

IGE RESOURCES AB (PUBL)
Org. Reg. No 556227-8043

IGE Resources AB (former International Gold Exploration IGE AB) ("IGE" or the "Company") announces results for the first quarter 2010, ended March 31, 2010.

Summary first quarter:

- For the first quarter of 2010 IGE reports a net loss of MSEK -21,7 or SEK -0.03 per share, compared to a loss of MSEK -5.3 or SEK -0.01 per share in the first quarter of 2009. The result includes non recurring costs of SEK 10.8 million related to the purchase of the activities of Pangea Diamondfields and a loss of SEK 4.9 million from sale of exploration permits.
- IGE announced on the 22nd of February 2010, that it has entered into a conditional sales and purchase agreement whereby IGE acquires all assets and activities of Pangea DiamondFields plc (AIM:PDF) through the purchase of the entire issued share capital of Pangea's subsidiary Efidium Ltd. This effective merger creates a significant diamond exploration and mining company with resources spread across three Southern African countries. The transaction was completed on the 31st of March 2010.
- IGE reached a new milestone in Angola, with Endiama announcing that IGE has fulfilled the obligations required to move towards commercialisation of the Luxinge project. According to Endiama, IGE has fulfilled the requirements set out in the executive decree 49/2008 in the Luxinge joint venture, which implies that IGE is one step closer to the commercialisation of the project.
- IGE announces encouraging results from exploration trenching at its Kenyan gold license. The preliminary results of a reconnaissance trenching and drilling program at the Atili target (Kisii Special License 209) in Kenya, fully owned by IGE, are encouraging as they suggest a potential high-tonnage, low-grade mineralized system that could be exploited open-cast. The results indicate the presence of a gold-mineralized system, including both high-grade narrow mineralization and low-grade wider mineralization.
- IGE submitted its applications for Exploitation Concessions for the Rönnbäcken Nickel Project to the Mining Inspectorate of Sweden ("Bergsstaten"). The applications for Exploitation Concessions, including Environmental Impact Assessments were submitted on the 12th of February 2010. The application process is estimated to take three to six months. An Exploitation Concession is granted if there is a probability for an economic exploitation of the deposit and if the site is considered appropriate from an environmental point of view. The latter requirement calls for an Environmental Impact Assessment (EIA) to be included in the application. The Exploitation Concession grants the right to carry out mineral exploitation for a twenty-five year period.

Financial Summary

(TSEK, except per share data)	Q1 2010	Q1 2009	Twelve months ended Dec 31, 2009
Other income	-	16,201	15,169
Operating result	-21,681	-3,301	-66,859
Net result	-21,680	-5,309	-65,782
Investments	454,981	32,045	35,463
Cash at the end of the period	16,388	23,730	40,807
Interest bearing loans at the end of the period	25,755	48,307	12,065
Result per share before and after dilution	-0.03	-0.01	-0.12

Other important events and events after the reporting period:

- IGE announced its first diamonds sale. IGE Resources AB announced the completion of its first diamond sale, marking a significant milestone in the Company's development as a diamond exploration and production company in Africa. The subsidiary IGE Diamonds sold, by the end of April, 3,407 carats of rough diamonds in Luanda, Angola. The sale yielded an average price of USD 162 per carat before sales taxes. The price is slightly above the most recent diamonds sale from Pangea DiamondFields plc, the Southern African group IGE acquired in March 2010.
- IGE announced that the Company has raised NOK 31.0 million of new equity in a private placement. The Board of Directors of IGE Resources AB yesterday resolved to issue a total of 64,632,664 new shares at a subscription price of NOK 0.48 per share, representing gross proceeds of NOK 31,023,679. The total number of outstanding shares in IGE Resources AB after this share issue will be 1,355,741,674, of which shares issued in the Private Placement represent 4.8 per cent. The proceeds from the equity issue will mainly be used to accelerate IGE's diamonds operations in Southern Africa.
- The Company changed its name as per April 8th 2010, based on a resolution made by the Extra General Meeting held on March 26th 2010. The former name of the Group was International Gold Exploration IGE AB.

The acquisition of the activities of Pangea DiamondFields plc

IGE announced on the 22nd of February 2010 that it had entered into a sales and purchase agreement whereby IGE acquired all activities of Pangea DiamondFields plc through its subsidiary Efidium Ltd. The consideration amounts to approximately 495 million new IGE shares. Below follows a brief description of the activities of Pangea Diamondfields Plc, the deal and the rationale behind it.

Background and Rationale behind the transaction

IGE Resources AB has defined diamond exploration and production as its core business, and the Company currently operates four projects in Angola. Authorization from the Angolan authorities for the sale of diamonds from IGE Resources AB's project Luxinge is expected in the near future.

Pangea, through Efidium, is currently engaged in five diamond projects, of which one is in commercial operation in Angola, only 50 kilometres from IGE's Luxinge project. With a monthly output of 2,000 carats and it is poised to grow rapidly. The company has a verified resource base of 8.4 million carats.

The acquisition of Pangea's activities represents a milestone in IGE Resources development towards becoming a significant diamond exploration and production mining company. Diamonds represent a core business for IGE Resources. The transaction provides IGE Resources AB with the following:

- Significantly increased diamond reserve base;
- Cash flow from ongoing operations and diamond sales;
- Stronger diamond exploration and production mining expertise;
- Broader and more diversified African presence (diversification into three key diamond countries);
- Strengthened management;
- Operational synergies in Africa (project management, operations, equipment, logistics);
- Broader shareholder base.

The current operations of IGE Resources AB in Angola will be merged with Pangea's operations to form the subsidiary IGE Diamonds. This business unit will be headed by Pangea's existing management.

"Pangea represents extensive diamond exploration and mining experience and a well-established presence in Africa. The merger of the two companies creates a considerable resource base and a growing cash flow from diamond mining. Within the next twelve months we expect three diamond projects to generate revenue" said IGE Resources' CEO, Tomas Fellbom.

"IGE and Pangea are an excellent fit. The combined company will have a well balanced project portfolio, highly 2

experienced exploration and operational staff, and sufficient critical mass to be an important player in African diamond mining going forward. In particular, combining our respective operations in Southern Africa creates opportunities to maximize the efficiency and reach of the merged organisation” stated Pangea’s CEO, Boris Kamstra.

The Pangea Group in Brief

Pangea was officially established in its current format in 2005 through the merger of the diamond assets of Efidium and Dorado. Pangea and its principals, have more than twenty years experience in exploration and mine development throughout Africa, including 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.

Pangea’s diamond assets are at various stages of exploration development, ranging from early exploration, through bulk sampling, to an operating mine situated in Angola. Pangea’s projects are held through Efidium and Efidium’s subsidiaries, and are all located within highly prospective diamond-bearing geological environments. Whilst 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. Pangea also has offices in Luanda, Angola and Kinshasa, DR Congo.

The founding shareholders, executives and affiliates of Pangea have, over the last twenty years, established a successful track record for the creation of shareholder value in mineral exploration and mine development throughout the African Continent. The recent financial crisis affected the short term demand and price for rough diamonds, however, Pangea believes the future supply/demand fundamentals of diamonds are favourable, and foresees a positive medium to longer term prognosis for the industry. Over the next several years, diamond jewellery demand is predicted to grow at a healthy rate in line with the real GDP growth for the major diamond consuming countries and new emerging diamond markets. At the same time, world rough diamond production is expected to remain unchanged or even diminish. The resultant supply/demand deficit should ensure that rough prices continue to increase in the medium to longer term.

The African continent is responsible for over 65 percent of global diamond production. Geologically, highly prospective countries for diamond exploration such as Angola, the DR Congo and South Africa have recently undergone significant positive political, social and fiscal changes. Pangea, 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 has raised approximately USD 20 million, comprising initial seed capital from its founders and subsequent capital raisings from prominent international resource and private equity funds.

Pangea’s short-term mission has been to develop the two most advanced projects in its portfolio to cash flow positive positions by mid 2010, and to reduce any unnecessary expenditure throughout the Pangea group of companies. The strategy to achieve this mission is summarised as follows:

- Develop the Cassanguidi project in Angola to full capacity by mid-2010;
- Optimize the capacity of the Bakerville project pilot mining facilities and if funding and markets permit, expand this project to full capacity;
- Cease all unnecessary expenditure on all other projects in the portfolio;
- Critically evaluate all other projects to determine whether Pangea should continue to hold these projects, even on a “care & maintenance” basis;
- Reduce overhead expenditure to a level consistent with the reduced level of activity planned.

Below follows a table showing the diamond projects within the portfolio of Efidium Ltd and their verified diamond resources (SAMREC compliant):

Country	Project Name	Gravel Volume	Carats		USD/ct Range
			Verified	Additional	
Democratic Republic of Congo	Tshikapa River	16,528,000	3,353,000	1,102,000	USD/Ct 120 - 160
	Longatshimo River	18,378,000	3,567,000	1,164,000	USD/Ct 120 - 160
Angola	Cassanguidi	4,103,000	902,000	440,000	USD/Ct 140 - 180
	Luxinge	2,686,000	-	750,000	To be ascertained USD/Ct 80 - 110
South Africa	Bakerville	13,297,000	455,000	579,000	USD/Ct 340 - 500
	Harts River	14,115,000	78,000	790,000	USD/Ct 1,500 - 2,000
Total		69,107,000	8,355,000	4,825,000	

The approximate total value of Diamond resources in the ground amounts to between USD 2.9 to 3.9 Bn.

Update on the 2010 work program:

Angola:

Luxinge project

Following a meeting with the Minister of Mines and various meetings with PCA (President of the Council of Administrators), Eng. Sumbula, a number of promises have been given verbally on the progress and the speed of which the EVTE (Estudode Viabilidade Tecnico-Economico, financial and technical feasibility report) can be processed. The PCA, issued an instruction to his administrators to process a Pilot Mining License, allowing Project Luxinge to mine virgin areas and an allowance to sell the diamonds from these areas to assist. The verbal instruction has at present still not been confirmed by the following signed letter granting IGE the right to sell Diamonds recovered in Luxinge.

Following a meeting held in the end of March, minutes were drafted and signed by the various participants on the Pilot Mining and our obligations to the EVTE. A team from Endiama and a team from Luxinge were put together to finalise the EVTE. This has been done and the procedures have changed on a daily basis, following advice from Endiama, however, the Final approved version of the ETVE, as decided by the teams from Endiama and Luxinge has been drafted, and has been presented to the Council Of Associates (CoA) on April 27th 2010 and approved on May 3rd 2010.

The EVTE will then be presented as approved by the CoA, and off to be presented to the Ministry of Mines and Geology for final decree. IGE have been in constant discussions with the MoM to ensure the process is followed and the acceptance is a formality.

Cariango, Lacage and Luanguinga Projects

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.

IGE Nordic AB:

Highlights during the first quarter:

1. A series of consultative meetings were held with local communities in January, to update on exploration activities and review detailed development plans for the Rönnbäcken nickel project.
2. Applications for Exploitation Concessions for the Rönnbäcken Nickel Project were submitted on February 12, 2010.
3. First assay results were received from the winter drill program focused on the new area of mineralization at Sundsberget, and on increasing resources at the Vinberget deposit.
4. At Sundsberget, assay results over a large area of ultramafic rock suggest the area hosts a substantial tonnage of mineralized serpentinite.
5. At Vinberget, nickel sulphide mineralization is located on either side of the main deposit and could be expected to add some resources.
6. Lab optimization test work aimed at raising nickel in sulphide recoveries was concluded.
7. Mini-pilot testwork to assess steady-state closed circuit performance, commenced in March at the Outotec Research Center in Finland.
8. IGE Nordic sold its interest in the licenses of the Bidjovagge Gold Copper Project in northern Norway to Arctic Gold AB for 2.4 million SEK and a 9.2% interest in Alcaston Exploration AB.

In January, a series of separate meetings were held with the following stakeholder groups: the Vapsten Sami village, the County Administrative Board of Västerbotten, representatives from the Storuman Municipality, and local landowners. On January 19, 2010 a meeting was held for landowners to come and express their concerns with the project team. This was followed on January 20th with a meeting open to the general public held in the village of Tärnaby in Västerbotten County, which was well attended. The meetings were convened to present in detail the layout of the project and proposed alternatives, as well as to review the development plans for the project. These meetings were part of IGE Nordic's efforts at maintaining on-going dialogue with local communities.

The applications for Exploitation Concessions, including Environmental Impact Assessments were submitted to the Mining Inspectorate of Sweden ("Bergsstaten") on February 12, 2010. The application process is estimated to take three to six months. An Exploitation Concession is granted if there is a probability for an economic exploitation of the deposit and if the site is considered appropriate from an environmental point of view. The latter requirement calls for an Environmental Impact Assessment to be included in the application. The Exploitation Concession grants the right to carry out mineral exploitation for a 25 year period.

The focus of the 2009 winter drill program was to test for nickel sulphide mineralization at Sundsberget, and to identify areas of potential for adding resources to the Vinberget deposit. To this end a total of 30 drill holes were completed, comprising 3,683 metres at Sundsberget, and 1,189 metres around Vinberget. The first results from these additional areas at Rönnbäcken are encouraging. The most significant result from the drilling is the identification of extensive tonnage of the mineralized ultramafic host rock at Sundsberget, where a thick sequence of nickel sulphide mineralization was intersected in the first holes. Core drilling on two satellite zones at Vinberget revealed that nickel sulphide mineralization is located on either side of the main deposit and could be expected to add some resources at the edge of the planned open-pit.

IGE Nordic AB entered into an agreement to sell its 100% interest in the exploration licences comprising the Bidjovagge Gold Copper Project in the Finnmark plain in northern Norway. Under the terms of the agreement, IGE Nordic received 2.4 million SEK in cash payable over the duration of 2010, plus a 9.2% stake in Alcaston. The sale of the exploration license resulted in a loss of SEK -4.9 million.

Highlights after the interim period:

1. An update of the Mineral Resource Estimate of the Rönnbäcken Nickel Project was carried out by SRK Consulting (Sweden) AB.
2. The Project Mineral Resource represents a significant 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).
3. The resource upgrade will have a positive impact on the cost of the Prefeasibility Study (PFS). The extent of further exploration and infill drilling required has been reduced, thus lowering the overall cost of the PFS by approximately USD3million to an estimated USD10.5 million to complete the PFS.

An update of Mineral Resources of the Rönnbäcksnäset and Vinberget deposits was undertaken by SRK Consulting (Sweden) AB. Using all available and valid data, 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 USD9/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 updated Mineral Resource shown in Table 1, imparts a greater confidence in the nickel resources underlying the Rönnbäcken Nickel project, and significantly reduces the amount of infill drilling required to complete the current Prefeasibility Study. In addition, SRK noted that there is potential for an additional 40 and 80 million tonnes at the Rönnbäcksnäset deposit, when applying a metal price of USD9/lb to the optimization, which could be identified by drilling next to the existing resources.

Table 1: Mineral Resource Statement

DEPOSIT	CLASSIFICATION	TONNES (Mt)	TOTAL NI %	NI-AC %	NI TONNES (000'S)	NI-AC TONNES (000's)
Rönnbäcksnäset	Measured	-		-		
	Indicated	206.6	0.178	0.104	368	214
	Measured +Indicated	206.6	0.178	0.104	368	214
	Inferred	76.9	0.176	0.100	135	77
Vinberget	Measured	28.2	0.188	0.132	53	37
	Indicated	22.4	0.183	0.134	41	30
	Measured +Indicated	50.6	0.186	0.133	94	67
	Inferred	6.6	0.183	0.138	12	9
TOTAL	Measured	28.2	0.188	0.132	53	37
	Indicated	228.9	0.179	0.107	409	244
	Measured +Indicated	257.1	0.180	0.110	462	282
	Inferred	83.5	0.177	0.103	147	86

Kenya:

IGE Kenya's activities during the first quarter of 2010 were geared towards supporting Kilimapesa Gold (Pty) Ltd's mining license application, and continuing exploration activities on the South-West Kenya licenses at a low cost, using IGE Kenya Ltd's own drilling and trenching equipment. More progress was made towards the grant of the mining license to Kilimapesa Gold (Pty) Ltd, which was formally approved by the Licensing Committee of the Kenya Government. The balance of the payment of 2.7 M\$ for the sale of IGE's share in the company is payable in instalments commencing when the mining license is issued by the authorities.

Exploration results from both the Akala and Atili licenses were encouraging and warrant further work. Both licenses are located close to each other (about 40 minutes drive) and have good access to water, electricity and road infrastructure.

During this period, the company continued its strategic review of possible opportunities for short term gold mine development in Africa. Several projects in Uganda and Ghana were reviewed in detail but did not meet IGE's selection criteria. This review of opportunities will continue through early 2010.

The Administration of IGE Resources AB (publ) hereby submit the interim report for the period January 1st to March 31st 2010, with comparable figures from the corresponding period of the previous year and the most recent annual report.

Business description

The Company's activities consist of exploration for mineral deposits and mining. The Company operates in Scandinavia and Africa.

Investments during the period

Net investments during the period amount to SEK 455.0 million (32.0). The investments during the period are mainly related to the purchase of the activities of Pangea Diamondfields, the operations in the Luxinge diamond project and expenditures related to the advancement of the Rönnbäcken nickel project.

Financial position

Cash flow during the period was MSEK -24.5 million (-16.0). Cash and cash equivalents at period end amounted to SEK 16.4 million (23.7). Shareholders Equity amounted to SEK 709.8 million (241.6) at the end of the reporting period, resulting in an equity ratio of 78 percent (80.0).

The long-term liabilities of the Group are related to a loan given by Svenska Handelsbanken AB for the purchase of equipment for the production site in Luxinge from Volvo. The remaining amount to be paid is MSEK 8,9. The loan is guaranteed by the Swedish Credit Exports Guarantee Board (EKN) and has a duration of 3 years. The loan was raised in June 2008. In addition SEK 16.8 million is related to a loan given to Efidium Ltd, which was included in the purchase of the activities of Pangea Diamondfields.

Parent Company

The operation of the Parent Company is referable to direction and management of the Group's operations.

Result before tax amounted during first quarter 2010 to SEK -2.1 million (-13.4) and cash and cash equivalents amounted to SEK 2.2 million (19.4). Investments in the Parent Company during the reporting period amounted to SEK 436.5 million (-8.7).

Pledged assets and contingent liabilities

Pledged assets are MSEK 0.1 (0.2) and contingent liabilities are MSEK 0 (0).

IGE's share

The IGE share is listed on the Oslo Stock Exchange (OB Match). The ticker symbol of the share is IGE.

Upcoming reports:

Q2 and 6 months interim report 2010:	26 August 2010
Q3 and 9 months interim report 2010:	18 November 2010
Q4 and Year End report 2010:	18 February 2011

This Interim report has not been subject to audit by the Company's auditors.

Stockholm May 7th, 2010



Tomas Fellbom
Chief Executive Officer
IGE Resources AB (publ)

Income statement – Group

(TSEK)	Note	Q1 2010	Q1 2009	2009
Revenue from sales		-	-	-
Other income		-	16,201	15,169
Other external expenses*		-11,931	-8,368	-51,918
Personnel expenses		-4,607	-6,809	-23,110
Other operating expenses	5	-4,923	-	-1,069
Depreciations and writedowns		-220	-4,325	-5,931
Operating result		-21,681	-3,301	-66,859
Financial revenue	3	251	1,175	6,136
Financial expenses	3	-250	-3,183	-5,059
Total financial items		1	-2,008	1,077
Result before tax		-21,680	-5,309	-65,782
Income tax		0	0	0
Result for the period		-21,680	-5,309	-65,782
Result per share before dilution		-0.03	-0.01	-0.12
Result per share after dilution		-0.03	-0.01	-0.12

*Of which 10.8 MSEK are expenses related to the purchase of Efidium Ltd.

Group – Statement of comprehensive income Summary

TSEK	Q1 2010	Q1 2009	2009
Net result for the year	-21,680	-5,309	-65,782
<i>Other comprehensive income</i>			
Exchange differences during the year	-282	-2,728	6,798
Total other comprehensive income	-21,962	-8,037	-58,984
<i>Total comprehensive income for the year</i>	-21,962	-8,037	-58,984
<i>Attributable to:</i>			
Equity holders of the Parent Company	-21,962	-8,037	-58,984

Balance sheet – Group

(TSEK)	Note	31/03/2010	31/03/2009	31/12/2009
ASSETS				
Fixed assets				
<i>Intangible fixed assets</i>				
Mineral interests	10	721,115	134,090	154,257
<i>Tangible fixed assets</i>				
Plant and machinery		85,466	59,220	47,700
Mine and other development assets		59,597	-	-
<i>Long-term financial assets</i>				
Shares in associated companies		25,517	25,851	25,593
Long-term receivables		40,774	46,945	40,370
Total fixed assets		932,470	266,106	267,920
Current Assets				
Inventory	10	2,155	-	-
Account receivables		246	688	262
Other receivables		23,174	9,345	17,249
Prepaid expenses and accrued income		2,518	2,379	1,038
Short term investments		5,678	-	-
Cash and cash equivalents		16,388	23,730	40,807
Total current assets		50,159	36,142	59,356
TOTAL ASSETS		982,628	302,248	327,276
EQUITY				
<i>Equity attributable to equityholders of the parent company</i>				
Share capital	10	64,555	21,474	39,785
Other capital-contribution		851,868	353,604	451,041
Reserves		563	-8,681	845
Retained earnings and profit for the period		-207,186	-124,816	-185,506
Total equity		709,800	241,581	306,165
Liabilities				
Deferred tax liabilities	7,10	215,259	-	-
Other provisions	7	5,000	-	-
<i>Long term liabilities</i>				
Convertible loan		-	25,000	-
Interest bearing long term liabilities	9,10	25,682	17,350	11,974
Other long term liabilities		73	5,956	91
Total long term liabilities		246,014	48,306	12,065
<i>Current liabilities</i>				
Account payables		5,585	2,609	2,297
Other liabilities		1,941	3,423	2,386
Accrued expenses and prepaid income		19,288	6,329	4,363
Total current liabilities		26,814	12,361	9,046
TOTAL EQUITY AND LIABILITIES		982,628	302,248	327,276

Changes in Equity – Group

(TSEK)	Equity related to the shareholders of the parent company				
	Share capital	Other paid in capital	Exchange differences	Retained earnings and profit for the year	Total
2009					
Balance at 1 January 2009	20,908	348,277	-5,954	-119,507	243,724
Net result for the period				-5,309	-5,309
<i>Other comprehensive income</i>					
Exchange differences			-2,727		-2,727
Transactions with shareholders:					
Issued call options		120			120
New share issue	566	5,207			5,773
Closing balance at 31 March 2009	21,474	353,604	-8,681	-124,816	241,581
Net result for the period April to December				-60,473	-60,473
<i>Other comprehensive income</i>					
Exchange differences			9,526		9,526
Transactions with shareholders:					
Acquisition of minority interest in subsidiary				-217	-217
Costs referable to fundraising		-5,984			-5,984
New share issue	18,311	103,421			121,732
Closing balance at 31 December 2009	39,785	451,041	845	-185,506	306,165
Net result for the period				-21,680	-21,680
<i>Other comprehensive income</i>					
Exchange differences			-282		-282
Transactions with shareholders:					
New share issue	24,770	400,827			425,597
Closing balance at 31 March 2010	64,555	851,868	563	-207,186	709,800

Total number of shares amounts to 1,291,109,010 as per 2010-03-31. Existing reserves refer to exchange differences due to operations in foreign currency. The accumulated exchange difference amounted to SEK 563 (-8,681) thousands.

Cash flow statement – Group

(TSEK)	Note	Jan-March 2010	Jan-March 2009	2009
Cash flow from operations				
Result after financial items		-21,680	-5,309	-65,782
Adjustments for items not included in cash flow*		5,030	-11,974	11,644
Income tax paid		-	-	-
Total cash flow from operations before change in working capital		-16,650	-17,283	-54,138
Change in working capital				
Increase/decrease receivables		-60	1,688	689
Increase/decrease in liabilities		9,980	-5,787	-8,098
Total cash flow from operations		-6,730	-21,382	-61,547
Cash flow used for investments				
Cash holdings in acquired subsidiary	8	1,922	799	-
Sale of associated company		-	-	7,829
Acquisition of intangible assets		-16,898	-16,890	-56,227
Sale of intangible assets		376	-	2,000
Acquisition of tangible assets		-5	-168	-223
Sale of tangible assets		-	-	226
Acquisition of financial assets		-	-335	-
Total cash flow used for investments		-14,605	-16,594	-46,396
Financial activities				
New share issue		-	120	115,681
Raised credits		-	25,325	91
Amortization of debt		-3,116	-3,455	-6,387
Total cash flow from financial activities		-3,116	21,990	109,385
Change in cash and bank		-24,451	-15,986	1,443
Cash and bank at 1 January		40,807	39,639	39,639
Currency exchange difference		32	77	-275
Cash and bank at the end of reporting period		16,387	23,730	40,807
*Adjustments for items not included in cash flow				
Depreciations and writedowns on intangible assets		-	4,079	4,123
Depreciations and writedowns of tangible assets		220	246	1,480
Exchange gain		-189	-16,397	-
Exchange loss		-	-	19,134
Change in minority interest		-	-	-217
Capital gain		-	-	-13,843
Capital loss		4,923	-	-
Change of interest receivable		-	-54	-
Change in value of shares in associated companies		76	-121	507
Change of equity due to issue in kind		-	273	461
Total		5,030	-11,974	11,644

Income statement – Parent company

(TSEK)	Q1 2010	Q1 2009	2009
Revenue	-	-	10,646
Other external expenses	-1,434	-3,471	-15,182
Personnel expenses	-799	-1,625	-8,250
Depreciations	-16	-31	-110
Operating result	-2,249	-5,127	-12,896
Financial revenue	119	134	1,159
Financial expenses	-14	-8,426	-11,825
Total financial items	105	-8,292	-10,666
Result before tax	-2,144	-13,419	-23,562
Income tax	0	0	62
Result for the period	-2,144	-13,419	-23,500

Balance Sheet – Parent company

(TSEK)	Note	31/03/2010	31/03/2009	2009
ASSETS				
Tangible fixed assets				
Plant and machinery		96	205	112
<i>Long-term financial assets</i>				
Shares in subsidiaries		522,105	85,419	85,635
Receivables related to subsidiaries		265,374	214,089	276,497
Total fixed assets		787,575	299,713	362,244
Current Assets				
Account receivables		66	252	14
Other receivables		11,834	137	11,353
Prepaid expenses and accrued income		415	389	248
Cash and cash equivalents		2,201	19,445	1,207
Total current assets		14,516	20,223	12,822
TOTAL ASSETS		802,091	319,936	375,066
SHAREHOLDERS EQUITY				
<i>Restricted equity</i>				
Share capital		64,555	21,474	39,785
Statutory reserve		111,345	111,345	111,345
<i>Total restricted equity</i>		<i>175,900</i>	<i>132,819</i>	<i>151,130</i>
<i>Non restricted equity</i>				
Share premium reserve		716,658	218,189	315,830
Retained earnings and profit for the period		-121,191	-108,966	-119,047
<i>Total non restricted equity</i>		<i>595,467</i>	<i>109,223</i>	<i>196,783</i>
Total shareholders equity		771,367	242,042	347,913
Long term liabilities				
Convertible loan		-	25,000	-
Interest bearing long term liabilities	9	8,875	17,351	11,974
Long term intercompany liabilities		8,678	30,931	9,678
Total long term liabilities		17,553	73,282	21,652
Current liabilities				
Account payables		1,143	1,463	2,063
Other liabilities		91	85	640
Accrued expenses and prepaid income		11,937	3,064	2,798
Total current liabilities		13,171	4,612	5,501
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		802,091	319,936	375,066

Changes in Equity – Parent Company

(TSEK)	Restricted Equity		Non restricted Equity		
	Share capital	Statutory reserve	Share premium reserves	Retained earnings and result for the year	Total Equity
2009					
Balance as at 1 January 2009	20,908	111,345	212,891	-95,547	249,597
Result for the year				-13,419	-13,419
Transactions with shareholders:					
Payment of call options			120		120
New share issue	566		5,178		5,744
Closing balance at March 31 2009	21,474	111,345	218,189	-108,966	242,042
Net result for the period April to December				-10,081	-10,081
Received Group contribution			174		174
Transactions with shareholders:					
Costs referable to fundraising			-5,984		-5,984
New share issue	18,311		103,451		121,762
Closing balance at December 31 2009	39,785	111,345	315,830	-119,047	347,913
Balance as at 1 January 2010	39,785	111,345	315,830	-119,047	347,913
Result for the year				-2,144	-2,144
Transactions with shareholders:					
Acquisition of subsidiary			400,828		400,828
New share issue	24,770				24,770
Closing balance at March 31 2009	64,555	111,345	716,658	-121,191	771,367

Key ratios and shares data

		31/03/2010	31/03/2009	2009	2008	2007
Number of outstanding shares at beginning of reporting period	Number	795,709,953	418,161,828	418,161,828	341,000,000	341,000,000
New share issue	Number	495,399,057	11,312,000	377,548,125	77,161,828	-
Number of outstanding shares at the end of reporting period	Number	1,291,109,010	429,473,828	795,709,953	418,161,828	341,000,000
Average number of shares	Number	795,709,953	424,028,495	538,509,297	364,988,889	341,000,000
Operating result	TSEK	-21,681	-3,301	-66,859	-49,800	-66,023
Result after tax	TSEK	-21,680	-5,309	-65,782	-56,787	-62,529
Operating result per share	SEK	-0.027	-0.008	-0.124	-0.136	-0.194
Result after financial items per share	SEK	-0.027	-0.013	-0.122	-0.156	-0.181
Result per share after tax	SEK	-0.027	-0.013	-0.122	-0.156	-0.181
Shareholders equity per share before dilution	SEK	0.550	0.563	0.000	0.668	0.718
Dividend	TSEK	-	-	-	-	-
Price per share at the end of reporting period	SEK	0.86	0.71	0.58	0.65	2.34

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

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

Further information regarding key ratio definitions can be obtained from the annual report for the financial year 2009.

Total number of outstanding shares in IGE are 1,291,109,010.

NOTES TO THE FINANCIAL REPORTS

1. Accounting principles

This interim report has been prepared according to Annual Accounts Act and IAS 34 Interim Reporting. The interim report has also been prepared in accordance with the rules in the Swedish Financial Accounting Standard RFR2. During 2010, the same accounting principles have been applied in this report as in the annual report prepared for the financial year 2009 with the following exceptions (see below) referring to new or revised standards, interpretations and changes adopted by the European Union (EU) which are applied from 1 January, 2010. Only the new or revised standards which have had an impact on the Group are described below. The Interim report does not contain all the information and disclosures available in the annual report and the interim report should be read together with the annual report for 2009.

New or revised standards

IFRS 3R, Business Combinations and IAS 27R, Consolidated and Separate Financial Statements adopted by the EU on 3 June 2009). IFRS 3R introduces a number of changes in the reporting of business combinations that will affect the level of reported goodwill, the reported result in the period in which the combination takes place as well as future reported results. IAS 27R requires changes in shareholdings in a subsidiary whereby the majority shareholder does not lose its control to be recognised in equity. This means that such transactions no longer give rise to goodwill or result in any gains or losses. In addition, IAS 27R changes the reporting of losses arising in subsidiaries and measurement when control of a subsidiary is lost. IGE intends to apply this standard as of 1 January 2010. The revisions to IFRS 3R and IAS 27R will affect the reporting of future acquisitions and divestitures as well as transactions with minority shareholders.

Other standards and interpretations of existing standards that have come in to effect as from January 1st 2010 are appraised not to have any impact on the account of IGE.

2. Risks and Uncertainties

The operations of IGE involve certain significant risks, including but not limited to credit risk, foreign exchange risk, and political risk. For a complete discussion of the aforementioned risks, refer to the Company's 2009 annual report, available on the IGE website, www.ige.se. The management of IGE does not consider that any additional risk has become current since the expiration of the previous year of operation.

3. Financial items

Financial revenue (TSEK)	Group		
	31/03/2010	31/03/2009	31/12/2009
Income from interest	251	56	80
Exchange rate gains	-	1,119	6,056
Total financial revenue	251	1,175	6,136
Financial expenses			
(TSEK)	31/03/2010	31/03/2009	31/12/2009
Loss from shares in associated companies	-76	-102	-
Cost of interest	-66	-893	-1,932
Other financial costs	-	-	-59
Exchange rate losses	-108	-2,188	-3,068
Total financial expenses	-250	-3,183	-5,059

The adjustments as result of revaluation of all short term investments are accounted for in gross amounts.

4. Segment reporting

(TSEK)	Jan-March 2010					Total
	Gold	Diamonds	Nickel	Other		
Other revenues	-	-	-	-	0	
Depreciation of concessions	-	-	-	-	0	
Depreciation according to plan	-72	-80	-52	-16	-220	
Operating result	-672	-3,991	-6,093	-10,925	-21,681	
Result before tax	-648	-4,048	-6,089	-10,895	-21,680	
Fixed assets	17,602	832,819	81,953	96	932,470	
Current assets	2,060	22,675	10,907	14,517	50,159	
Long term liabilities	73	237,065	-	8,876	246,014	
Short term liabilities	156	8,184	5,304	13,170	26,814	
Investments (gross)	488	445,112	9,381		454,981	

(TSEK)	Jan-March 2009					Total
	Gold	Diamonds	Nickel	Other		
Other revenues	-	-	-	16,201	16,201	
Depreciation of concessions	-	-	-	-4,079	-4,079	
Depreciation according to plan	-66	-	-149	-31	-246	
Operating result	-2,151	-4,532	-5,851	9,233	-3,301	
Result before tax	-2,509	-6,471	-5,022	8,693	-5,309	
Fixed assets	21,590	170,294	73,744	478	266,106	
Current assets	6,850	3,624	4,137	21,531	36,142	
Long term liabilities	5,955	17,351	-	25,000	48,306	
Current liabilities	1,733	3,401	2,614	4,613	12,361	
Investments (gross amounts)	7,416	20,426	5,024	-821	32,045	

5. Other operating expenses

Other operating expenses are referable to a capital loss from sales of an exploration permit in IGE Nordic.

6. Share warrants – incentive programs

For information about currently outstanding share warrants and call options, other than the 3,000,000 described in note 9, the Company refers to the latest annual report of the Group (2009). The 3 million warrants are “in the money” at present which results in a potential dilution of 3,000,000 new issued shares if the warrants are exercised.

7. Provisions

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

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

Other Provisions are related to an estimated cost of mine site reclamation.

8. Cash holdings in acquired subsidiary

The payment of the purchased subsidiary Efidium Ltd was settled in new issued shares in IGE. The cash balance in Efidium Ltd at the date of the purchase amounted to SEK 1,9 million.

9. Interest bearing long-term liabilities

Interest bearing long-term liabilities refer to a loan given by Svenska Handelsbanken AB for the purchase of equipment from Volvo to the production site in Luxinge, Angola. The loan is guaranteed by the Swedish Credit Exports Guarantee Board (EKN) and has a duration of 3 years. The loan was raised in June 2008.

In addition Efidium Ltd has a loan of SEK 16.8 million to Pangea Exploration (Pty) Ltd, a South African registered company, that agreed to provide a loan facility to the Company for the purposes of funding the running costs and any required capital expenditure of the group.

This loan bears interest at the South African Prime Overdraft Rate compounded on a monthly basis and is repayable by 30 November 2011.

10. Purchase of Efidium Ltd

IGE concluded a purchase of Efidium Ltd after the expiration of the reporting period. The purchase was completed on March 31st 2010. The purchase price amounted to 495,399,057 shares, which corresponds to a value of SEK 429 million as per the last trade on March 31 2010.

Efidium Ltd is a Group with assets and operations within the diamond sector in Angola, South Africa and the DRC (Democratic Republic of Congo). The Directors and management of IGE consider this purchase to be of great value to IGE, it strengthens the position of the Group significantly within the industry of diamond production and exploration. Efidium has got independently verified, SAMREC compliant, diamond resources of about 8.4 million carat. Cost reductions as a result of synergies between the two groups are also considered to be achieved after the merger of the two operations.

Below follows a summary of the balance sheet effects for the consolidated IGE Group that the purchase of Efidium gives rise to as per March 31 2010.

(TSEK)	Efidium according to IFRS	Acquisition adjustment	Acquisition balance
Fixed assets	55,851	598,303	645,154
Current Assets	9,576	-	9,576
Equity	-362,159	404,712	42,553
Deferred tax liabilities	-	215,259	215,259
Liabilities	427,585	-404,712	22,673

11. Related party transactions

Mace Consulting has invoiced IGE SEK 112 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 16,8 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