

ASX Release

22 October 2019

IEC UPDATE

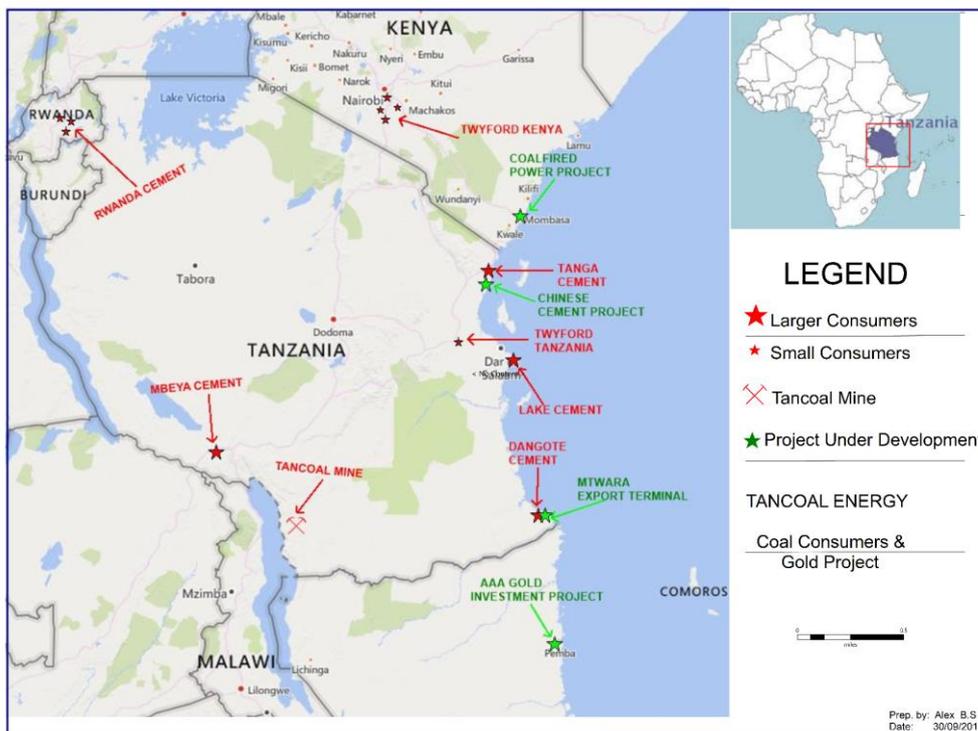
Intra Energy Corporation Limited ("IEC" or "the Company") wishes to advise that as a result of ongoing discussions between IEC/Tancoal and the Tanzanian Ministry of Minerals, Mining Commission, a letter dated 16 October 2019 was received at the end of last week.

The correspondence commends the cooperation shown by Tancoal in seeking an amicable resolution of royalty and clearance fees. The Mining Commission has agreed to allow Tancoal a period of 23 months to pay the outstanding charge of USD10,408,798 commencing from October 2019. Tancoal is submitting further information in order to extend this payment over a longer period and to commence payment of the outstanding charge in February 2020 after completion of the Caspian payments.

The Mining Commission has noted that the Mining Act does not mandate powers to waiver penalties and Tancoal will further discuss this matter and the waiver of Royalty on transport for export sales which was initially not accepted by the Mining Commission.

Requests by Tancoal to upgrade haul roads were noted not to be the responsibility of the Mining Commission which did however, agree to assist in expediting licenses in compliance with legal requirements.

Tancoal is seeking further meetings to respond and settle the above matters.



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.