

ASX Release

16 July 2020

IEC JUNE 2020 UPDATE

- **Minas do Lurio Gold Project Update**
- **IEC Consultant Review of Lurio Gold Project**

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 which is the 95% owner of the Lurio Gold Project in Mozambique.

The exploration project currently comprises a 168.56 km² large prospecting license (8416L) in the historically underexplored Lúrio Belt, an initial trenching and sampling program has been completed at Savane, a prospective area within the prospecting license. A new gold bearing area has been located approximately 2 kilometres from the original Savanne Area. 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.

An independent expert, Benedikt Steiner (CGeol EurGeol), has been retained by IML 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 has engaged Mr Kim Stanton-Cook, an exploration/development geologist with 45 years' experience in mineral exploration industry. Mr Stanton-Cook's expertise covered a wide region from Australia to the Americas, Asia to Africa and carried the responsibility for the development of well-known Australian mining operations as a Chief Geologist and Exploration Manager. His upcoming role is to act as its consultant in the development of the Lurio Gold Project. Mr Stanton-Cook has reviewed work done to date and has advised that the Project has merit and should move into the drilling stage which gives solid reason why the area should be considered as highly prospective. Prior to intense deformation and high grade metamorphism, the evolving arc may well have, in its early stages, contained porphyry copper and epithermal gold deposits like those on the west coasts of the Americas where the Pacific Plate is currently subducting. Granulite facies metamorphism will have cooked and remobilised those metals and the Savane area in the Lurio Concession may well represent an end-member of this process.



Sampling at Lurio Trenching Area

TANCOAL ENERGY

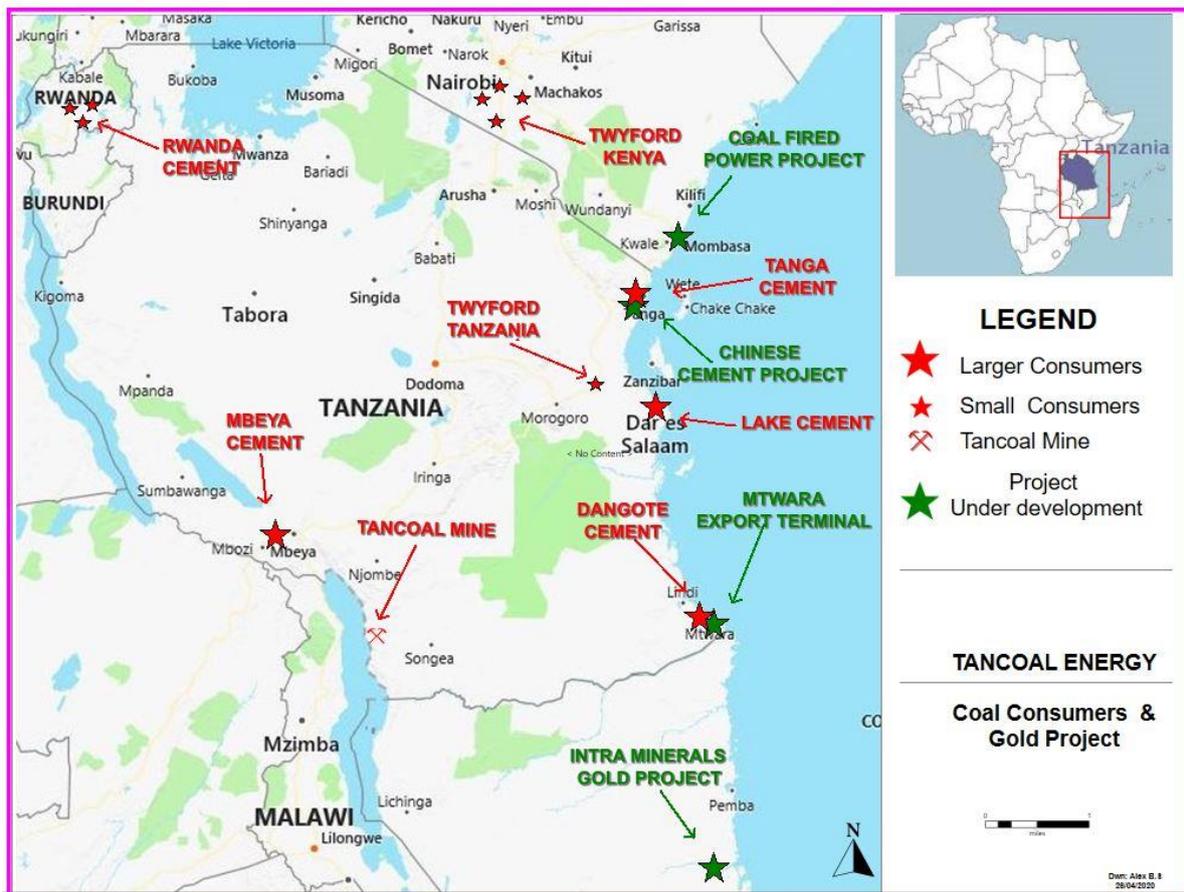
Tancoal Energy Limited (IEC 70% and National Development Corporation of Tanzania 30%) sold 20,104 tonnes of coal in June 2020 compared to 51,712 tonnes sold in June 2019. Sales continued to be lower due to the effect of Covid-19 on the business of both domestic and export customers and competition from small miners. Tancoal had enough stock for sales in June so production was lower at 1,679 tonnes, compared to 62,910 tonnes in June 2019. Stocks are sufficient for the demand. Total sales for FY 2020 were 523,057 tonnes, compared to 788,702 tonnes in FY 2019 and production for FY 2020 was 496,852 tonnes, compared to 748,874 tonnes in FY 2019.

Discussions continue with the Ministry of Minerals for a moratorium on the assessment for past charges for royalty on transport to customers' business premises and discussions are also continuing with the former contractor, Caspian, to extend the payment plan for the three final payments due to tight cash flow from lower sales.

The Chairman of IEC, Graeme Robertson, commented "As mentioned in the last monthly update, the fundamentals of IEC are changing as it gravitates more into the gold development sector with increased enthusiasm. Intrafrican Resources Limited has the opportunity to increase its equity in IML and the prospective Minas Do Lurio concession as well other potential development areas in Mozambique. IEC welcomes Kim Stanton-Cook as our consulting geologist as IEC considers other opportunities in Australia and overseas. The Managing Director of IEC, Jim Shedd, has extensive operating experience with Newcrest and other minerals mining companies and has been involved in groundwork at Minas Do Lurio. IEC is engaging with prospective

financial advisers to determine the best method of raising capital necessary for the evolution of the company into the minerals sector.

Unfortunately, June has been a repetition of the previous months of low sales tonnages from its Tancoal Energy subsidiary in Tanzania. A decision was made to curtail production and reduce stocks while some borders remain closed to regional supply amidst the slowdown from the COVID19 pandemic which has also slowed payments. Production can be increased rapidly should sales grow as a result of new market development. Government royalties on both production and transportation have impacted margins so increased production and sales are essential.”



ENDS

Shareholder Enquiries

Jim Shedd

Managing Director

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 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.