

Intercontinental Gold and Metals Ltd. Reports Gold Trading Revenue of \$91.9M and Net Loss of \$0.4M for the First Quarter Ended March 31, 2020

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And Advances Other Growth Initiatives

Toronto, July 9, 2020 - [Intercontinental Gold and Metals Ltd.](#) (TSXV: ICAU) (the "Company") a gold refining and commodity trading company, is pleased to announce interim financial results for the first quarter ended March 31, 2020. All amounts are expressed in Canadian dollars unless otherwise noted.

Operating and Financial Highlights - First Quarter Ended March 31, 2020

52% increase in YoY Export Volumes - Q1 2020 refined gold exports of 42,192 ounces (1,312 kg) compared to 27,742 ounces (895 kgs) in Q1 2109.

88% Increase in Revenue - Q1 2020 revenue of \$91.9 million (\$5.08 per share) compared to \$48.9 million (\$2.72 per share) in Q1 2109.

Net Loss - First quarter net loss of \$356,320 or \$0.02 per share as compared to a net loss of \$76,929 or \$nil per share in Q1 2109.

Adjusted EBITDA - (\$132,239) or (\$0.01) per share compared to \$282,247 or \$0.02 per share in Q1 2019.

Full financial Statements and MDA is available on SEDAR at www.sedar.com and the company's website.

2020 Revenue Guidance Withdrawn Temporarily - COVID-19 has adversely affected the global economy and normal business activities. Our Bolivian operations have been temporarily closed due to a nationwide quarantine, workplace restrictions and travel bans since March 21, 2020. We anticipate business operations will re-open prior to the end of June 2020, however the resulting impact will be approximately one full quarter of lost revenue. While we expect business activity and gold purchases and exports to return to normal levels there could be future COVID-19 outbreaks requiring new quarantines and business restrictions. As such we will not provide revenue guidance at this time.

| Summary of Gold Exports and Attributable Revenue (in Canadian dollars) | Three Months Ended March 31, 2020 | Three Months Ended March 31, 2019 | Twelve Months and Year Ended December 31, 2019 |
|--|-----------------------------------|-----------------------------------|--|
| Total Gold Exports (ounces) | 42,192 | 27,742 | 172,106 |
| Total Exports/Sales Revenue | \$91,945,139 | \$48,943,901 | \$321,812,848 |

First quarter 2020 purchase and sales volumes were up significantly over the prior year but were negatively impacted by the temporary closer required due to a nationwide quarantine, workplace restrictions and travel bans starting on March 21, 2020. We anticipate purchase and sales volumes returning to normalized, but seasonally higher volumes starting in July as business activities resume in our primary markets. Correspondingly revenues were also higher. Margins however, suffered due to aggressive pricing by market competitors. We have been working with regulators and mining federations to close loopholes in reporting that are the underlying cause of aggressive pricing by our competition and have received favourable feedback that policy changes will be enacted to close the loopholes which should positively impact our margins as we return to full operations in second half of 2020.

Other Growth Initiatives

Expanded Off Takers and Access to Working Capital Trade Finance - We continue to grow our gold refining and commodity trading platform and are actively seeking additional off takers for our legally sourced physical gold to diversify our counterparties and to negotiate best possible export/sales terms. We are actively engaged in the onboarding process with large gold off takers and in discussions with other large private physical gold buyers. In all cases we are seeking to enhance our working capital position through existing banking relationships and tradition trade finance working capital facilities.

Evaluating Direct Bullion Sales to Precious Metals Investors - The increased demand for physical gold has created an opportunity to offer physical bullion and/or coins direct to precious metals investors. The Company is looking at the potential to implement a direct sales program and will review the various international and regulatory requirements of such a program. Our strategic review will include client accounts structure, insurance, custody and storage options, digital/online payment and withdrawal options and possibility of margin loans backed by physical gold ownership.

Building a Global trading House - The Company is well positioned to expand our current gold refining and commodity trading platform to other geographies and commodities. Our expansion strategy considers acquisition of existing businesses or new business development, essentially a "buy or build" strategy. We are advancing this initiative with a view to achieve one or more strategic acquisitions in the second half of 2020.

Gorden Glenn, CEO commented, "First quarter volumes were again strong and trending higher until the requirement to temporarily suspend operations due to COVID-19 in late March. As of the end of June the Bolivian government lifted restrictions on mining and export of gold and we have resumed operations. The impact was a loss of significant revenue and associated trading profits near the end of the first quarter. Of course, the temporary suspension of operations through the second quarter will drag on full year results. We have established ourselves a transparent, compliant, reliable and audited counterparty in the gold supply chain and this is a particularly strategic position to be in when working with Small Gold Miners ("SGM"), which make up a US\$20billion market. Despite the obvious challenges encountered in H1 2020 we are quite optimistic that our strategic position and scale of our current operations, combined with ongoing strategic growth initiatives will enable us to maintain the high growth we have achieved in the past."

About Intercontinental Gold and Metals Ltd.

[Intercontinental Gold and Metals Ltd.](#) is a Next Generation Metals and Mining Company. We believe our gold refining, physical commodities marketing and trading operations can provide insights in global primary supply and demand trends that create a strategic and competitive advantage for further investment and expansion opportunities on a global basis. The Company generates revenues from the purchases and sales of gold (accounted for as revenue). Cost of sales is measured at the fair value of the precious metals purchased and inventory sold, which is purchased at a competitive discount from licensed small gold miners (SGM) in Latin America (LATAM). Global SGM supply is significant and supports a sustainable revenue generation model. We are unique being the only publicly listed gold refining company servicing the LATAM SGM market.

Intercontinental Gold has 18,087,250 common shares issued and outstanding that are listed on Canada's TSX Venture Exchange (ICAU.V).

ON BEHALF OF THE BOARD OF DIRECTORS [Intercontinental Gold and Metals Ltd.](#)

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Forward Looking Statements

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