

ASX Release

14 June 2019

IEC MAY 2019 UPDATE

- **Sales 60,901 tonnes**
- **Production 62,393 tonnes**
- **Heavy rains continued in May**
- **Purchase 50% of AAA Drilling, now wholly-owned by IEC**

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 60,901 tonnes of coal sold for May 2019 compared to 56,704 tonnes sold in May 2018.

Heavy rains continued through May reducing both production and sales. 62,393 tonnes were produced in May 2019 compared to 55,934 tonnes in May 2018. Heavy rains also caused a slowdown in the cement industry with two major customers entering into mill maintenance for the May/June period and reducing coal sales for the period.

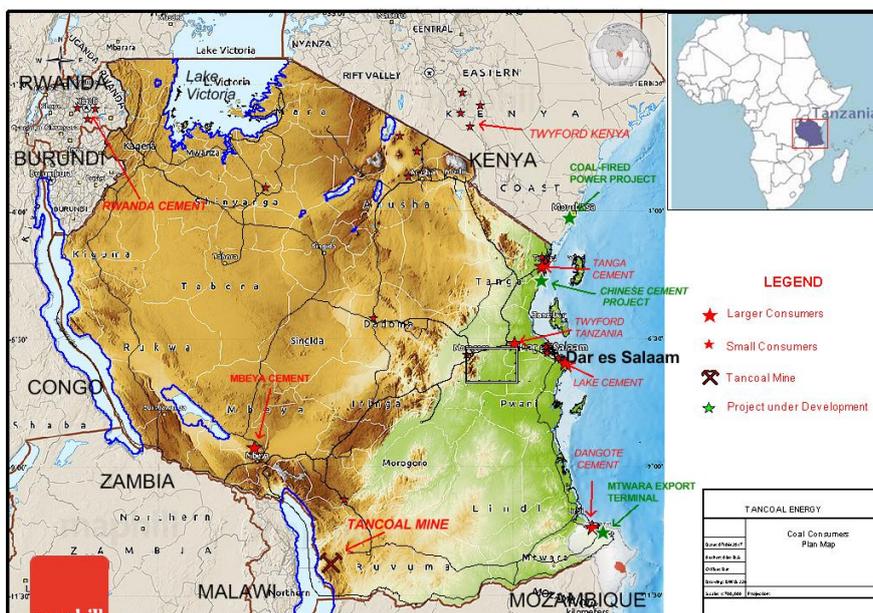
IEC has purchased 50% of the shares in AAA Drilling Limited (Mauritius) for USD\$75,000. AAA Drilling Limited (Tanzania) is now a wholly-owned subsidiary of IEC and owns a Hanjin Drilling rig worth A\$1.5 million that is ideal for multiple drilling purposes in coal bed methane, geothermal, coal and minerals exploration.



Hanjin 45D Drilling Rig built in 2012 for multiple exploration applications

For the second year Tancoal attended the Mining Exhibition at the Parliamentary grounds in Dodoma hosting a display of the Ngaka mine at the start of May. There was considerable interest from visitors and parliamentarians in Tancoal.

IEC Chairman, Graeme Robertson, commented “Production should increase with the ending of the rainy season in June and the utilisation of trucks currently going through arduous customs clearance procedures. When these trucks are operating on site, Tancoal has the capacity to produce some 80,000 tonnes of coal per month. This should be achieved with substantial savings from the discontinuance of the Caspian contract. However, sales are lower in May and are expected to decline further in June while Tancoal’s major customers undergo kiln maintenance shutdowns. With Government infrastructure projects continuing strongly, we project an increasing demand for cement. The highlight of the month was the acquisition of the balance of shares in AAA Drilling Limited making it a wholly-owned subsidiary of IEC. AAA Drilling Limited owns a Hanjin drilling rig which was built several years ago but never used. It is ideal for coal bed methane drilling and IEC is investigating longterm contracts for the rig in Mozambique and Zimbabwe. As a services entity, AAA Drilling Limited can also invest in mining activities anywhere in Africa and is seeking opportunities in southern Africa.”



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.