

18 March 2013

Company Announcement Officer
Australian Securities Exchange

Dear Sir/Madam

INTRA ENERGY EXPANDS ENERGY GENERATION PORTFOLIO

EXECUTES A MEMORANDUM OF UNDERSTANDING (“MOU”) WITH THE GOVERNMENT OF THE REPUBLIC OF MALAWI FOR A 120MW COAL FIRED POWER STATION

EXTENSION OF MOU WITH TANESCO FOR 200MW POWER STATION AT NGAKA

Malawi

Intra Energy Corporation (“IEC”) is pleased to announce that it has executed an MOU with the Government of the Republic of Malawi for the construction and operation of a 120MW (net) coal fired power station.

IEC, through a wholly owned subsidiary in Malawi, will sponsor the design, construction and operation of a 120MW to 140MW coal fired power generation facility at Chipoka in Salima (“the Project”) (refer Figure 3).

The parties have agreed that the electricity generated from the Project is to be sold to the Electricity Supply Corporation of Malawi (“ESCOM”) and other third parties under separate power purchase agreements and transmitted and distributed by ESCOM under a Wheeling Agreement.

IEC and the Government of Malawi are working in partnership to generate sufficient and base load electricity to support the needs of the population of Malawi and to ensure that the people of Malawi have access to regular and reliable electricity power supply.

The Chairman of IEC, Mr Graeme Robertson stated:

"This project is very significant as the MOU was signed directly with the Government of Malawi rather than by the power utility, ESCOM. Malawi currently produces approximately 287MW from mainly hydro resources

which are subject to climate change and unlike coal-fired plants, are not base load generation. The coal supply for this generating facility will be supplied from IEC's Malcoal Mine in Malawi and be backed by available coal from IEC's mining operations in Tanzania. This forms a central part of the company's policy of developing power projects locked into coal supply from IEC, thereby creating profit centres for the coal supply and equity in the generating plant as well as providing to the country and its people the electricity so important in industrialisation, village electrification and economic development."



Figure 1: Malawi's Minister for Energy, Ibrahim Matola, and IEC Executive Director and CFO Jonathan Warrant at the MOU signing ceremony on 15 March 2013.



Figure 2: Initial mine preparation operations at Malcoal Mine.

Tanzania

IEC is pleased to advise the signing of an agreement to extend and amend its MOU with the Tanzania Electric Supply Company Limited ("TANESCO") for the development of a coal-fired power station as a mine-mouth project at the northern Tancoal mining area in the Ngaka coalfields.

The original MOU signed on 16 February 2012 has been amended to increase the capacity of the proposed power station from 120MW (net) to 200MW (net) following the results of preliminary engineering studies and TANESCO's decision to increase the transmission capacity of the connecting line from 132kV to 220kV. A 200MW (net) power station will be able to consume approximately 700,000 tonnes of coal per annum and can be expanded in capacity should the transmission be further upgraded.

For further information please contact:

Shareholder Enquiries

Jonathan Warrand
Executive Director & CFO
Intra Energy Corporation Limited
Tel: (02) 9252 5766
www.intraenergycorp.com.au

Figure 3: Location of Proposed Power Stations

