

ASX Release

21 November 2018

IEC OCTOBER 2018 UPDATE

- **Record sales of 75,557 tonnes in October (record sales 4 months in a row)**
- **Production increasing in November to meet 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 October 2018 that were again higher than the record set in September 2018. Sales were 75,557 tonnes compared to 45,039 in October 2017.

Production in October 2018 was 56,849 tonnes compared to 52,009 tonnes in October 2017. Production was lower than planned for October due to late arrival of new equipment and time in opening-up of in pit coal resources. Sufficient coal will be uncovered by mid November to meet demand and to rebuild coal stocks before the rainy season. Tancoal is engaging with its customers in discussions to increase the minimum tonnages in their take or pay contracts to support an increase in capacity at the mine.

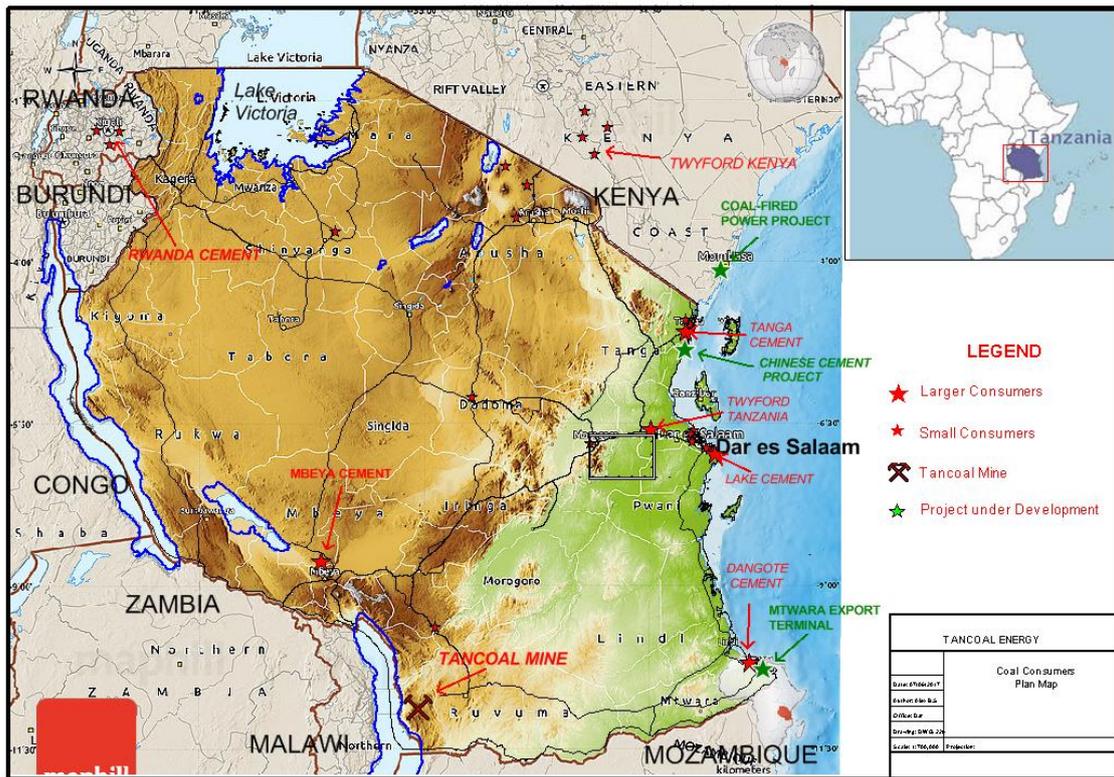


The steady increase in demand from both domestic and regional export markets continues due to higher prices of coal from Richard's Bay, a growing reputation in export markets for the quality of the coal from the Ngaka, an increase in both domestic and export sales of cement by the Tanzanian cement factories and customers increasing their production to meet the infrastructure development requirements of Tanzania and increasing stocks before the beginning of the rainy season.

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

There have been no material developments in the Caspian court case (refer ASX announcement on 11 September 2018) and Tancoal’s customers being charged royalty on their costs to transport the coal to their place of business (refer ASX announcement on 21 August 2018). IEC will continue to keep the market informed.

IEC Chairman, Graeme Robertson, commented "The improvement in coal sales has been very heartening and the Company is now in a position to develop greater production capacity with stronger cashflows as well as improve creditor payments. Tancoal is expected to move to a capacity of one million tonnes per year over the next three months."



ENDS

Shareholder Enquiries

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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.