

ASX Release

29 January 2019

IEC - UNAUDITED RESULTS FOR THE HALF-YEAR DECEMBER 2018

- **Sales YTD 408,595 tonnes; Half-year December 2017 YTD 258,253 tonnes**
- **Production YTD 364,519 tonnes; Half-year December 2017 YTD 294,524 tonnes**
- **Underlying EBITDA profit of A\$3.275 million, Half-year December 2017 loss of (A\$0.787 million)**
- **Sales Revenue improved to A\$26.484 million for Half-Year 2018, A\$15.088 million Half-Year 2017**

Intra Energy Corporation Limited ("IEC" or "the Company") is pleased to announce that the Group has achieved an unaudited underlying EBITDA of A\$3.275 million, a turnaround from the December 2017 half-year underlying EBITDA loss of (A\$0.787 million) and the FY 2018 underlying EBITDA loss of (A\$0.654 million).

The improvement in performance is mainly due to the increase in sales and production for the half-year which have continued on from the second half of FY 2018, the improvements in efficiency at the mine and continued focus on management of costs. The improvement in cashflow has enabled the Company to meet statutory requirements of the Tanzanian Government (Revenue Authority), reduce debt in IEC and acquire wheel loaders and additional coal production equipment.

IEC Group Half-Year Results - Unaudited

	Half-Year Ended (A\$000's)	
	Dec-18	Dec-17
Revenue	26,484	15,088
EBITDA	3,275	(787)
Profit/(loss) from continuing operations	2,705	(1,319)
Profit/(loss) for the period	2,612	(1,388)
Net profit/(loss) attributable to shareholders of IEC	1,885	(1,037)

The result does not take into account any items that are one off in nature and uncertain at the time of this release, these items include any impact in the accounts that may result from the Caspian court case (refer ASX announcement on 11 September 2018) which was postponed to 20 February 2019 as the Courts are on statutory leave, the ongoing issue of 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), any provision that may be made with regard to an ongoing tax audit on the years up to FY 2015, any item to be disclosed as a result of the audit process, or any other similar item.

IEC Group Half-Year Production and Sales

	Half-Year Ended		
	Dec-18	Dec-17	Var (%)
Overburden Stripped (bcm)	1,565,572	1,473,377	6.26%
Coal mined (tonnes)	347,926	294,524	18.13%
Sold (tonnes)	408,595	258,253	58.22%

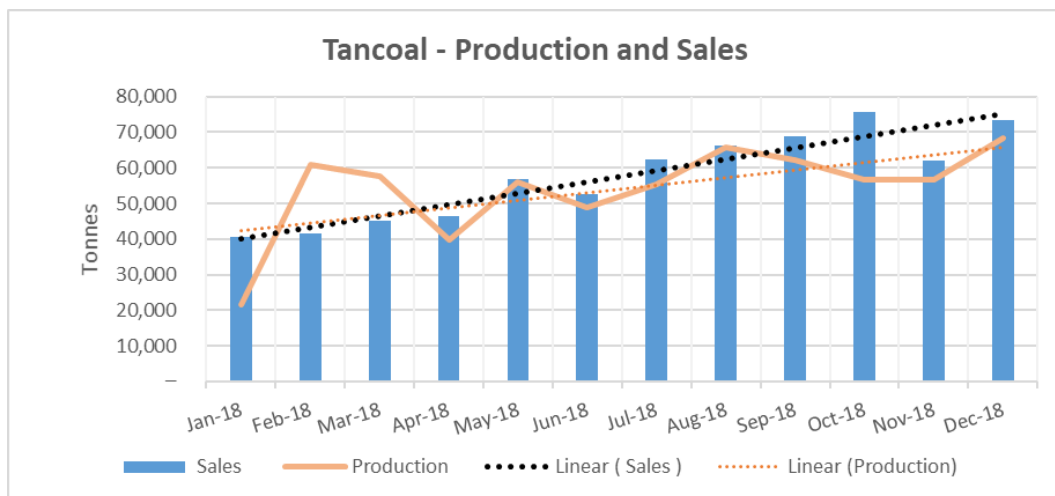
- Production and sales have been solely from the Tancoal Mine.

IEC Group Half-Year sales volumes (as a percentage) by country

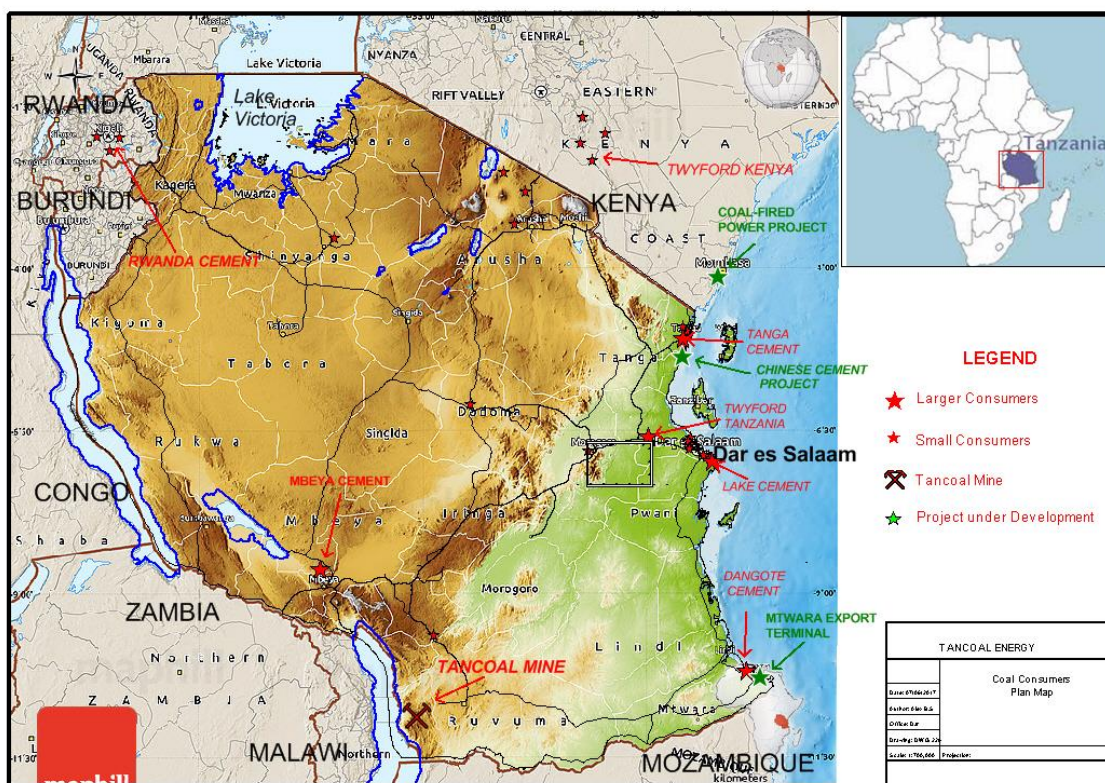
	Half-Year Ended	
	Dec-18	Dec-17
Tanzania	75.32%	86.02%
Kenya	14.78%	10.53%
Rwanda	6.31%	3.45%
Uganda	3.59%	-

IEC Group Half-Year sales volumes (as a percentage) by industry

	Half-Year Ended	
	Dec-18	Dec-17
Cement	53.45%	70.85%
Ceramics	25.50%	13.25%
Textiles	4.16%	7.33%
Other	16.88%	8.57%



IEC Chairman, Graeme Robertson, commented "The unaudited results for IEC for the Half-Year show a positive improvement in the operations of the Tancoal Mine. It is also pleasing that IEC is meeting its current obligations in statutory payments required by the Tanzanian Government and has been able to reduce debt as well. We expect the forthcoming period will see lower results due to the requirement to increase production capacity to manage sales and have an adequate stockpile available. Several threats remain which could hinder the orderly delivery of coal, the Caspian Contractor matter which needs resolution and the potential road tax on coal which would cripple the trucking and consumer industry. With the satisfactory conclusion of these matters, production and sales will increase going forward."



ENDS

Shareholder Enquiries

Jim Shedd

Chief Executive Officer

Intra Energy Corporation Limited

www.intraenergycorp.com.au

Registered Office: Level 40, 2 Park Street, Sydney NSW 2000

Postal Address: PO Box 1930, North Sydney NSW 2059

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.