124	60,022	**118,898**
Current assets	3,296	1,523	327	139,655	**144,801**
Long term liabilities	647	-	-	18,153	**18,800**
Current liabilities	818	47,834	1,124	12,994	**62,770**

			2008		
(TSEK)	**Gold**	**Diamonds**	**Nickel**	**Other**	**Total**
Other income	0	0	0	49,916	**49,916**
Depreciation of concessions	0	0	0	-37,583	**-37,583**
Depreciation according to plan	-632	-626	-634	-132	**-2,024**
Operating result	-5,278	-14,608	-22,288	-7,626	**-49,800**
Result before tax	-2,749	-19,391	-21,060	-13,587	**-56,787**
Fixed assets	16,314	149,868	71,418	787	**238,387**
Current assets	5,612	2,630	36,578	4,354	**49,174**

Long term liabilities	0	19,429	0	5,500	**24,929**
Current liabilities	1,070	1,405	8,247	8,186	**18,908**
Investments (gross amounts)	7,028	102,660	28,067	21,341	**159,096**

			2009		
(TSEK)	**Gold**	**Diamonds**	**Nickel**	**Other**	**Total**
Other income	15,169	0	0	0	**15,169**
Depreciation of concessions	-614	0	-1,978	-1,859	**-4,451**
Depreciation according to plan	-302	-197	-871	-110	**-1,480**
Operating result	-4,677	-16,520	-15,034	-30,628	**-66,859**
Result before tax	-6,869	-15,164	-14,211	-29,538	**-65,782**
Fixed assets	30,005	173,684	54,428	9,802	**267,919**
Current assets	2,284	35,802	8,449	12,821	**59,356**
Long term liabilities	91	11,974	-	-	**12,065**
Short term liabilities	140	2,130	1,275	5,501	**9,046**
Investments (gross amounts)	14,607	24,013	-14,141	10,984	**35,463**

8.5 Information on holdings

Except for the ownership in the companies set out in section 5.6, the Company does not have any ownership interests or investments which are likely to have a significant effect on the assessment of the Company's own assets and liabilities, financial position or profit and losses.

8.6 Significant changes after 30 June 2010

IGE has retained Hatch Corporate Finance to execute a private placement in a subsidiary of IGE Resources, which will own the assets of the Rönnbäcken Nickel Project (currently IGE Nordic AB). IGE is looking to secure a strategic investor in the Rönnbäcken Nickel Project, primarily to finance and accelerate the Pre-Feasibility Study, estimated to cost approximately USD13 million, in exchange for a minority interest in the Rönnbäcken Project.

Hatch Corporate Finance is an independent corporate finance advisory firm focused on the metals and mining sectors, and has successfully executed transactions with a combined value in excess of USD10 billion, since 2003.

The Board hereby guarantees that there has been no significant change in the financial or trading position of the Group which has occurred since 30 June 2010.

8.7 Trends

The Company has not experienced any significant changes or trends outside the ordinary course of business that are significant to the Company after 31 December 2009 as at the date of this Prospectus, other than those described in this Prospectus in the Market overview section 6.

8.8 Profit Forecasts or Estimates

The Prospectus does not include any profit forecasts. It contains audited consolidated financial statements up to 31 December 2009.

8.9 Capital Resources

8.9.1 Capitalization and indebtedness

At 30 June 2010 the Company had the following capitalization and indebtedness:

(SEK '000)	Unaudited 30/06/2010	Audited 31/12/2009
Total Current Debt	-	-
- Guaranteed	-	-
- Secured	-	-
- Unguaranteed/Unsecured	-	-
Total Non-Current Debt	**32,574**	**12,065**
- Guaranteed		
- Secured		
- Unguaranteed/Unsecured	32,574	12,065
Shareholder's Equity	**738,298**	**306,165**
a) Share Capital	68,327	39,785
b) Own shares		
c) Other Reserves	669,971	266,380
d) Minority interests	-	-
Total	**770,872**	**318,230**
A. Cash	26,223	40,807
B. Cash equivalent		
C. Trading securities		
D. Liquidity (A)+(B)+(C)	**26,223**	**40,807**
E. Current Financial Receivables	**32,455**	**18,549**
F. Current Bank Debt	-	-
G. current portion of non-current debt	-	-
H. Other current financial debt	-	-
I. Current Financial Debt (F)+(G)+(H)	**0**	**0**
J. Net Current Financial Indebtedness (I)-(E)-(D)	-58,678	-59,356
K. Non-current bank loans	-	-
L. Bonds issued	-	-
M. Other non-current loans	32,574	12,065
N. Non-current Financial Indebtedness (K)+(L)+(M)	32,574	12,065
O. Net Financial Indebtedness (J)+(N)	-26,104	-47,291

The table above should be read together with the Company's consolidated financial statements and the related notes thereto.

Since 30 June 2010 and up to the date of this Prospectus, the Group has spent approximately SEK 14 million. On 22 July 2010, the Company completed a private placement by issuing 53,675,699 shares which were subscribed by YA Global Master SPV Ltd in line with the Standby Equity Distribution Agreement. In addition the Company made a directed Private Placement against private and international institutional investors by issuing 385,398,899 shares on the 21 September 2010. The net proceeds from these two private placements, amounting to about SEK 98.2 million, will mainly be used for capital investments in IGE's Cassanguidi (Angola) and Bakerville (South Africa) diamond projects.

The proceeds from the executed rounds of financing after the 30th of June 2010 results in a total increase in cash in the above table of about SEK 98.2 million in combination with an increase of share capital amounting to SEK 22.0 million. The share capital after the above private placements amounts to about SEK 90.3 million in total. In conjunction to the share issue in September 2010, debts amounting to about SEK 18.4 million was converted to equity by way of a debt conversion agreement established with two creditors of IGE. The debt conversions results in that the total non current debt in the above table decreases with about SEK 12.2 million. 6.2 million of the converted debt was raised subsequent to June 30th, resulting in that this amount is not included in the above table. The item Other reserves in the table above has increased with about SEK 100.0 million following the above private placements. Except for these transactions, there have not been any material changes to the capitalisation and indebtedness of the Company since 30 June 2010.

To the best of the Company's knowledge, the capitalization and indebtedness as per 30 June 2010 provides a fair and valid documentation of the Company's financial condition at such date. The Company's equity to asset ratio as per 30 June 2010 was 73%.

As per 30 June 2010, IGE Resources had no long term obligations or commitments to fulfil in terms of payments etc. other than credit provided by the Swedish Export Credits Guarantee Board of SEK 9.2 million, loan to creditors of the acquired Efidium Ltd of SEK 6.5 million, salaries and rent of premises. If IGE Resources decides to reduce its rate of expenditures this could be done relatively quick. Moreover, such a decision may entail operational delays that could potentially be damaging to the Company. In general it would result in delay of revenue generation from the projects.

The funding of the Group's operations is done from the IGE Resources. All cash is held on accounts owned and controlled by IGE Resources in Stockholm. IGE Resources' subsidiaries make cash requirements on a monthly basis according to the budget that is approved by the Board of IGE Resources prior to each year of operations. The cash is mainly held in SEK or USD based on the managements projections of future exchange rate between SEK and USD. The main part of the expenditures within the Group is paid in USD. No financial instruments for hedging are used.

8.9.2 Capital resources

IGE has historically been funded by external capital contributions by way of issuing new equity. During 2009 IGE raised about SEK 115 million in equity for the funding of the core projects within the Group. The cash flow during 2009 amounted to SEK 1.4 million.

During 2008 IGE raised about SEK 65 million in new equity along with a raised credit that was converted in to shares later on (in the beginning of 2009). The cash flow during 2008 ended on SEK -88 million. The increase in the negative cash flow during 2008 was mainly related to the purchase of equipment for the commissioning of the Luxinge diamond project in Angola.

In 2007 IGE raised about SEK 90 million by way of its subsidiary IGE Nordic AB. The funding of IGE Nordic was done in combination with the IPO of the company on Oslo Axess. The funds were mainly designated for the development of the Rönnbäcken Nickel project in the northern part of Sweden. The cash flow during 2007 was SEK -8.8 million.

On 22 July 2010, the Company completed a private placement, cf. Section 8.9.1 above.

The share premium resulting from the share issues less the direct expenses has been transferred to the Company's share premium fund.

IGE Resources considers itself to have access to a number of different sources of venture capital to competitive prices. If the Company decides to increase the rate of its operations and thereby also its cash burn rate, this decision shall be based upon a documented success within IGE Resources' activities which implies that the supply of venture capital available, on probable grounds, will be enough.

There are currently no effective restrictions on the ability of the subsidiaries within IGE Resources to transfer funds to the Company in the form of cash dividends, loans or advances.

The Company is currently working on obtaining the licence to sell diamonds from its Luxinge diamond mine in Angola. As soon as the right to sell diamonds has been granted, IGE Resources expects revenues from the Luxinge Project. The surplus from Luxinge and Cassanguidi diamond Projects will most likely not be enough to finance the total costs of the Group in short term.

Depending on results from exploration and decisions made by the Board of IGE Resources, the cash flow surplus generated from the diamond operations of IGE Resources might not be sufficient for additional investments in exploration and further business development. Consequently, issue of equity instruments is likely to be used in connection with the Company's business development. Possible new acquisitions or development of large projects will be financed separately with loans, equity, or a combination of this, depending on availability and market conditions. On a general basis, IGE Resources will also evaluate options with partner(s) who might be interested to acquire a part of a project for payment in cash or money invested in the project, in a so called earn-in agreement. It is also an alternative to sell out specific projects if this is considered to be beneficial to IGE Resources and its shareholders.

8.9.3 Working capital statement

The Company's working capital is sufficient to cover present requirements for a period of at least 12 months from the date of this Prospectus.

8.9.4 Description of cash flows

Consolidated operating cash flow in 2009, 2008 and 2007 reflects the fact that IGE Resources' current focus to a large extent has been and still is on exploration and development activities. However, the Company has in 2009 started diamond production from its Luxinge project in Angola. Licence to start selling the diamonds was obtained by July 2010. Through the purchase of Efidium which was concluded in March 2010, IGE became the owner of the Cassanguidi mine in Angola. The Cassanguidi mine is currently producing around 3,000 cts per month, targeting a production of 7,000 cts by the end of 2011. IGE has, from July 2010, two mines in production with the right to sell diamonds. This will significantly affect the cash flow within the IGE group in a positive direction. In addition, The Company has implemented cost reduction measures and has concentrated on projects that have the ability to generate near-term cash flow. In Burundi the operations was terminated during 2009, in Sweden, the Rönnbäcken nickel project continues to advance but at somewhat slower pace.

The Company had no revenues of minerals produced in 2009. Further details regarding the consolidated cash flows are informed in the Annual report for 2009 (which can be downloaded on www.ige.se).

8.9.5 Funding and treasury policies and objectives

The Board together with the CFO shall ensure that the Company has adequate, though not excessive cash resources, and when applicable borrowing arrangements and overdraft or standby facilities, to enable it at all times to have the level of funds available which is required to achieve its business/service objectives.

The Company has established accounting and internal control systems to ensure that the cash resources, or when applicable loan facility funds, are appropriate according to the budget and allowed use set by the Board of Directors, in accordance with laws, regulations and auditing standard and practices generally accepted in Norway.

8.10 Statutory auditor

Ernst & Young AB with the authorized auditor Jaan Kubja as head auditor is the independent auditor for IGE Resources, and has been their auditor since 2004. Ernst & Young AB has its registered address at Jakobsbergsgatan 24, SE-103 99 Stockholm, Sweden. Jaan Kubja, is a member of the Swedish Institute of Public Accountants (Sw. *Föreningen Auktoriserade Revisorer*).

9 UNAUDITED PRO FORMA FINANCIAL INFORMATION

9.1 General information

On 31 March IGE Resources acquired 100 % of the shares in Efidium Ltd. from Pangea. For more information regarding Efidium Ltd, see Section 5.6 above. The details of the transaction is found in the information document published by the Company on 19 March 2010, available at www.ige.se (for exact link, see Section 16.3 below). The information document has been incorporated by reference in this Prospectus.

The purchase of Efidium Ltd was governed by a share purchase agreement dated 21 February 2010. Through the transaction, IGE acquired 100% of the shares in Efidium from Pangea Diamondfields. Upon closing of the transaction at 31 March, 2010 IGE issued 495,399,057 new shares to Pangea as consideration under the share purchase agreement, which corresponds to a value of SEK 429 million as per the last trade on 31 March, 2010. This purchase generated a surplus value gross of SEK 598 million in the PPA and is considered to be fair value. Pangea started the distribution of the new shares to its shareholders immediately after the new shares was issued by IGE. After the distribution, is completed, the former shareholders of Pangea held approximately 38% of the share capital of IGE.

The unaudited pro forma consolidated income statement is based on the historical income statement for Efidium Ltd. and the Company. Because of its nature, the consolidated pro forma financial information addresses a hypothetical situation and, therefore, does not represent IGE Resources actual financial position or results. There is a higher degree of uncertainty associated with pro forma figures than with actual reported results. The pro forma financial information is based on judgments and assumptions made by the management of the Company that would not necessarily have occurred if the transaction had been made at an earlier point in time.

9.2 Purpose of the unaudited pro forma financial information

The unaudited pro forma financial information has been prepared to illustrate the main effects of the acquisition of Efidium to the income statement of the Company for the full year ending on 31 December 2009, the most recent interim period, ending 30 June 2010, as if the transaction had taken place as of 1 January 2009 as well as if the transaction has taken place on 1 January 2010. The pro forma financial information is prepared for illustrative purposes only and does only include conditions directly associated with the transaction.

9.3 Basis for preparation

The historical figures for both companies are prepared under uniform accounting principles, and the accounting principles applied are in accordance with IFRS as adopted by EU. The pro forma consolidated income statement for the first six month of 2010 is based on unaudited accountings. The pro forma income statement for the period 1 January to 31 December 2009 is based on audited annual accountings for IGE and unaudited for the Efidium Group. Efidiums financial statements are prepared in USD and converted into SEK with an average exchange rate for the corresponding period. There are no other accounting assumptions than described below in 9.4

A copy of Efidium Ltd.'s unadited annual accounts for 2009 is found in the information document published by the Company on 19 March 2010, available at www.ige.se (for exact link, see Section 16.3 below). The information document has been incorporated by reference in this Prospectus. Efidium Ltd's unaudited consolidated accounts for the first quarter of 2010 is attached as Appendix 2A to this Prospectus and Efidium Ltd's unaudited consolidated accounts for the first six months of 2010 is attached as Appendix 2B to this Prospectus.

9.4 Unaudited pro forma consolidated income statement

Unaudited pro forma consolidated income statement for 2009

(TSEK)	IGE	Efidium Unaudited	Pro forma adjustments	Pro forma IGE	Note
Diamond sales		15,365		15,365	
Other income	15,169	11,692		26,861	

				0	
Change in stock				0	
Other external expenses	-51,918	-52,561	19,868	-84,611	(1)
Personnel expenses	-23,110	-18,082		-41,192	
Other operating expenses	-1,069	-24,042	13,559	-11,552	(1)
Depreciations and write downs	-5,931	-150,683		-156,614	
Operating result	**-66,859**	**-218,310**	**33,427**	-251,742	
Financial revenue	6,136	2,709		8,845	
Financial expenses	-5,059	-6,106		-11,165	
Total financial items	1,077	-3,397	0	-2,320	
Result before tax	**-65,782**	**-221,707**	**33,427**	**-254,062**	
Income tax	0	0	0	0	
Result for the period	**-65,782**	**-221,707**	**33,427**	**-254,062**	
Result for the period attributable to:					
Equity holders of the parent company	-65,782	-221,707	33,427	-254,062	
Minority interest	-				
Result for the period	**-65,782**	**-221,707**	**33,427**	**-254,062**	

Comments to pro forma adjustments:

(1) *As the IGE Group and Efidium Group historically have used different accounting assumptions within IFRS regarding capitalization of pre production expenditures referable to each project, the income statement of Efidium has been adjusted to be comparable to International Gold Exploration's income statement. The effect of this capitalization of pre production expenditures has decreased the loss of the Efidium Group during 2009 with 41,427 (13,559 and 27,868) TSEK. In addition an estimated transaction cost of 8,000 TSEK has increased the item other external expenses as a result of the purchase of Efidium. The amount adjusted in the item other external expenses, 19,868 TSEK, is referable to the sum of the amount capitalized according to above, 27,868 TSEK and -8,000 TSEK, which is the estimated cost of the transaction.*

Unaudited pro forma consolidated income statement for the interim period ending 30 June 2010

(TSEK)	IGE	1 jan -31 mar Efidium Unaudited	Pro forma adjustments	Pro forma IGE	Note
Diamond sales	6,291	4,320		10,611	
Other income	20,876	-		20,876	
Other external expenses	-25,019	-8,899		-33,918	
Personnel expenses	-16,892	-4,959		-21,851	
Other operating expenses	-4,923	-2,229		-7,152	
Depreciations and writedowns	-4,411	-3,640	-176	-8,227	(1)
Operating result	-24,078	-15,408	-176	-39,662	
Financial revenue	1,547	4		1,551	
Financial expenses	-8,749	-		-8,749	
Total financial items	-7,202	4	0	-7,198	
Result before tax	-31,280	-15,403	-176	-46,859	

Income tax	135	0	62	197	(2)
Result for the period	**-31,145**	**-15,403**	**-114**	**-46,662**	

Comments to pro forma adjustments:

The purchase of Efidium was concluded on the 31 March 2010. The interim of IGE Group for the period 1 January to 30 June 2010 presented in this prospectus did not include the result related to Efidium during the period 1 January 2010 to 31 March 2010. The above pro forma is done in order to present the result of the IGE Group including Efidium for the whole period, 1 January 2010 to 30 June 2010.

(1) *The Cassanguidi project has reached a commercial phase and has, as a consequence been reclassified in the balance sheet to be reported within the item Mine and other development asset. This was made as per March 31st in conjunction to the consolidation of the new IGE group. IGE's accounting principles differed within IFRS to some extent from the principles for mineral assets used by the Pangea Diamondfields before the purchase. When using IGE´s accounting principles this adjustment are included as of Jan 1 and therefore stated in the pro forma adjustment This resulted in that the assets was reclassified in conjunction to the merger between the accountings of the two Groups. As a consequence the depreciation starts of the asset value based on number of carats sold in relation to the total verified resource according to a samrec compliant resource estimate. The amount depreciated is based on the number of carats sold during the accounting period in relation to the total resource estimation of Cassanguidi (902,000 cts). The total Mine and other development asset referable to the Cassanguidi project is depreciated in line with the percentage part of the total resource that has been extracted and sold during the period. The 2,813 cts sold during the first quarter of 2010, results in a depreciation amounting to 176 TSEK.*

(2) *The depreciation of the asset according to above section, results in a reversal of the provision made for deferred tax liabilities. The reversed amount (62 TSEK) corresponds to the part of the tax liability directly related to the amount of the asset that was depreciated (176 TSEK).*

9.5 Independent assurance report on pro forma

Ernst & Young AB's assurance report on the pro forma financial information included in this section 9 is attached as Appendix 3 to this Prospectus.

10 SHARE CAPITAL AND SHAREHOLDER MATTERS

10.1 General

Under Swedish law, limited liability companies are divided into two categories, private and public companies. Only the shares of public companies may be traded on a stock exchange or other regulated market places. The Company is a Swedish public limited liability company (in Swedish: publikt aktiebolag), subject to provisions of above all the Swedish Limited Companies Act.

The Company's share capital prior to the Private Placement is SEK 71,010,995.55 divided into 1,420,219,911 Shares, each with a quota value of SEK 0.05. The Company has one class of Shares which are fully paid. The Shares of the Company are currently admitted to trading on the Oslo Stock Exchange with the ticker "IGE".

The Company's statutory share register is operated through Euroclear in Sweden. The Shares are also registered in the VPS in Norway. The Company's registrar in Sweden is Nordea, Regeringsgatan 59, SE 105 71 Sweden. The Company's registrar in Norway is DnB NOR Bank ASA. The securities number (ISIN number) for the Company's Shares is SE 000378119.

10.2 Development in share capital

The Company has undertaken the following share issues since 1 January 2007:

Date	Transaction	Increase of number of shares	Increase of share capital	Total number of shares	Total share capital	Face value (SEK)
01/01/2007	-	-	-	341,000,000	17,050,000	0.05
16/04/2008	New share issue	34,000,000	1,700,000	375,000,000	18,750,000	0.05
12/12/2008	Conversion loan	9,000,000	450,000	384,000,000	19,200,000	0.05
29/12/2008	Conversion loan	8,000,000	400,000	392,000,000	19,600,000	0.05
20/01/2009	Issue in kind	26,161,828	1,308,091	418,161,828	20,908,091	0.05
11/02/2009	Conversion loan	11,000,000	550,000	429,161,828	21,458,091	0.05
31/03/2009	Issue in kind	312,000	15,600	429,473,828	21,473,691	0.05
01/04/2009	Conversion loan	35,600,000	1 780,000	465,073,828	23,253,691	0.05
03/04/2009	Conversion loan	4,400,000	220,000	469,473,828	23,473,691	0.05
16/04/2009	Conversion loan	10,000,000	500,000	479,473,828	23,973,691	0.05
06/07/2009	Exercise of warrant	12,000,000	600,000	491,473,828	24,573,691	0.05
07/07/2009	Issue in kind	367,336	18,367	491,841,164	24,592,058	0.05
05/10/2009	New share issue	221,800,000	11,090,000	713,641,164	35,682,058.20	0.05
05/10/2009	Conversion of debt	68,000,000	3,400,000	781,641,164	39,082,058.20	0.05
26/11/2009	New share issue	14,068,789	703,439	795,709,953	39,785,498	0.05
08/04/2010	Issue in kind (purchase of Efidium)	495,399,057	24,769,953	1,291,109,010	64,555,451	0.05
05/05/2010	New share issue	64,632,664	3,231,633	1,355,741,674	67,787,084	0.05
28/06/2010	New share issue	10,802,538	540,127	1,366,544,212	68,327,211	0,05

22/07/2010	New share issue	53,675,699	2,683,785	1,420,219,911	71,010,996	0.05

IGE concluded the purchase of the activities of Pangea Diamondfields by 31 March 2010. The purchase was a non cash affecting transaction, the payment was settled with a payment of 495,399,057 new issued shares in IGE.

10.3 Share options, convertible securities, etc

There are 12,000,000 outstanding warrants under the 2008 Incentive Programme as described in section 7.4.4.

In addition, there is an outstanding convertible loan of SEK 5,000,000 hold by Norrlandsfonden entitling Norrlandsfonden to convert to loan against new shares in the Company at a conversion price of SEK 0.70 per shares as further described in section 11.3 below.

525,000 call options have been issued by the Company in relation to its shareholding in IGE Nordic as described in section 7.4.4.

The Company has not issued any convertible securities, exchangeable securities, warrants or other securities exchange into Shares other than described above in this section 10.3.

10.4 Authorisation to increase the share capital

On 6 May 2010, the Annual General Meeting of the Company resolved to authorise the Board to, on one or several occasions, until the next annual general meeting, through the issuance of shares, convertibles or warrants, encompassing a share capital increase with up to SEK 25,000,000 corresponding to up to 500,000,000 shares. The preferential right of the Existing Shareholders may be derogated from. Payments for subscribed shares may be settled by way of cash contribution, contribution in kind or set-off of debt. The authorization may be used for the purpose of raising capital and/or acquisitions where the consideration in whole or in part shall be made in shares, convertibles and/or warrants. The authorization was registered with the Swedish Companies Register on 21 May 2010 and has been utilized by the Board on 8 June 2010 by issuing a convertible loan of SEK 5 million at a conversion price of 0.70 SEK to Norrlandsfonden, on 22 June 2010 by issuing 10,802,538 new shares and on 22 July 2010 by issuing 53,675,699 which shares were subscribed by YA Global Master SPV Ltd in line with the Standby Equity Distribution Agreement. The purpose of these transactions was to finance the further development of the IGE mineral projects.

After completion of the Private Placement, the Board is authorized to issue additional 43,080,610 new shares pursuant to the authorization resolved by the Annual General Meeting on 6 May 201.

10.5 Own shares

The Company does not hold any own Shares. The Board of Directors holds no authorization to resolve that the Company shall acquire any own Shares.

10.6 Shareholder structure and major shareholders

As of the end of September 2010, the Company had about 7,500 shareholders. A summary of the Company’s 20 largest shareholders registered in the VPS as of 16 September 2010, adjusted for the subscriptions made in the Private Placement is set out in the table below.

SHAREHOLDER	NO OF SHARES	% OF TOTAL
JPMORGAN CHASE BANK	149,982,184	8.31%
PANGEA DIAMONFIELDS PLC*	117,309,423	6.50%
BROWN BROTHERS HARRIMAN & CO	65,299,159	3.62%
SSE OPPORTUNITIES	45,000,000	2.49%
ULRIK JANSSON	43,470,000	2.41%
SIX SIS AG 25PCT	36,819,541	2.04%
BRAIT INTERNATINAL LIMITED	33,536,319	1.86%
RUTGER ARNHULT	26,465,000	1.47%
SYCAMORE TRUST	26,086,956	1.44%
AMIC MINING MANAGEMENT HOLDING LIMITED	23,478,260	1.30%
AM CAPITAL	19,590,683	1.08%
AVANZA BANK AB MEGLERKONTO	17,706,460	0.98%
NIKLAS THORÉN (KUNDER)	17,000,000	0.94%
TANGENT FOND	15,120,000	0.84%
HUMLE KAPITALFÖRVALTNING	15,100,000	0.84%
NORDNET BANK AB	13,505,880	0.75%
DANSKE BANK A/S	12,370,958	0.69%
DCF CAPITAL	12,000,000	0.66%
JPMORGAN CHASE BANK	10,305,559	0.57%
SILVERCOIN	10,000,000	0.55%
TOTAL 20 LARGEST SHAREHOLDERS	**710,146,382**	**39.33%**
OTHERS	1,095,472,428	60.67%
TOTAL NUMBER OF SHARES	**1,805,618,810**	**100.00%**

* Pangea Diamonfields PLC holds the shares as trustee of its former shareholders and is not the beneficial owner.

All shareholders with a shareholding of 5% or more are subject to disclosure regulations (notification of large shareholdings).

All Shares and shareholders have equal rights, including voting rights. Major shareholders do not have different voting rights. To the knowledge of the Board, there are no arrangements which may at a subsequent date result in a change of control of the Company.

To the knowledge of the Company, the Company is not directly or indirectly owned or controlled by a single shareholder or a group of shareholders acting in concert. The Company has not implemented any specific measures to prevent abuse of control form a major shareholder. However, certain provisions of the Swedish Limited Companies Act and other legislation relevant to the Company aim to prevent abuse.

The Company is not aware of any arrangements which may at a subsequent date result in a change of control of the Company.

10.7 Dividend policy

The Company intends to follow a dividend policy favourable to the shareholders. The amount of any dividends to be distributed will be dependent on the Company's investment requirements and rate of growth as well as the general development and financing requirements of the Company.

The Company has not paid any divided since its incorporation.

10.8 Memorandum and Articles of Association

The Articles of Association of the Company are included as Appendix 1 to this Prospectus. According to section 3 of the Articles of Association, the purpose of the Company is, directly or through subsidiaries or joint ventures, to carry on mining activities and exploration of minerals, and to own and manage movable and real property, and activities connected with such. The Company has one class of hares only. According to section 6 of the Articles of Association the Board of Directors shall have at least three (3) and maximum six (6) members. The Articles of Association of the Company contain no provisions restricting foreign ownership of Shares. There are no limitations under the Articles of Association on the rights of non-residents or foreign owners to hold or vote the Shares.

10.9 Shareholder rights

The Shares are identical in every respect and carry the right to one vote at general meetings. None of the major shareholders have different voting rights.

All dividends of the Company shall be declared, apportioned and paid to the shareholders registered as shareholders on the relevant date, see section 10.16. Shareholders have pre-emption rights in new issues of securities by the Company unless such pre-emption rights is waived by a shareholders' resolution which requires support by two-thirds of the votes cast as well as two-thirds of the aggregate share capital represented at the general meeting of the Company.

Any amendment of the shareholders rights to vote at general meetings must be done by amending the Articles of Association, see section 10.14.

There are neither restrictions on the transferability of the Shares nor any restrictions on foreign ownership of the Shares. Existing Shareholders do not have any pre-emptive rights upon the transfer of Shares.

10.10 General meetings of shareholders

Through the general meeting, the Company's shareholders exercise the supreme authority in the Company, subject to the limitations provided by Swedish law.

All shareholders in the Company are entitled to attend and vote at general meetings, either in person or by proxy. In general, in order to be entitled to vote, a shareholder must be registered as the owner of Shares in the share register kept by the VPC. Beneficial owners of Shares that are registered in the name of a nominee are generally not entitled to vote under Swedish law, nor are any persons who are designated in the register as holding such Shares as nominees. Shareholders registered as such in the VPS will only be entitled to vote at general meetings of the Company if he has arranged for registration of entitlement to vote (in Swedish: Rösträttregistrering) in the VPC through the Registrar at the latest 5 business days (including Saturdays) prior to the general meeting and has noticed the Company of his participation at the general meeting in accordance with the notice to the meeting. In order to adopt the Company's Articles Association to the new upcoming regulation of the Swedish Companies Act as regards notice of general meetings, the Annual General Meeting of the Company held on May 6, 2010 decided on a conditioned amendment of the Company's Articles Association as regards notice of general meetings. The amendment implies that notice of general meeting of the shareholders shall be published in Post och Inrikes

Tidningar and at the Company's web site and that an announcement that notice has been given shall be placed in Dagens Industri. However, the amendment is conditioned by that the new regulation in the Swedish Limited Companies Act comes into force, which is expected be before the Annual General Meeting 2011.

The notice shall include matters to be addressed at the meeting, and a proposal for an agenda for the meeting. A shareholder is entitled to submit proposals to be discussed at general meetings provided such proposals are submitted in writing to the Board of Directors in such good time that it can be entered on the agenda of the meeting.

The Annual General Meeting shall be called by the Board such that it can be held within six (6) months from the end of each financial year. The annual general meeting shall deal with and decide on the adoption of the annual financial statement and annual report, the question of declaring dividend and such other matters as may be set out in the notice of the annual general meeting.

Extraordinary general meetings can be called by the Board. In addition, the Board shall call an extraordinary general meeting whenever so demanded in writing by the auditor or shareholders representing at least 10% of the share capital, in order to deal with a specific subject.

The following matters shall always be resolved by the annual general meeting:

- Approval of the annual report and the auditors' report as well as, where appropriate, the consolidated accounts and auditors' report on the consolidated accounts;
- adoption of the profit and loss account and balance sheet and, where appropriate, the consolidated profit and loss account and consolidated balance sheet; allocation of the company's profits or losses as set forth in the adopted balance sheet;
- discharge from liability of the members of the Board and the managing director;
- determination of the remuneration to the Board and the auditors; and
- election of the Board members and, where appropriate, auditors and alternate auditors.

10.11 Disclosure requirements

Under Norwegian law, an acquisition, disposal or any other circumstance, that causes the shareholder's proportion of shares and/or rights to shares to reach, exceed or fall below 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or an equivalent proportion of the voting rights in a company whose shares are quoted on the Oslo Stock Exchange, the acquirer shall immediately notify such acquisition to the Oslo Stock Exchange.

10.12 Mandatory offer requirement

As the Company's registered office is in Sweden, and the Shares of the Company is admitted to trading on the Oslo Stock Exchange, partly Swedish and partly Norwegian mandatory offer rules will apply.

According to subsection 2 of section 6-14 of the Norwegian Securities Trading Regulations matters relating to;

- the consideration offered in the case of a bid, in particular the price, and matters relating to the bid procedure, in particular the information on the offeror's decision to make a bid, the contents of the offer document and the disclosure of the bid, shall be dealt with in accordance with the rules of Norway, whereas;

- in matters relating to the information to be provided to the employees of the offeree company and in matters relating to company law, in particular the percentage of voting rights which confers control and any derogation from the obligation to launch a bid, as well as the conditions under which the board of the offeree company may undertake any action which might result in the frustration of the bid, the applicable rules of Sweden will apply.

Swedish rules on the thresholds triggering a mandatory offer obligation, and rules on consolidation, will also apply in relation to the Company. Pursuant to the Swedish Act on Public Takeover Bids on the Stock Market (Sw. *Lagen om offentliga uppköpserbjudanden på aktiemarknaden*) any person that acquires more than 3/10 of the voting rights of a listed company (including a Swedish company listed on the Oslo Stock Exchange) is required to make an unconditional public offer for the purchase of the remaining shares in the company. Further, the shares of related parties, such as close relatives of the shareholder and companies controlled by such persons, companies in the same group of companies as the shareholder, and persons with which the shareholder is bindingly acting in concert and companies controlled by such persons, are considered equal to the shareholder's own shares.

The Oslo Stock Exchange will be the authority competent to supervise the takeover bid. Matters relating to the consideration offered in the case of a bid, in particular the price, and matters relating to the bid procedure, in particular the information on the offeror's decision to make a bid, the contents of the offer document and the disclosure of the bid, shall be dealt with in accordance with the rules set out in the Norwegian Securities Trading Act. According to the Norwegian Securities Trading Act, the offer must be made within four weeks after the threshold was passed and is subject to approval by the Oslo Stock Exchange before submission to the shareholders. All shareholders must be treated equally. The offer price per Share must be at least as high as the highest price paid or agreed by the bidder in the six-month period prior to the date when the obligation to make a mandatory offer occurred, but if it is clear that the market price at the point the mandatory bid obligation was triggered is higher, the bid shall be at least as high as the market price. In the event that the acquirer thereafter, but prior to the expiration of the bid period, acquires or agrees to acquire, additional Shares at a higher price, the acquirer is obliged to restate its bid at that higher price. A mandatory offer must be in cash. A bid may nonetheless give the shareholders the right to accept an alternative to cash. A shareholder who fails to make the required offer must within four weeks dispose of sufficient shares so that the obligation ceases to apply (i.e. reduce the ownership to a level below the relevant threshold). Otherwise, The Oslo Stock Exchange may cause the shares exceeding the relevant threshold to be sold by public auction. The Oslo Stock Exchange may impose a daily fine upon a shareholder who fails to make the required offer or sell down below the relevant threshold.

10.13 Compulsory acquisition

According to the Swedish Limited Companies Act, a shareholder that holds more than nine-tenth of the Shares in the Company (majority shareholder) shall be entitled to buy-out the remaining shares of the other shareholders (minority shareholders) of the Company. Furthermore, a minority shareholder whose Shares may be bought out in accordance with the aforementioned is entitled to compel the majority shareholder to purchase his shares. The purchase price shall be determined to market price and for listed shares the purchase price shall correspondence to the listed value, unless specific circumstances otherwise dictates. A dispute regarding the existence of any buy-out right or obligation or the purchase price shall be determined by three arbitrators in accordance with the Swedish Arbitration Act.

10.14 Voting rights

Each Share in the Company carries one vote. Each Share held by a major shareholder carries the same voting right as each Share held by any other shareholder.

As a general rule, resolutions that shareholders are entitled to make pursuant to Swedish law or the Company's Articles of Association require a simple majority of the votes cast. In the case of election of directors to the Board, the persons who obtain the most votes cast are deemed elected to fill the positions up for election. However, as required under Swedish law, certain decisions, including resolutions to waive preferential rights in connection with any share issue, to approve a merger or de-merger, to amend the Company's Articles of Association or to authorise the Board to resolve on share capital increases with deviation from the shareholders' preferential rights or to resolve on reduction of the share capital, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a shareholders' meeting. Swedish law further requires that certain decisions, which have the effect of altering the rights and preferences of certain share or shares, receive the approval of all the holders of such share or shares present at the meeting and who together represent not less than nine-tenth of all shares whose rights are affected, as well as the majority required for amendments to the Company's Articles of Association. If such alterations only have effect on the rights of an entire class of shares, the decision requires the approval of one half of all the holders of shares of such class and nine-tenth of such class represented at the meeting, as well as the majority required for amendments to the Company's Articles of Association. Decisions that (i) would reduce any shareholder's right in respect of dividend payments or other rights to the assets of the Company; or (ii) restrict the transferability of the shares, require to be supported by all of the shareholders present at the meeting who together represent not less than 90% of the share capital in the Company. Decisions that means restrictions in the number of shares which shareholders may vote for at general meeting require to be supported by two-thirds of the vote casts and nine-tenth of the shares represented at the general meeting.

In general, in order to be entitled to vote, a shareholder must be registered as the owner of Shares in the share register kept by the VPC. Beneficial owners of Shares that are registered in the name of a nominee are generally not entitled to vote under Swedish law, nor are any persons who are designated in the register as holding such Shares as nominees. Shareholders registered as such in the VPS will only be entitled to vote at general meetings of the Company if he has arranged for registration of entitlement to vote (in Swedish: Rösträttregistrering) in the VPC through the Registrar at the latest 5 business days (including Saturdays) prior to the general meeting and has noticed the Company of his participation at the general meeting in accordance with the notice to the meeting. For further information see section 10.10 above.

There are no conditions imposed by the memorandum or Articles of Association of the Company which set out more stringent conditions for changes in the capital than what is required by statutory law.

10.15 Additional share issuances and preferential rights

Under the Swedish Limited Companies Act, the Company's shareholders have a preferential right to subscribe for issues of new shares by the Company. New share issues with preferential rights for the Company’s shareholders that do not require an amendment to the Articles of Associations, require a resolution by the general meeting with simple majority (more than 50% of the votes present at the meeting). The shareholders’ preferential rights to subscribe for shares in an issue may be waived by a resolution at a general meeting supported by two third of the votes and shares present at the general meeting.

Under the Swedish Limited Companies Act, bonus issues may be distributed, subject to resolution of the general meeting, by transfer from the Company's free equity or from its statutory reserve or revaluation reserve. Such bonus issues may be effected either by issuing new shares or by increasing the quota value of the outstanding shares.

There are no conditions imposed by the memorandum or Articles of Association of the Company which set out more stringent conditions for changes in the capital than what is required by statutory law.

10.16 Dividends

Under Swedish law, no interim dividends may be paid in respect of a financial period as to which audited financial statements have not been approved by the annual general meeting of shareholders, and any proposal to pay a dividend must be recommended or accepted by the Board and approved by the shareholders at a general meeting. The shareholders may vote to reduce (but not to increase) the dividends proposed by the Board. However, the annual general meeting may vote to increase the dividends if such obligation is set forth in the articles of association or such dividend is approved due to the right of minority shareholders to receive the minimum dividend set forth by Swedish law.

Dividends may only be paid, if after the payment the restricted equity of the Company is fully intact and presupposing that the payment is possible under the rule of prudence, e.g. the Company’s need for consolidation.

Under Swedish foreign exchange controls currently in effect, transfers of capital to and from Sweden are not subject to prior government approval except for the physical transfer of payments in currency, which is restricted to licensed banks. Consequently, a non-Swedish resident may receive dividend payments without Swedish exchange control consent if such payment is made only through a licensed bank.

All shareholders that are registered as shareholders in the VPC/VPS system at the registration date (Sw. *avstämningsdag*) resolved by the general meeting when making the dividend resolution, are entitled to dividend, unless otherwise decided in connection with the share issue, and dividends are paid out to the shareholders on the day decided by the general meeting. There are no restrictions on dividends or special procedures for shareholders who reside outside Sweden.

10.17 Change of the rights of holders of Shares

The Company’s Articles of Association do not contain any special regulations for changing the rights of holders of the Company’s Shares. Subject to specific requirements set out in the Swedish Limited Companies Act, the general meeting may adopt a resolution to change rights attached on the Company’s Shares. Such resolution requires an amendment to the Articles of Association, which requires the same vote as other amendments to the

Articles of Association. In addition, stricter majority requirements may apply depending on the manner in which the change of rights to be carried out (see Section 10.14 above).

10.18 Redemption and conversion rights

There are no redemption rights or conversion rights attached to the Shares.

10.19 Rights on liquidation

Under Swedish law, the Company may be liquidated by a resolution (simple majority) in a general meeting of the Company. The Shares rank *pari passu* in the event of return of capital by the Company upon a liquidation or otherwise.

10.20 Reports to shareholders

The Company publishes annual and interim reports that include financial statements. The consolidated financial statements are published in accordance with the International Financial Reporting Standards, IFRS, as issued by the International Accounting Standards Board.

10.21 Notification and publication requirements

The Company will provide its shareholders, the Oslo Stock Exchange, and the market as a whole with timely and accurate information. Notices will be published through the Oslo Stock Exchange’s information system and on the Company’s internet site.

11 LEGAL MATTERS

11.1 Legal and arbitration proceedings

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware) involving the Group, during the previous 12 months which may have, or have had in the recent past significant effects on the Company’s and/or the Group's financial position or profitability.

11.2 Related party agreements

As at the date of this Prospectus, the Company is a party to the following agreement with related parties:

- Mace Consulting has invoiced IGE SEK 216 thousands during the reporting period for services related to management assistance and market communication. Mace Consulting is a related party on behalf of its Managing Director, Magne Aaby who is a member of the board in IGE.
- The creditor of the long term liability of SEK 6.5 million is Pangea Exploration (Pty) Ltd. Pangea Exploration (Pty) Ltd is owned by a trust of which Robert Still is a trustee and a potential beneficiary and Anton Esterhuizen. Robert Still and Anton Esterhuizen are directors of the Lender and IGE Resources. The borrower is a member of the IGE Group. As a consequence, this loan is considered to be between related parties, and is thus deemed a related party transaction.
- TSEK 400 was paid to John Afseth during the second quarter of 2010 for work carried out in relation the financing of the Group. John Afseth is the Chairman of IGE Resources AB.

Since 1 January 2006, the Company has been a party to the following related party arrangements:

- The Company has previously rented a storeroom of PA Resources AB (publ) and during periods, office services and rent of office space. PA Resources AB was a related party due to its Managing Director Ulrik Jansson, who was a member of the Company’s board. During 2007 PA Resources AB invoiced the Company an amount of SEK 72,000. During 2006 the Company paid PA Resources AB an amount of SEK 255,000for the above mentioned services.
- In 2006 former member of the Board of Directors, Bill Sundberg invoiced the Company an amount for SEK 47,000 for work related to the preparation of the Annual report 2006.

All of the above mentioned transactions were based on the principle of “arms length” pricing and market terms.

11.3 Material contracts

The Group has entered into the following contracts considered to be of material importance for the business of the Company:

- In September 2009, the Company sold its 50% interest in Kilimapesa Gold (Pty) Limited in exchange for a consideration of USD 2.7 million of which USD 1.2 million has been paid, and the balance is payable in six (6) monthly amounts of USD 250,000 commencing when Kilimapesa Gold’s mining licence is issued by the authorities in Kenya.
- In June 2010 IGE entered into a strategic partnership with Mitchell River Group (MRG) of Australia for its Rönnbäcken nickel project in Sweden. MRG has a strong value development track record in nickel projects. According to the partnership agreement, MRG will provide additional expertise, capabilities and technical resources to the development of Rönnbäcken going forward, in return for an option to acquire a 10 per cent interest in the Rönnbäcken nickel project.

- IGE entered in June 2010 in a standby equity facility contract amounting to NOK 150 million. The facility will be utilised if and when needed to secure further financing of IGE's diamond projects in Southern Africa and its nickel project in Sweden. The agreement is made with YA Global Master SPV, Ltd. an investment fund managed by US based Yorkville Advisors, The facility is an equity financing mechanism that has previously been implemented by a number of companies listed on the London AIM market and was introduced to companies listed on the Oslo Stock Exchange earlier during 2010.

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

    - The maturity date of the convertible loan was set to 31 August 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 0.70.

    - The Company 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 that an additional 7,142,857 shares will be issued (a dilution of about 0.5%).

- IGE has retained Hatch Corporate Finance to execute a private placement in a subsidiary of IGE Resources, which will own the assets of the Rönnbäcken Nickel Project (currently IGE Nordic AB). IGE is looking to secure a strategic investor in the Rönnbäcken Nickel Project, primarily to finance and accelerate the Pre-Feasibility Study, estimated to cost approximately USD13 million, in exchange for a minority interest in the Rönnbäcken Project.

12 NORWEGIAN TAX

The following is a summary of certain Norwegian tax considerations relevant to the ownership and disposal of shares by holders that are resident of Norway for purposes of Norwegian taxation.

The summary is based on applicable Norwegian laws, rules and regulations as they exist as of the date of this Prospectus. Such laws, rules and regulations are subject to change, possibly on a retroactive basis. The summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to the shareholders and does not address foreign tax laws.

Shareholder are advised to consult their own tax advisors to determine the overall and particular tax consequences of their ownership of shares and the applicability and effect of any Norwegian or foreign tax laws, tax treaties and possible changes in such laws.

12.1 Norwegian shareholders

12.1.1 Taxation of dividends

Corporate shareholders

Dividends distributed from the Company to Norwegian corporate shareholders (i.e. limited liability companies and similar entities) are currently exempt from taxation in Norway according to the Norwegian tax exemption method except for that 3 % of the taxpayer's dividend income from qualifying shares under the tax exemption method are taxed at a rate of 28 %.

According to the Nordic tax treaty article 10 (3) Swedish withholding tax of 15 % applies for a corporate shareholder resident in Norway. No Swedish withholding tax shall apply if the beneficial owner of the dividends is a company (other than partnership) which holds directly at least 10 per cent of the capital of the company paying the dividends. See also section 13.2 with respect to withholding tax levied in Sweden.

Please note that to the extent a Swedish withholding tax is levied (see above) this tax will effectively not be credited in Norway because the dividend income received from the Swedish company is tax free except for the 3 % which shall be included in taxable income.

Individual shareholders

Dividends distributed to individual Norwegian shareholders exceeding a calculated tax free allowance (“skjermingsfradrag”), will be taxed in Norway as ordinary income for the shareholder. Ordinary income is taxed at a flat rate of 28 %. The taxpayer will, however, be entitled to the following tax credits:

a) Tax Credit for Withholding tax paid in Sweden

According to the Nordic tax treaty article 10 (3) Swedish withholding tax of 15 % applies for an individual shareholder. See also section 13.2 with respect to withholding tax levied in Sweden.

An individual shareholder will be entitled to a credit in Norwegian tax on dividends received from the Swedish company for withholding tax paid in Sweden. The effective Norwegian Tax will then be lower than 28%.

b) Tax free allowance ("skjermingsfradrag")

The tax-free allowance is calculated annually on a share to share basis (not on a portfolio basis). The annual allowance for each share will be equal to the cost price of that share multiplied by a risk free interest rate (“skjermingsrente”). Any part of the calculated annual allowance exceeding the dividend distributed on the share in one year will be added to the cost price of that share and included in the basis for calculating the tax-free allowance the following year. The allowance for each share is accordingly equal to the total of (annual) allowance amounts calculated for this share for previous years, less dividends distributed on this share.

The tax free allowance is allocated to the individual shareholders holding shares at the end of each calendar year. Individual shareholders who transfer shares will not be entitled to deduct any calculated allowance related to the year of transfer.

12.1.2 Taxation on realisation of Shares

Corporate shareholders

According to the tax treaty article 13 (6) capital gains from disposal of shares in a Swedish resident company held by a Norwegian corporate shareholder is taxable only in Norway. See also chapter 13.2.

For Norwegian corporate shareholders, gains from sale or other disposal of shares in the Company are currently exempt from taxation in Norway according to the Norwegian tax exemption method except for that 3 % of the taxpayer's net capital gains from qualifying shares under the tax exemption method are taxed at a rate of 28 %.

This implies that any capital gain derived from the sale or other disposal of shares in The Company will effectively be subject to 0.84% income tax (28 % tax rate x 3 % taxable income). If the realisation of shares in The Company leads to a capital loss, no part of such loss will be deductible for a corporate shareholder for tax purposes.

Individual shareholders

According to the tax treaty article 13 (6) capital gains from disposal of shares in a Swedish resident company held by a Norwegian individual shareholder is taxable only in Norway. See also section 13.2.

For Norwegian individual shareholders gains from sale or other disposal of shares are taxable in Norway as ordinary income at a rate of 28 % and losses are deductible against ordinary income.

Gain or loss is calculated per share, and the capital gain (or loss) is equal to the sale price less the cost price of the shares less transactions costs. From the basic calculation of the capital gain Norwegian individual shareholders are entitled to deduct a calculated tax-free allowance when calculating their taxable income (see above). The calculated allowance may only be deducted in order to reduce a taxable gain calculated upon the realisation of the share, and may not be deducted in order to produce or increase a loss for tax purposes.

The tax free allowance is allocated to the individual shareholders holding shares at the end of each calendar year. Individual shareholders who transfer shares will not be entitled to deduct any calculated allowance related to the year of transfer.

If a shareholder sell shares acquired at different times, the shares that were first acquired will be deemed as first sold (the FIFO-principle) upon calculating taxable gain or loss.

A Norwegian individual shareholder who moves abroad and ceases to be tax resident in Norway or is regarded as tax resident in another jurisdiction according to an applicable tax treaty, will be deemed taxable in Norway for any inherent gain related to the shares held at the time the tax residency ceased under Norwegian law or the time when the shareholder was regarded as tax resident in another jurisdiction according to an applicable tax treaty, as if the shares were realised the day before the tax residency ceased (*exit taxation*). Currently, total inherent capital gains of NOK 500,000 or less are not taxable.

If the shareholder moves to a jurisdiction within the EEA, inherent losses related to shares held at the time the tax residency ceases will be tax deductible. To avoid payment of the tax triggered due to the exit tax rules the shareholder may instead provide sufficient security. If the shareholder moves to a jurisdiction within the EEA with which Norway has a tax treaty providing for exchange of information, providing a security is not necessary.

Payment of the calculated tax due to the exit tax rules will in any case be due (and loss deduction applicable) at the time the shares are actually sold or otherwise disposed of. The tax liability calculated according to these provisions will be annulled if the shares are not realised within five years after the shareholder ceased to be resident in Norway for tax purposes under Norwegian law or was regarded as tax resident in another jurisdiction according to an applicable tax treaty.

12.1.3 Net wealth tax

Norwegian limited liability companies or similar entities are exempted from net wealth tax. For other resident shareholders, the shares will form part of the net capital of such shareholder and be subject to net wealth tax. Listed shares are valued at the quoted value at January 1 in the assessment year. The maximum wealth tax rate is 1.1 %.

12.1.4 Inheritance tax

When shares are transferred either through inheritance or as a gift, such transfer may give rise to inheritance or gift tax in Norway if the deceased, at the time of death, or the donor, at the time of the gift, is a resident or citizen of Norway. However, in the case of inheritance tax, if the deceased was a citizen but not a resident of Norway, Norwegian inheritance tax will not be levied on shares if inheritance tax, or a similar tax, is levied by the deceased's country of residence.

Norwegian inheritance tax may be levied if the shares are effectively connected with certain business activities carried out by the shareholder in Norway.

13 SWEDISH TAX

The statements herein regarding taxation are unless otherwise stated based on the laws in force in Sweden as of the date of this Prospectus, and are subject to any changes in law occurring after such date. Such changes could be made on a retrospective basis.

The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, own or dispose of the shares. Furthermore, the summary only focuses on the shareholder categories explicitly mentioned below (individual shareholders and limited liability companies).

Shareholders are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of Shares. In particular, this document does not include any information with respect to U.S. taxation or taxation in any other jurisdiction than Sweden. Prospective investors who may be subject to tax in the United States or any other jurisdiction are urged to consult their tax adviser regarding federal, state, local and other tax consequence of owning and disposing of Shares.

13.1 Swedish shareholders

Taxation of dividends - Individual shareholders

Dividends paid to a Swedish tax resident individual are taxed in Sweden as capital income at a flat rate of 30%. The VPC or – if the shares are nominee registered – the Nominee withholds the tax as a preliminary tax.

Taxation of dividends - Corporate shareholders (Limited liability companies)

Dividends paid to a Swedish corporate shareholder are normally taxed as ordinary business income at a flat rate of 26.3%. Dividends attributable to so-called business related shares are tax-exempt. Publicly traded shares are considered as being business related if the transferor holds at least 10% of the voting rights in the sold company or if the holding otherwise is necessary for the business conducted by the holder or any of its affiliates and that the transferor has held the transferred shares for an uninterrupted period of at least 12 months prior to the transfer date and that the transferor during this 12-month period has held a participation of at least 10% in the voting rights of the transferred company.

Taxation on realisation of Shares - general

The capital gain or, where applicable, the capital loss, is calculated as the difference between the sales proceeds less sales expenditure and the acquisition cost (costs related to acquisition and potential improvements) for the Shares sold. The acquisition cost is calculated according to the so-called average method, implying that the tax acquisition cost is calculated as the average acquisition cost for all the Shares of the same type and class.

Since the Shares in the Company are publicly traded, the acquisition cost related to these shares may be determined as 20% of the sales price after deduction of expenses related to the sale; the so-called standard rule

Taxation on realisation of Shares - Individual shareholders

A capital gain realized by Swedish tax resident individuals is taxed as capital income at a flat rate of 30%. A capital loss is normally deductible with 70% against other capital incomes. However, capital losses on publicly traded shares (such as the Company's Shares) are fully deductible against capital gains on shares (publicly traded and not-publicly traded) and on publicly traded securities taxed as shares (except for parts in interest funds) and which have been realized the same year. Capital losses may not be carried forward to the following income year.

If a net capital income loss should arise, 30% of this loss may be credited against earned income tax and against real estate tax. However, if the loss exceeds SEK 100,000 only 21% of the excess portion allows for a tax credit

Taxation on realization of Shares - Corporate shareholders

A capital gain realized by a corporate shareholder is normally taxed as ordinary business income at a flat rate of 26.3%; please see below as regards corporate shareholders holding so-called business related shares. Capital losses may only be deducted against capital gains on other securities taxed as shares. In certain cases capital losses may be offset against capital gains realized by group companies if group contributions can be exchanged between the companies. Capital losses that are not offset against capital gains may be carried forward to the following income year.

Capital gains and capital losses attributable to so-called business related shares held by corporate shareholders are not taxable/tax deductible. Special rules apply when a share cease to be business related.

Net wealth tax

There is no wealth tax in Sweden.

13.2 Non-resident shareholders

This section summarizes Swedish tax rules relevant to shareholders who are not resident in Sweden for tax purposes ("Non-resident shareholders"). Non-resident shareholders' tax liabilities in their home country or other countries will depend on applicable tax rules in the relevant country.

Taxation of dividends

Dividends distributed to shareholders who are individuals not resident in Sweden for tax purposes ("Non-resident personal shareholders"), are as a general rule subject to withholding tax at a rate of 30%. The withholding tax rate of 30% is normally reduced through tax treaties between Sweden and the country in which the shareholder is resident. The Company does not assume responsibility for with holding of taxes at the source, except as pursuant by Swedish Tax Law.

The above generally applies also to shareholders who are limited liability companies not resident in Sweden for tax purposes ("Non-resident corporate shareholders"). However, dividends distributed to Non-resident corporate shareholders are exempt from withholding tax if the Non-resident corporate shareholder shares in the company are business related shares in the dividend paying company.

Non-resident personal shareholders are subject to ordinary withholding tax.

Nominee registered Shares will be subject to withholding tax at a rate of 30% unless the nominee shows to the Tax Agency that the dividend shall to be subject to a lower withholding tax rate. The nominee must file a summary with the Tax Agency including all beneficial owners that are subject to lower withholding tax.

If a Non-resident shareholder is carrying on business activities in Sweden, and the Shares are effectively connected with such activities, the shareholder will be subject to the same taxation as Swedish shareholders, as described above.

Taxation on realization of Shares

Gains from the sale or other disposal of Shares by a Non-resident shareholder are normally not taxed in Sweden.

Moreover, a Non-resident personal shareholder may be subject to Swedish income tax on gain on shares, if this person at any time during the calendar year of the disposal or the previous ten calendar years has been domiciled or permanently resident in Sweden. However this right may be limited by applicable tax treaties for the avoidance of double taxation.

13.3 Duties on the transfer of Shares

No stamp or similar duties are currently imposed in Sweden on the transfer of Shares whether on acquisition or disposal.

13.4 Inheritance tax

There is no inheritance tax in Sweden.

14 ADDITIONAL INFORMATION

14.1 Statements by experts

The Prospectus contains no statements by experts regarding the company or market conditions.

14.2 Third party information

The information in this Prospectus that has been sourced from third parties has been accurately reproduced and as far as the Company is aware and able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.

15 DEFINITIONS & GLOSSARY TERMS

The following definitions and glossary apply in this Prospectus unless dictated otherwise by the context, including the foregoing pages of this Prospectus. Definitions in plural also apply for words in singular, and vice versa.

Articles of Association	The articles of Association of The Company as the date of the Prospectus and attached as Appendix 1
Board	The Board of Directors of the Company
Business Day	A day (not being a Saturday) on which banks are open for normal business in Oslo
CET	Central European Time
Claim or utmål	Right to explore, produce and mine within certain limits as defined in the Norwegian Mining Act of 1972. Such right may be applied for if the production from the mine is or, within reasonable time, most probably will be profitable
Company	IGE Resouces AB (publ)
Code of Practice	The Norwegian Code of Practice for Corporate Governance of 4 December 2007
DnB NOR	DnB NOR Bank ASA
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
AGM	Annual General Meeting
Group	the Company and its subsidiaries
IFRS	International Financial Reporting Standards
IGE	IGE Resources AB (publ)
IGE Diamond	IGE Diamond AB
IGE Kenya	IGE Kenya Ltd.
IGE Nordic	IGE Nordic AB
IGE Resources	IGE Resources AB (publ)
Managers	RS Platou Markets AS and Remium AB
Muting or Pre-claim	Norwegian initial exploration licence as defined in the Norwegian Mining Act of 1972. A Claim is a 250x250 meter permit from Bergmesteren to initiate initial exploration for minerals with specific density above 5
NGU	The Geological Survey of Norway
NOK	The currency in the Kingdom of Norway (Norwegian krone)
Ore	Mineral of proven economic value

Ore reserve	A mineral deposit of proven economic value
Oslo Stock Exchange	Oslo Børs
Private Placement	The private placement of 385,398,899 New Shares in the Company
Prospectus	This Prospectus issued by the Company in relation to the listing of the New Shares issued in the Private Placement
Prospectus Rules	The Prospectus rules in the Securities Trading Act and the Securities Trading Regulation, which implements the Prospective Directive (EC/2003/71), including the Commission Regulation EC/809/2004, in Norwegian law
Registrar (Norway)	DnB NOR Bank ASA
SEK	The currency in the Kingdom of Sweden (Swedish krone)
Shareholder	A shareholder of the Company
Swedish Limited Companies Act	The Swedish Limited Companies Act of 2005:551 (as amended)
Securities Trading Act	The Norwegian Securities Trading Act of 26 June 2007 No. 75 (as amended)
Securities Trading Regulation	The Norwegian Securities Trading Regulation of 29 June 2007 No. 876 (as amended)
Shares	All shares issued by the Company
Stock Exchange Regulations	The Stock Exchange Regulations of 29 June 2007 No. 875 (as amended)
VPS	The Norwegian Central Securities Depository
VPS account	An account held with VPS to register ownership of securities
VPC	The Swedish Central Securities Depository - Euroclear Sweden AB (formerly VPC AB)
VPC account	An account held with VPC to register ownership of securities

16 APPENDICES AND DOCUMENTS ON DISPLAY

16.1 Appendices

The following appendices are included in this Prospectus:

- Appendix 1: Articles of Association of the Company
- Appendix 2A: Unaudited financial information for Efidium Ltd for the first quarter of 2010
- Appendix 2B: Unaudited financial information for Efidium Ltd for the first six months of 2010
- Appendix 3: Assurance report on pro forma financial information from Ernst & Young AB

16.2 Documents on Display

The documents listed below (or copies thereof) will be available for inspection for the life of the Prospectus on the Company's website www.ige.se and at the Company's headquarters at Kungsgatan 44, SE-111 35 Stockholm, Sweden during normal business hours:

(a) the memorandum and Articles of Association of the Company;

(b) all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the issuer's request any part of which is included or referred to in the Prospectus; and

(c) the historical financial information for the Company and its subsidiary undertakings for each of the three financial years preceding the publication of the Prospectus (2007, 2008, 2009) and the interim reports for the first half year including second quarter of 2009 and 2010.

16.3 Cross Reference List

Name of document	Prospectus reference (section)	Available from	Specification / relevant pages
The Company's annual report for 2009	1.8, 8.1	http://www.ige.se/Files.aspx?f_id=40098	Financial statements 2009 (incl. director's report): p. 47 - 81 Auditor's report: p. 83
The Company's annual report for 2008	1.8, 8.1	http://www.ige.se/Files.aspx?f_id=35411	Financial statements 2008 (incl. director's report): p. 43 - 78 Auditor's report: p. 81
The Company's annual report for 2007	1.8, 8.1	http://www.ige.se/Files.aspx?f_id=35416	Financial statements 2007 (incl. director's

			report): p. 55 - 88 Auditor's report: p. 91
The Company's interim financial report for the first six months and the 2nd quarter of 2010	1.8, 8.1	http://www.ige.se/Files.aspx?f_id=43843	Unaudited interim financial statements: p. 10 - 19
The Company's interim financial report for the first six months and the 2nd quarter of 2009	1.8, 8.1	http://www.ige.se/Files.aspx?f_id=35405	Unaudited interim financial statements: p. 9 - 21
Information document regarding the acquisition of shares in Efidium Limited from Pangea Diamondfields PLC	9.1, 0	http://www.ige.se/Files.aspx?f_id=38613	Details regarding the Company's purchase of Efidium Ltd from Pangea Diamondfields PLC: p. 11 - 14 Unaudited financial information for Efidium Ltd. for the financial year 2009: p. 73 - 77

Appendix 1: Articles of Association of IGE Resources AB (office translation into English)

ARTICLES OF ASSOCIATION

of

IGE Resources AB (publ)

reg.no. 556227-8043

1. Company name

The name of the company is IGE Resources AB (publ).

2. Registered office

The registered office of the company is in the county and borough of Stockholm.

3. Company business

The Company shall solely, through subsidiaries or through cooperation with others, engage in mining and mineral prospecting business as well as own and administrate real and personal property, as well as conduct other activities compatible therewith.

4. Share capital

The share capital shall amount to a minimum of SEK 35,000,000 and a maximum of SEK 140,000,000.

5. Number of shares

The number of shares shall be a minimum of 700,000,000 and a maximum of 2,800,000,000.

6. The board of directors

The board of directors shall consist of three (3) to six (6) directors with no more than six (6) deputy directors.

7. Auditing

For the auditing and review of the he Company's annual report, accountings and the management of the Board and the Chief Executive Officer, the General Meeting shall elect a registered auditing company or one (1) or two (2) auditors and one deputy auditor.

8. Notice of shareholders' meetings

Notice of shareholders' meetings shall be announced in the gazette "Post och Inrikes Tidningar" and in "Dagens Industri".

9. Prior notice for participation in shareholder's meeting

Shareholders wishing to participate at the Annual General Meeting (AGM) must be entered in their own name in the transcript of the register of shareholders made by Euroclear Sweden AB (formerly VPC AB) five (5) days before the General Meeting and have notified the company of their attendance not later than at 1600 on the date specified in the notice document. The last mentioned day must not be a Sunday, other public holiday, Saturday, Midsummer Day, Christmas day or New years day and it must not fall due earlier than the fifth weekday before the General Meeting.

A shareholder has the right to be accompanied of one or two advisors, provided that the attendance has been filed according to certain conditions specified in the previous section.

10. Participation by outsiders

The Board may grant a non-shareholder the right to participate in the shareholders' meeting or otherwise follow the proceedings at the meeting on certain conditions given by the board

11. Record date provisions

The Company's shares are to be registered in a register of shareholders made by Euroclear Sweden AB (formerly VPC AB) pursuant to the Financial Instruments Accounts Act (1998:1479).

12. Annual General Meeting

The Annual general meeting of the shareholders shall be held within six (6) months of the expiry of the financial year.

The following matters shall be addressed at the annual general shareholders' meeting:

a) Election of the chairman of the meeting.

b) Preparation and approval of the voting list.

c) Approval of the agenda.

d) Appointment of one or two persons to attest the minutes.

e) Determination as to whether the meeting has been duly convened.

f) Presentation of the annual report and the auditors' report as well as, where appropriate, the consolidated accounts and auditors' report on the consolidated accounts.

g) Resolution regarding the:

(i) adoption of the profit and loss account and balance sheet and, where appropriate, the consolidated profit and loss account and consolidated balance sheet;

(ii) allocation of the company's profits or losses as set forth in the adopted balance sheet;

(iii) discharge from liability of the directors of the board and the man- aging director;

h) Resolution on the number of directors and deputy directors of the board and, where appropriate, the number of auditors and alternate auditors.

i) Determination of the remuneration to the board of directors and the auditors.

j) Election of directors and deputy directors of the board and, where appropriate, auditors and alternate auditors.

k) Other matters to be dealt with at the meeting according to the Swedish Companies Act (2005:551) or the articles of association.

13. Financial year

The fiscal year of the company shall be calendar year.

This article of association has been adopted on the Annual General Meeting held on 26 March 2010.

Appendix 2A: Unaudited financial information for Efidium Ltd for the first quarter of 2010

EFIDIUM LIMITED

FINANCIAL RESULTS

PERIOD ENDED 31 MARCH 2010

Efidium Limited
Consolidated Balance Sheet
31 March 2010

	31 March 2010	31 December 2009
	$	$
Assets		
Non-current assets	7,691,531	7,822,726
Mineral properties	2,521,048	2,510,685
Plant and equipment	5,170,482	5,312,041
- Mining plant & equipment	4,918,849	5,036,640
- Office equipment	40,094	43,301
- Motor vehicles	211,540	232,100
Current assets	1,318,742	1,231,837
Diamond inventory	296,800	112,697
Receivables	757,319	749,346
Bank	264,623	369,793
Total assets	9,010,273	9,054,563
Equity & liabilities		
Capital & reserves	(49,875,184)	(48,398,018)
Share capital	1,856	1,856
Share premium	3,283,441	3,283,441
FCTR	(732,977)	(848,389)
Accumulated losses	(52,427,505)	(50,834,926)
Long term loans	55,735,488	56,499,611
Current liabilities	3,149,969	952,970
Short term loans	2,314,512	286,479
Accounts payable & accruals	835,457	666,491
Total equity & liabilities	9,010,273	9,054,562

Efidium Limited
Statement of Changes in Equity
for the period ended 31 March 2010

	Share Capital	Share Premium	FCTR	Accumulated Losses	Total recognised income and expenses	Minority Interest	Total
Balance at 31 December 2009	**1,856**	**3,283,441**	**(848,389)**	**(50,834,926)**	**(51,683,315)**	**-**	**(48,398,018)**
Shares Issued	-	-	-	-	-	-	-
Total recognised income and expenses	-	-	115,412	(1,592,579)	(1,477,167)	-	(1,477,167)
Balance at 31 March 2010	**1,856**	**3,283,441**	**(732,977)**	**(52,427,505)**	**(53,160,482)**	**-**	**(49,875,185)**

Efidium Limited
Consolidated Income Statement
for the period ended 31 March 2010

	3 Months 31 March 2010	Angola	DRC	South Africa	Other
	$				
Diamond revenue	**584,814**	584,814	-		-
Other income	**192,409**	-	45,500	146,909	-
Pilot mining operating expenditure	**(1,385,353)**	(1,385,353)	-	-	-
Exploration Expenditure	**(301,825)**	-	(161,587)	(137,905)	(2,333)
Impairment of CAR projects	-	-	-	-	-
Net exploration expenditure	**(909,955)**	**(800,539)**	**(116,087)**	**9,004**	**(2,333)**
Other operating expenses	**(683,212)**	(327,073)	(237,563)	(107,186)	(11,391)
Equity-settled share-based payment transactions	-	-	-	-	-
Operating loss	**(1,593,168)**	**(1,127,612)**	**(353,651)**	**(98,181)**	**(13,724)**
Interest income	**588**	-	-	-	588
Interest paid	-			-	-
Loss before taxation	(1,592,579)	**(1,127,612)**	**(353,651)**	**(98,181)**	**(13,136)**
Taxation	-	-	-	-	-
Loss for the period	(1,592,579)	**(1,127,612)**	**(353,651)**	**(98,181)**	**(13,136)**

Attributable to :

- Equity holders of the parent company	(1,592,579)
- Minority interests	-
	(1,592,579)

Efidium Limited
Consolidated Cash Flow Statement
for the period ended 31 March 2010

Opening balance (at beginning of year)	
Cash utilised by operations	(1,126,984)
Cash utlised	(1,103,874)
- Net loss before taxation	(1,592,578)
- Adjusted for:	
Depreciation	489,293
Impairment of Assets	-
Profit on Sale of Assets	-
Interest paid	-
Interest received	(588)
- Decrease/(increase) in working capital	(23,110)
Goods in transit	-
Diamond inventory	(184,103)
Trade and other receivables	(7,973)
Accounts payable	168,966
	(1,126,984)
Long-term liabilities (repaid)/raised	2,028,034
Net cash outflow from operating activities	901,050
Interest paid	-
Interest received	588
	901,638
Cash flow from investing activities	
Acquisition of fixed assets to expand	(335,000)
Acquisition of investment	-
Loans to affiliated entities	-
Proceeds on disposal of fixed assets	-
Net cash outflow from investing activities	(335,000)
Cash flow from financing activities	
Proceeds from sale of Asset	-
Shares issued for cash	-
Decrease in interco and other loans receivable	(764,123)
Net cash inflow/(outflow) from financing activities	(764,123)
Net (decrease) / increase in cash and cash equivalents	(197,485)
Foreign currency translation reserve	92,314
Cash and cash equivalents	
At beginning of year	369,793
At end of year	264,623

Appendix 2B: Unaudited financial information for Efidium Ltd for the first six months of 2010

EFIDIUM LIMITED

FINANCIAL RESULTS

PERIOD ENDED 30 JUNE 2010

Efidium Limited
Consolidated Balance Sheet
30 June 2010

	30 June 2010	31 December 2009
	$	$
Assets		
Non-current assets	**7,133,848**	**7,822,726**
Mineral properties	**2,490,760**	2,510,685
Plant and equipment	**4,643,089**	5,312,041
- Mining plant & equipment	**4,415,821**	5,036,640
- Office equipment	**36,776**	43,301
- Motor vehicles	**190,492**	232,100
Current assets	**1,797,167**	**1,231,837**
Diamond inventory	**211,981**	112,697
Receivables	**1,067,025**	749,346
Bank	**518,161**	369,793
Total assets	**8,931,015**	**9,054,563**
Equity & liabilities		
Capital & reserves	**(51,763,094)**	**(48,398,428)**
Share capital	**1,856**	1,856
Share premium	**3,283,441**	3,283,441
FCTR	**(509,777)**	(848,798)
Accumulated losses	**(54,538,613)**	(50,834,926)
Long term loans	**57,208,475**	**56,500,021**
Pangea DiamondFields plc	**55,735,488**	56,500,021
IGE Resources	**1,472,987**	-
Current liabilities	**3,485,634**	**952,970**
Short term loans	**2,347,913**	286,479
Accounts payable & accruals	**1,137,721**	666,491
Total equity & liabilities	**8,931,015**	**9,054,563**

Efidium Limited
Statement of Changes in Equity
for the period ended 30 June 2010

	Share Capital	Share Premium	FCTR	Accumulated Losses	Total recognised income and expenses	Minority Interest	Total
Balance at 31 December 2009	**1,856**	**3,283,441**	**(848,798)**	**(50,834,926)**	**(51,683,725)**	-	**(48,398,428)**
Shares Issued	-	-	-	-	-	-	-
Total recognised income and expenses	-	-	339,021	(3,703,687)	(3,364,666)	-	(3,364,666)
Balance at 30 June 2010	**1,856**	**3,283,441**	**(509,777)**	**(54,538,613)**	**(55,048,391)**	-	**(51,763,094)**

Efidium Limited
Consolidated Income Statement
for the period ended 30 June 2010

	6 Months 30 June 2010	Angola	DRC	South Africa	Other
	$				
Diamond revenue	**1,436,321**	1,436,321	-		-
Other income	**520,268**	-	45,500	474,768	-
Pilot mining operating expenditure	**(1,248,028)**	(1,248,028)	-	-	-
Exploration Expenditure	**(631,459)**	-	(168,689)	(460,437)	(2,333)
Depreciation	**(985,565)**	(361,041)	(467,052)	(157,472)	-
Impairment of CAR projects	-	-	-	-	-
Net exploration expenditure	**(908,462)**	**(172,747)**	**(590,241)**	**(143,141)**	**(2,333)**
Other operating expenses	**(1,065,286)**	(436,191)	(4,037)	(305,473)	(319,585)
Salaries and Wages	(1,625,827)	(1,304,428)	(109,207)	(4,782)	(207,410)
Operating loss	**(3,599,575)**	**(1,913,367)**	**(703,485)**	**(453,396)**	**(529,328)**
Interest income	**730**	-	-	-	730
Interest paid	**(104,841)**	-	-	(71,496)	(33,345)
Loss before taxation	**(3,703,687)**	**(1,913,367)**	**(703,485)**	**(524,892)**	**(561,943)**
Taxation	-	-	-	-	-
Loss for the period	**(3,703,687)**	**(1,913,367)**	**(703,485)**	**(524,892)**	**(561,943)**
Attributable to :					
- Equity holders of the parent company	**(3,703,687)**				
- Minority interests	-				
	(3,703,687)				

Efidium Limited
Consolidated Cash Flow Statement
for the period ended 30 June 2010

Opening balance (at beginning of year)	
Cash utilised by operations	**(2,559,742)**
Cash utlised	(2,614,010)
- Net loss before taxation	(3,703,686)
- Adjusted for:	
Depreciation	985,565
Impairment of Assets	-
Profit on Sale of Assets	-
Interest paid	104,841
Interest received	(730)
- Decrease/(increase) in working capital	54,268
Goods in transit	-
Diamond inventory	(99,284)
Trade and other receivables	(317,679)
Accounts payable	471,230
	(2,559,742)
Long-term liabilities (repaid)/raised	2,061,434
Net cash outflow from operating activities	(498,308)
Interest paid	(104,841)
Interest received	730
	(602,419)
Cash flow from investing activities	
Acquisition of fixed assets to expand	(335,000)
Acquisition of investment	-
Loans to affiliated entities	-
Proceeds on disposal of fixed assets	-
Net cash outflow from investing activities	(335,000)
Cash flow from financing activities	
Proceeds from sale of Asset	-
Shares issued for cash	-
Decrease in interco and other loans receivable	708,454
Net cash inflow/(outflow) from financing activities	708,454
Net (decrease) / increase in cash and cash equivalents	(228,965)
Foreign currency translation reserve	377,333
Cash and cash equivalents	
At beginning of year	369,793
At end of year	518,161

Appendix 3: Assurance report on pro forma financial information

To the Board of Directors in IGE Resources AB (publ)
Corp. Reg. No. 556227-8043

Audit

Auditors' report on the pro forma financial information

We have examined the pro forma financial information presented in section 9 of the Prospectus of IGE Resources AB's (publ) dated 28 September, 2010 (the "Prospectus").

The pro forma financial information has been prepared for illustrative purposes only to provide information about how the acquisition of all shares in Efidium Limited might have affected the consolidated income statement for IGE Resources AB (publ) for the period January 1 – December 31, 2009 and 1 January – 30 June, 2010.

Responsibility of the Board of Directors and the Chief Executive Officer

It is the responsibility of the Board of Directors and the Chief Executive Officer to prepare the pro forma financial information in accordance with the requirements of the Prospectus Regulation 809/2004/EC.

The Auditor's responsibility

It is our responsibility to provide an opinion pursuant to Annex II Item 7 of the Prospectus Regulation 809/2004/EC, as to the proper compilation of the pro forma. We are not obligated to express any other opinion on the pro forma financial information or any parts thereof. The historical financial information of Efidium Limited for the year ended 31 December 2009 and the six-month period ended 31 June 2010 is unaudited and accordingly we do not accept any responsibility for that information. We do not assume any responsibility for the financial information of IGE Resources AB (publ) used in compilation of the pro forma financial information beyond that owed to those to whom any reports on that financial information were addressed by us at the date of their issue.

Work performed

We have conducted our work in accordance with Far's recommendation RevR 5 *Examination of Prospectuses*. Our work - which did not include an independent review or audit of the underlying financial information, the adjustments to conform the accounting policies of Efidium Limited to the accounting policies of IGE Resources AB (publ) or the assumptions summarized in the accompanying notes - have mainly consisted of comparing the unadjusted financial information with the source documents as described on page 72 , assessing the evidence supporting the pro forma adjustments and discussing the pro forma financial information with the management of the Company.

We have planned and performed our work in an effort to obtain the information and explanations that we believed necessary in order to achieve reasonable assurance that the pro forma financial information has been compiled in accordance with the basis stated in section 9 of the Prospectus and that this basis complies with the accounting policies applied by IGE Resources AB (publ).

Ernst & Young

Opinion

In our opinion

a) the pro forma financial information has been properly compiled on the basis stated in section 9 of the Prospectus; and

b) that basis is consistent with the accounting policies of IGE Resources AB (publ).

Stockholm, 28 September, 2010

Ernst & Young AB

Jaan Kubja

Authorized Public Accountant