

## **ASX Release**

16 June 2020

## **IEC MAY 2020 UPDATE**

- **New Website for IEC - <http://intraenergycorp.com.au>**
- **Gold Project in Mozambique - second new area found**
- **Coal Sales 24,067 tonnes**
- **Coal Production 34,229 tonnes**
- **Sales and Production lower due to Covid-19**
- **Stocks available to meet customer demand**

### **INTRAFRICAN RESOURCES**

Intra Energy Corporation Limited ("IEC" or "the Company") announces that Intrafrican Resources Limited ("Intrafrican"), a fully owned subsidiary of IEC, registered in Mauritius, has invested in Intra Minerals Limited ("IML"), a company registered in Mauritius. Intrafrican currently owns 15% of IML.

A new gold bearing area has been located approximately 2 kilometres from the original Savanne Area where survey and trenching have indicated the potential for a resource. The second area exhibits visible gold in quartz veining. Samples of quartz and soil have been taken, crushed and prepared for washing with evidence of gold in the samples. Once borders re-open from the COVID19 closures, samples will be taken for laboratory testing in South Africa.

### **TANCOAL ENERGY**

Tancoal Energy Limited (IEC 70% and National Development Corporation of Tanzania 30%) sold 24,067 tonnes of coal in May 2020. Sales were lower than the prior year due to the effect of Covid-19 on the business of both domestic and export customers and competition from small miners, 60,901 tonnes were sold in May 2019.

Coal produced during the month was 34,229 tonnes, May 2019 production was 62,393 tonnes. 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 and is requesting a moratorium on payments until sales tonnages increase over the 45,000 tonnes per month level.

Tanzania has advised that cases of Covid-19 have reduced, airports and some schools and colleges have been opened and people are advised to continue to take precautions. Tancoal has implemented company policies to educate and protect its staff and contractors.

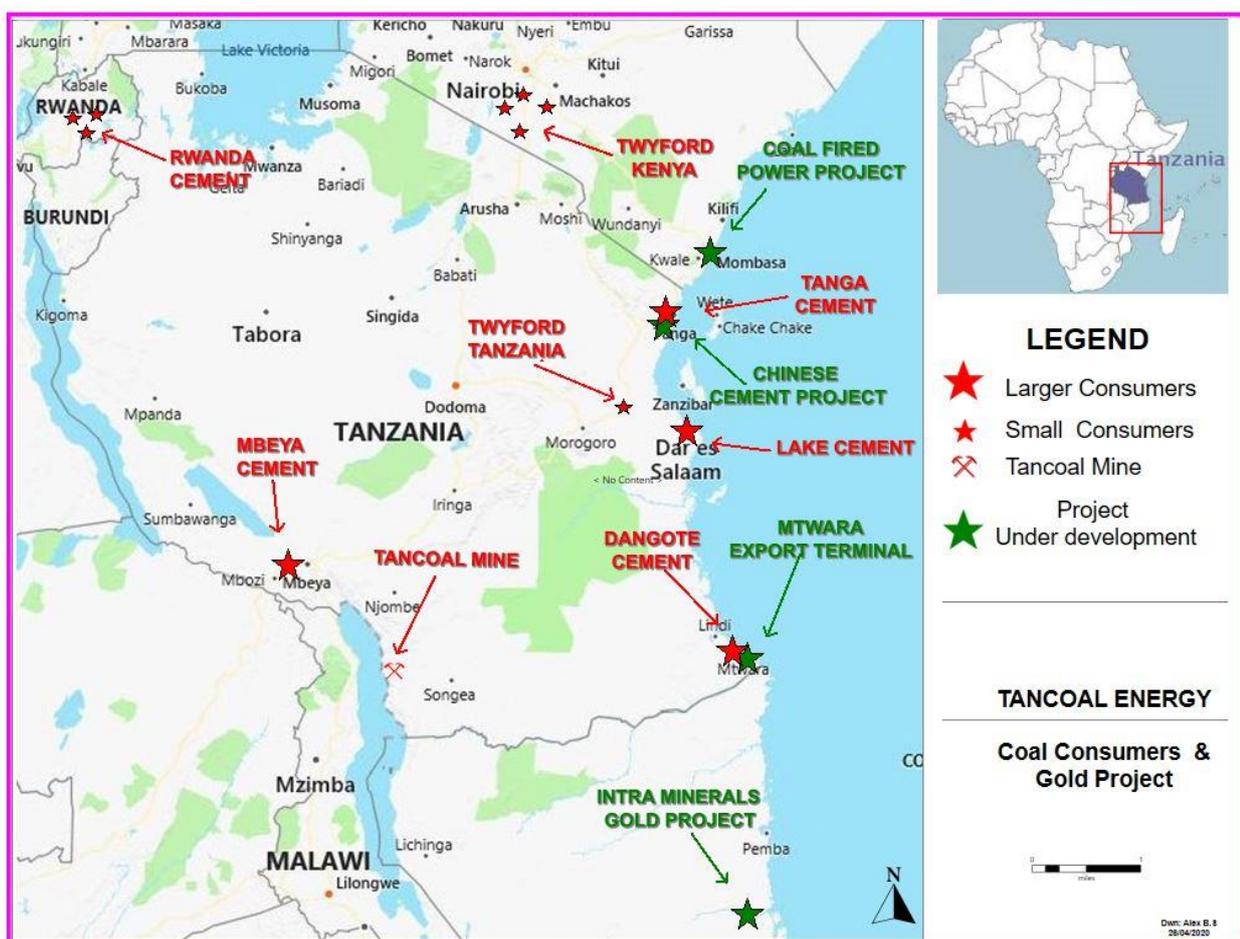
An agreement with the former contractor, Caspian, to extend the payment plan for the three final payments due to tight cash flow from lower sales remains pending.

The Chairman of IEC, Graeme Robertson, commented "May continued the low sales tonnages witnessed in April as a result of industrial slowdown from the COVID19 Pandemic. Increased coal supplies from nearby small

mines at low prices aimed at gaining market share were also a factor in lower supply tonnages. These are expected to face increased mining costs once shallow coal has been depleted and are not considered a long term threat as quality is not to the standard of Tancoal.

The fundamentals of IEC are changing as it gravitates more into the gold development sector with increased enthusiasm given the new gold area in the Minas Do Lurio concession. IEC is also investigating other potential areas and has commenced the process to a listing of Intrafrican Resources to raise funding to further increase equity in IML and support the next stage of development to target a small scale production area to generate sufficient cash to enable formulation of a JORC resource.

IEC has a wealth of experience in mining in Africa as well as Australia and Asia and is alert to international changes in perspective governing production of mineral and energy commodities. Coal will always have an important role to play in electricity generation and industrialisation, however, it does not offer shareholders as much upside potential as gold in today's volatile world or battery minerals in the brighter future. Hence a greater focus for IEC will be on developing in the gold sector."



ENDS

**Shareholder Enquiries**

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***About Intra Energy***

Intra Energy is an environmentally responsible, diversified mining and energy group, focused on South Eastern Africa, and is listed on the Australian Stock Exchange (ASX:IEC). IEC has made significant progress with its regional diversification strategy into new gold exploration in Mozambique.

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 largest 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.