

ASX Release

11 October 2018

IEC SEPTEMBER 2018 UPDATE

- **Record sales of 68,972 tonnes achieved in September (record sales 3 months in a row)**
- **Request for Qualification (RFQ) for Coal Fired Power Generation Projects under Tender No. PA/001/2018-19/HQ/N/033 received from Tanesco**
- **Coal stocks available to meet customer demand**

Intra Energy Corporation Limited ("IEC" or "the Company") is pleased to announce that Tancoal Energy Limited (IEC 70% and National Development Corporation of Tanzania 30%) recorded coal sales for the month of September 2018, higher than the last record set in August 2018. Sales were 68,972 tonnes. Production for the month was 62,144 tonnes (surveyed) with additional resources exposed in pit.



Construction of a new Core Shed is nearing completion

The steady increase in demand continued in the month of September from both domestic and regional export markets and was due to:

- higher prices to purchase coal from Richard's Bay;
- a growing reputation in export markets for the quality of the coal from the Ngaka mine; and
- an increase in both domestic and export sales of cement by the Tanzanian cement factories.

The focus continues to be to achieve higher tonnages from export markets while fully supporting the Tanzanian Government efforts to increase industrialisation in Tanzania.



Construction of a new Fuel Bay and Security Office on the Mine Site

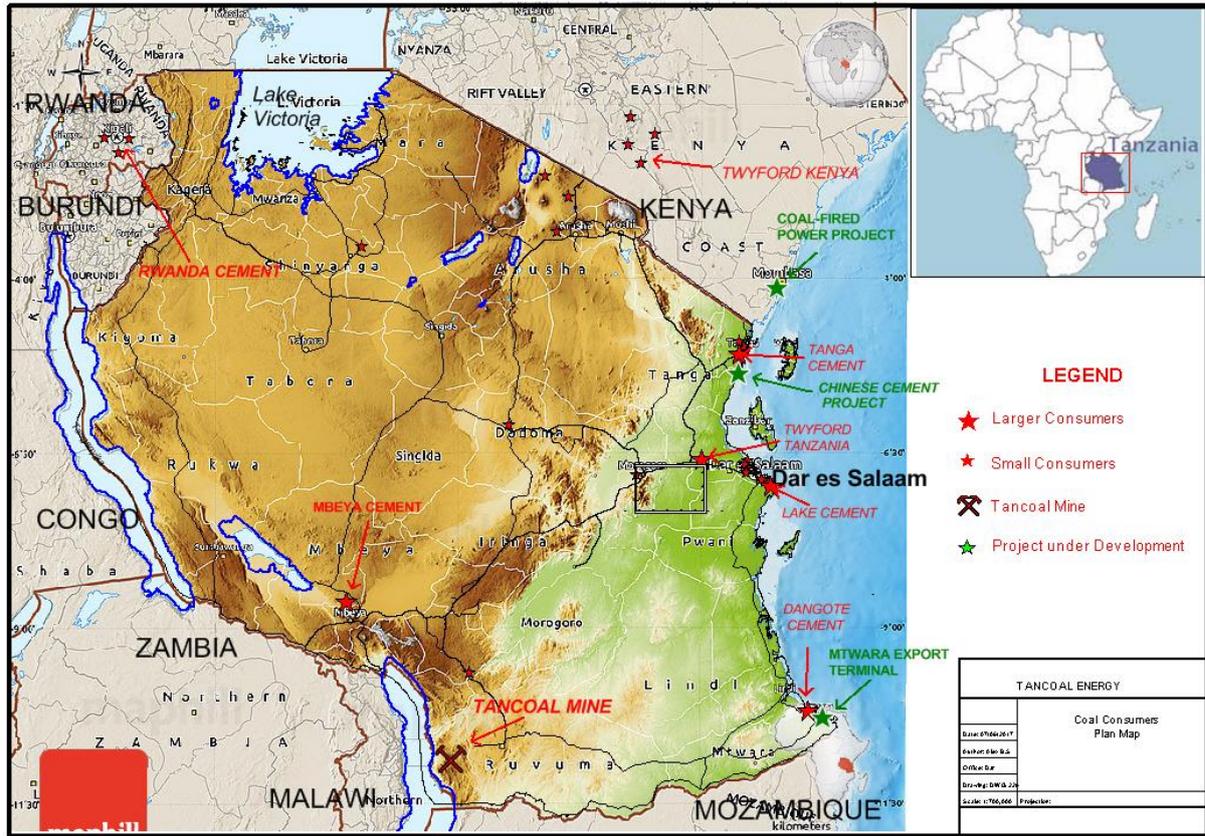
During September 2018, Tancoal and Power China (SinoHydro) received a Request for Qualification (RFQ) for Coal Fired Power Generation Projects under Tender No. PA/001/2018-19/HQ/N/033 (dated 20 September 2018). Tancoal, together with its power project partner, SinoHydro, will submit all tender documentation to Tanesco by 19 October 2018. The power project comprises 2x 135 Mw generating units established as the mine mouth Ngaka Power Station to utilise coals from the northern Tancoal concession area at Mbuyura. Current mining operations for industrial coal are in the southern part of the concession area.

Business continues as usual at the Tancoal mine while working towards a resolution to the claim made by Caspian (refer ASX Announcement on 11 September 2018). The interim Application (Miscellaneous Commercial Application No.200 of 2018 before the High Court of Tanzania (Commercial Division) to prevent Tancoal from sending monies outside Tanzania was heard on 4 October 2018. The judge decided in favour of Tancoal.

Tancoal is continuing to engage with the Ministry of Minerals towards a resolution on the calculation of royalty on freight (refer ASX Announcement on 21 August 2018). To date, the Ministry of Mining and Minerals has not prohibited the loading of coal at the mine.

IEC will keep the market informed of material developments in both these matters.

IEC Chairman, Graeme Robertson, commented "Our continuing improvement in coal production is supported by robust infrastructure development in Tanzania increasing demand for cement and the ability to compete with imported coal from South Africa in the region. This has produced positive cash flow which is being invested in repair and maintenance of mining equipment to allow us to increase production, improve terms of creditor payments and reinvigorate the efficiency of the operation once new operational measures are put in place. Target sales of one million tonnes to support Tanzanian industrialisation and regional exports, barring unforeseen circumstances and successful resolution of the claims mentioned, is becoming more of a reality."



ENDS

Shareholder Enquiries

Jim Shedd

Chief Executive Officer

Intra Energy Corporation Limited

www.intraenergycorp.com.au

Registered Office: Level 40, 2 Park Street, Sydney NSW 2000

Postal Address: PO Box 1930, North Sydney NSW 2059

About Intra Energy

Intra Energy is an environmentally responsible, diversified mining and energy group, focused on Eastern Africa, and is listed on the Australian Stock Exchange (ASX:IEC). IEC is a developer and producer of thermal coal in Eastern Africa operating under the motto of “African coal for African growth” and is the only operating thermal coal miner in Eastern Africa. Its flagship coal project is the Tancoal mine in the Ngaka coalfield of Tanzania, operated by Tancoal Energy Limited, a joint venture with the National Development Corporation of Tanzania.

Intra Energy has made significant progress with its Eastern African regional expansion strategy into new mining and renewable energy projects and battery storage materials, and maintains cost effective and efficient operations to remain a low cost producer in this dynamically growing region where it occupies the prime supply position.