

ASX Release

14 May 2020

IEC UPDATE APRIL 2020

- **Sales 38,300 tonnes**
- **Production 39,711 tonnes**
- **Sales and Production lower due to COVID-19**
- **Stocks available to meet customer demand**

Intra Energy Corporation Limited ("IEC" or "the Company") announces that Tancoal Energy Limited (IEC 70% and National Development Corporation of Tanzania 30%) sold 38,300 tonnes of coal in April 2020. Sales were lower than the prior year (64,768 tonnes sold in April 2019) due to the effect of COVID-19 on the businesses of both domestic and export customers and competition from small miners.

Coal produced during the month was 39,711 tonnes (production in April 2019 was 66,330). Tancoal has the capacity to increase production to meet customer demand.

Tancoal is continuing discussions with the Ministry of Minerals and the Mining Commission on the payment terms for the US\$10.4 million of past royalties.

Tancoal has been advised by the Ministry of Minerals that many of its customers' ownership structures are not local and so they do not qualify to have a Dealer's Licence under local content laws for the mining industry so Tancoal will continue to pay the royalty on the customers' transport.

Tanzania has implemented COVID-19 precautions, all international visitors to the country must go into isolation for 14 days in government-approved accommodation, schools have been closed, social distancing and washing of hands are encouraged. Tancoal has implemented company policies to educate and protect its staff and contractors.

An agreement with the former contractor, Caspian, to extend the payment plan for the three final payments due to tight cash flow from lower sales remains pending.

INTRAFRICAN RESOURCES

Intrafrican Resources Limited ("Intrafrican"), a fully owned subsidiary of IEC, registered in Mauritius (previously named AAA Drilling Limited), has invested in Intra Minerals Limited ("IML"), a company registered in Mauritius. Intrafrican currently owns 15% of IML.

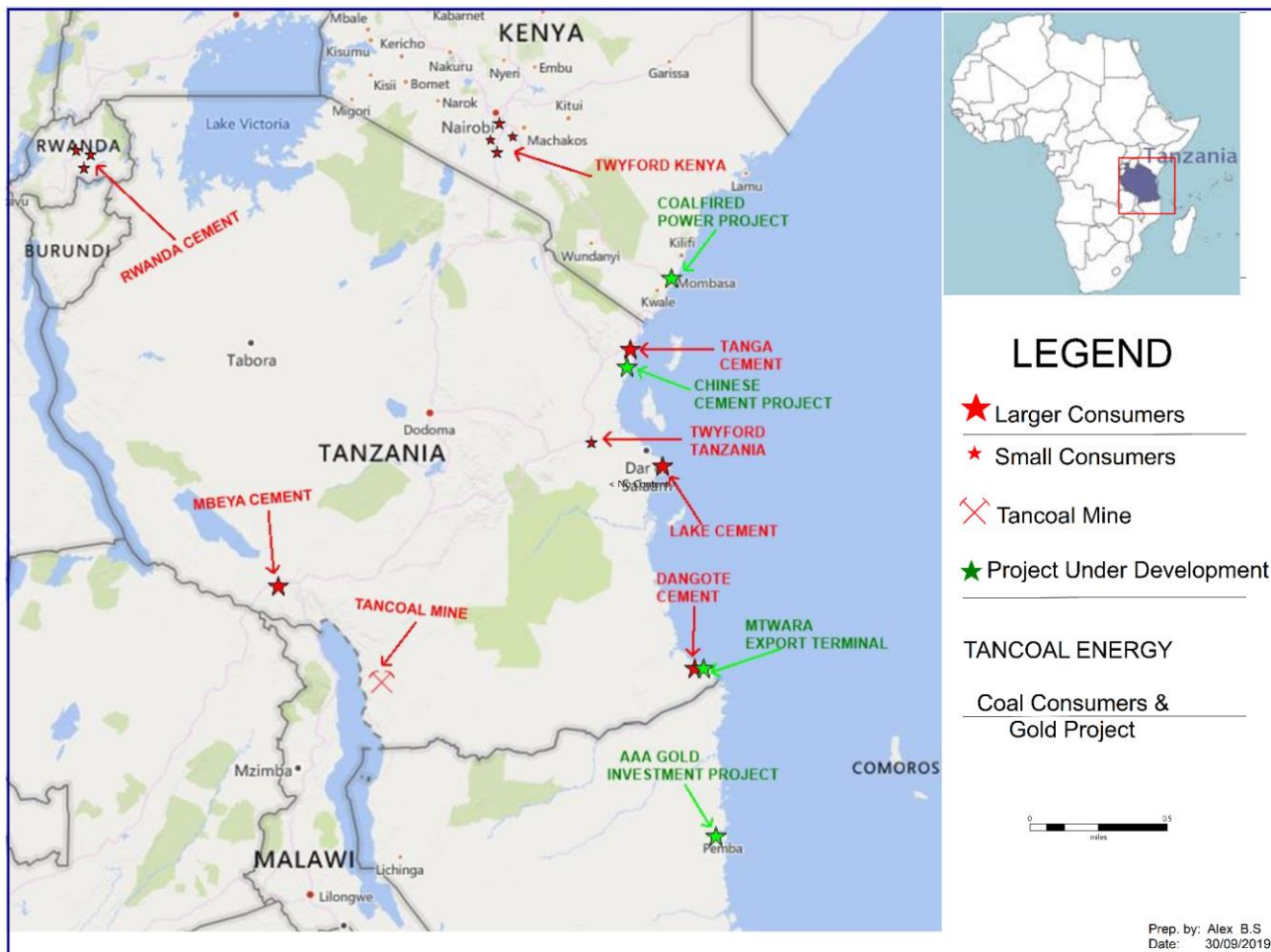
IML is the 95% owner of the Lurio Gold Project in Mozambique. Intrafrican is considering funding opportunities for increased equity and the development of stage three of the project.

The Chairman of IEC, Graeme Robertson, commented "Coal mining and sales for the month of April 2020 bore the full brunt of the COVID-19 as factories limited their production, the cement industry retracted due to delayed infrastructure projects and exports slowed as lockdowns became enforced in neighbouring countries. To this extent, IEC is suffering like the rest of the international coal industry with very low coal prices, a declining market and increasing environmental pressures.

IEC has recognised that this could be the way of the world of coal and has focused on diversifying into gold exploration and development in a friendlier jurisdiction over the last six months. Although the Minas du Lurio gold project is on hold due to restricted movement of people due to COVID-19, prospecting teams are still in

the area and have seen an area of good potential 2 kilometres from our existing site concentration. Bulk samples have demonstrated higher gold values.

During this difficult time, the IEC Board has applied itself to the development of the gold area and looks forward to restarting activities in June/July period.”



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 Tancoals mine in the Ngaka coalfield of Tanzania, operated by Tancoals Energy Limited, a joint venture with the National Development Corporation of Tanzania.

Intra Energy has made significant progress with its South Eastern African regional diversification strategy into new gold exploration in Mozambique.