InterGroup Secures £50 Million Share Subscription Facility from GEM as Company Seeks Public Listing

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LONDON--(BUSINESS WIRE)--InterGroup Mining Limited is pleased to announce that it has signed an agreement (“the Facility”) with GEM Global Yield LLC SCS ("GEM"), the Luxembourg-based private alternative investment group, to provide the Company with up to £50 million over a 36-month term following a public listing of InterGroup's common stock.

InterGroup will control the timing and maximum amount of drawdowns under the Facility and has no minimum drawdown obligation. Concurrent with the public listing, InterGroup will issue warrants to GEM to purchase up to 7.8% of the Company’s common stock. In consideration for the Facility, the Company has agreed to pay a fee of GBP 1 million in either cash or shares within a period of twelve months from the date of its listing. The Company may choose to deduct the amount of the fee from the proceeds of the drawdowns.

InterGroup is an Australian mining company focused on exploring and extracting minerals essential to reducing carbon emissions. Its current focus is on developing a major co-mining opportunity of high-quality kaolin and gold in NE Queensland, Australia.

According to industry studies, high quality kaolin, when processed into metakaolin, can reduce carbon emissions in concrete production by up to 40%, in addition to improving its strength and flexibility. The cement and concrete industry currently accounts for some 8% of all CO_2 emissions and 19% of industrial emissions.

High quality kaolin is also recognised as a commercially viable, lower-cost core feedstock mineral for producing HPA – a base material in the manufacture of energy efficient light emitting diodes (LEDs), artificial sapphire glass (i.e. mobile phone and television screens) and certain battery and power storage components. The applications in concrete and HPA production are in addition to kaolin’s existing markets in medical applications, ceramics and paper.

This is GEM’s second investment in the resource sector in Australia since its $AU 80m investment in FYI Resources (ASX:FYI).

InterGroup will use the funds primarily for the ongoing development and commercialization of its flagship Brilliant Brumby project in NE Queensland, Australia.

Neil Miller, Chairman of InterGroup, commented:

> *“The GEM facility provides a major accelerator for InterGroup as we continue to prove up the scale of our Brilliant Brumby project and the optimal development path for the co-mining opportunity of kaolin and gold. It likewise enables us to continue our important R&D work into the new carbon reduction markets of potential scale that our minerals serve and which complement their existing known end markets.”*

InterGroup is currently exploring and working with its Corporate Advisor on a potential stock market flotation in H2 2021. Further information on this will be released in due course when a formal announcement is made.

About the Company

Intergroup Mining Limited is an Australian company focused on exploring and extracting minerals essential to delivering a net zero emissions world. Its current focus is on developing a major gold and high-quality kaolin project located in NE Queensland, Australia, approximately 250 kilometres from the major seaport of Townsville, west of Charters Towers, and immediately north of the gold bearing district of Pentland. For further information, please visit www.igmining.com.

About the GEM Group

Global Emerging Markets ("GEM") is a $3.4 billion, alternative investment group with offices in Paris, New York, Nassau (Bahamas) and Los Angeles. GEM manages a diverse set of investment vehicles focused on emerging markets and has completed over 440 transactions in 70 countries. Each investment vehicle has a different degree of operational control, risk-adjusted return, and liquidity profile. The family of funds and investment vehicles provide GEM and its partners with exposure to: Small-Mid Cap Management Buyouts, Private Investments in Public Equities and select venture investments. For more information: http://www.gemny.com

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