

ASX Release

18 March 2020

IEC FEBRUARY 2020 UPDATE

- **Mining Licence issued to Tancoal**
- **Sales up 39.5% in February to 46,610 tonnes**
- **Production up 33.9% in February to 45,691 tonnes**
- **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%) has been issued Mining Licence ML 610/2020. The mining licence is adjacent to the north pit of the current licence and is critical for Tancoal to continue production without having to develop a new pit in the current licence.

Tancoal sold 46,610 tonnes of coal in February 2020 which was a 39.5% improvement on January 2020 even though heavy rains continued throughout the month. February 2019 sold 61,515 tonnes. Sales in March are also showing improvement.

Coal production in February was 33.9% higher than January but lower than the 64,402 tonnes produced in February 2019. Production mirrors projected sales and Tancoal maintains the capacity to increase production to meet customer demand.

Discussions are continuing with the Ministry of Minerals and the Mining Commission on resolution of royalties, fees, penalties, issuance of licences and expansion of coal sales in compliance with legal requirements. The proposal for a payment plan for past royalties continues to be under review by the Mining Commission.

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 exploration project currently comprises a 168.56 km² large prospecting license (8416L) in the historically underexplored Lúrio Belt. As part of recent exploration activities, an initial trenching and sampling program has been completed at Savane, a prospective area within the aforementioned prospecting license.

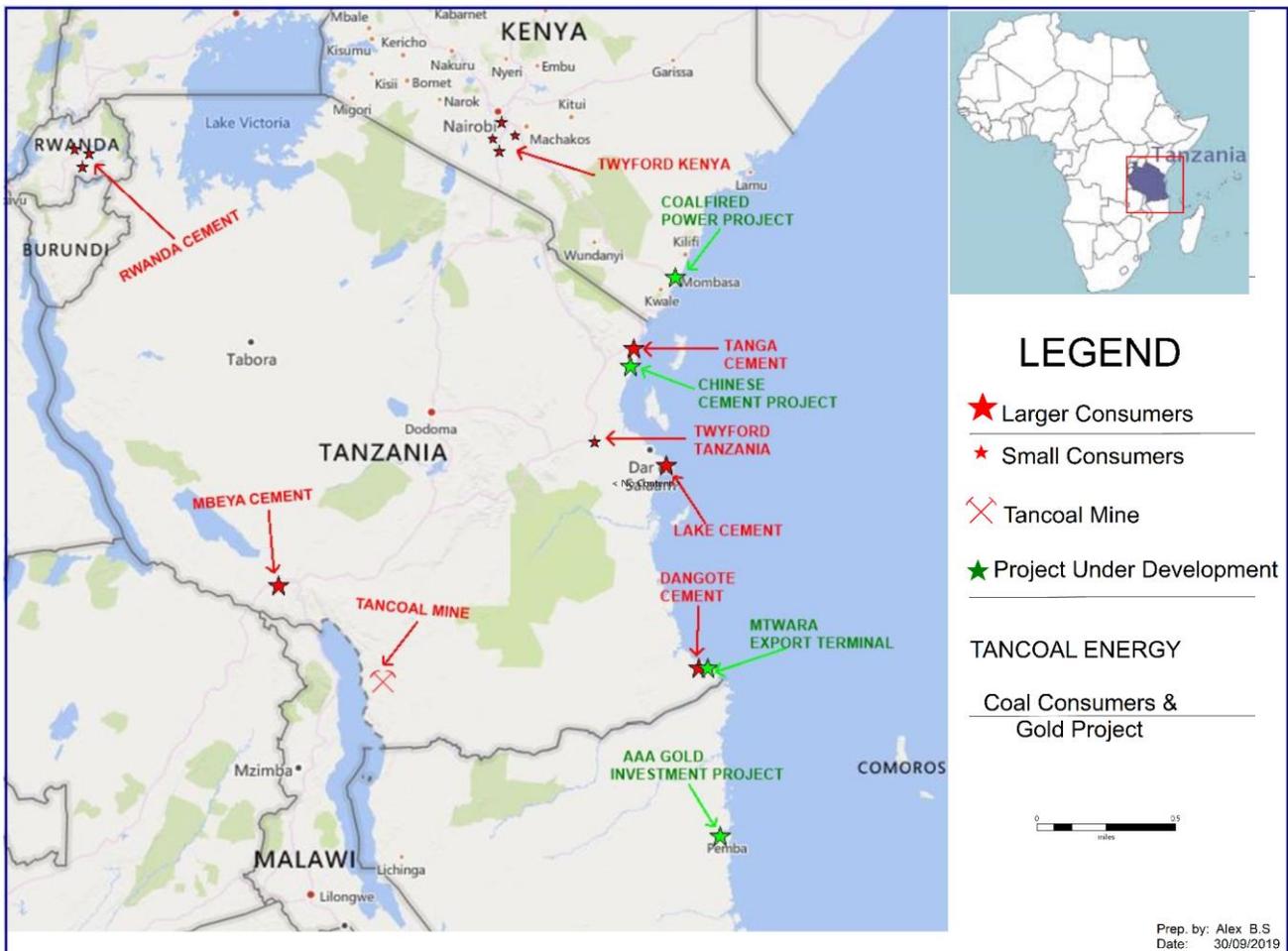
An independent expert, Benedikt Steiner (CGeol EurGeol), has been retained to advise on the project and has completed a non-JORC technical report summarising and evaluating the exploration activities on the project from 2016 to 2020. Mr Steiner's initial observations confirmed the validity of the exploration project, which is

currently considered to be a potential open-cut mining target, and represents an encouraging first-mover opportunity into a much larger prospective area.

IEC Chairman, Graeme Robertson, commented “IEC through Tancoal, continues to discuss with the Ministry of Minerals and the Mining Commission to resolve matters of penalties being paid on transport royalties, length of time to pay as well as assistance in developing the export trade for coal. We understand that the license taken three years ago by the Ministry of Minerals is being returned to Tancoal. This is a significant gesture by the Ministry and will allow immediate coal production to meet now strongly growing demand and also increase coal resources.

It is pleasing to see the increase in sales and advise of new contractual supply into Kenya for the cement industry. Rain has been particularly heavy and this has stopped the operation of other small coal mines in the area and hence enhancing the reputation of Tancoal as the reliable supplier of coal in Tanzania.

Intrafrican Resources Ltd continues to work closely in the gold exploration industry in Mozambique and is considering a listing on the Second Board of the Stock Exchange of Mauritius (SEM) as it is a Mauritian company wholly-owned by IEC and shareholders of IEC will be invited to participate on beneficial terms without diluting their shareholding in IEC. It is considered that if completed as planned this transaction will support IEC shares.”



ENDS

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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.