ASX Release

19 September 2017

IEC AUGUST UPDATE

- **August Sales and Production remained steady**
- **New Screen Plant operating**
- **Slowdown in cement usage to impact sales**

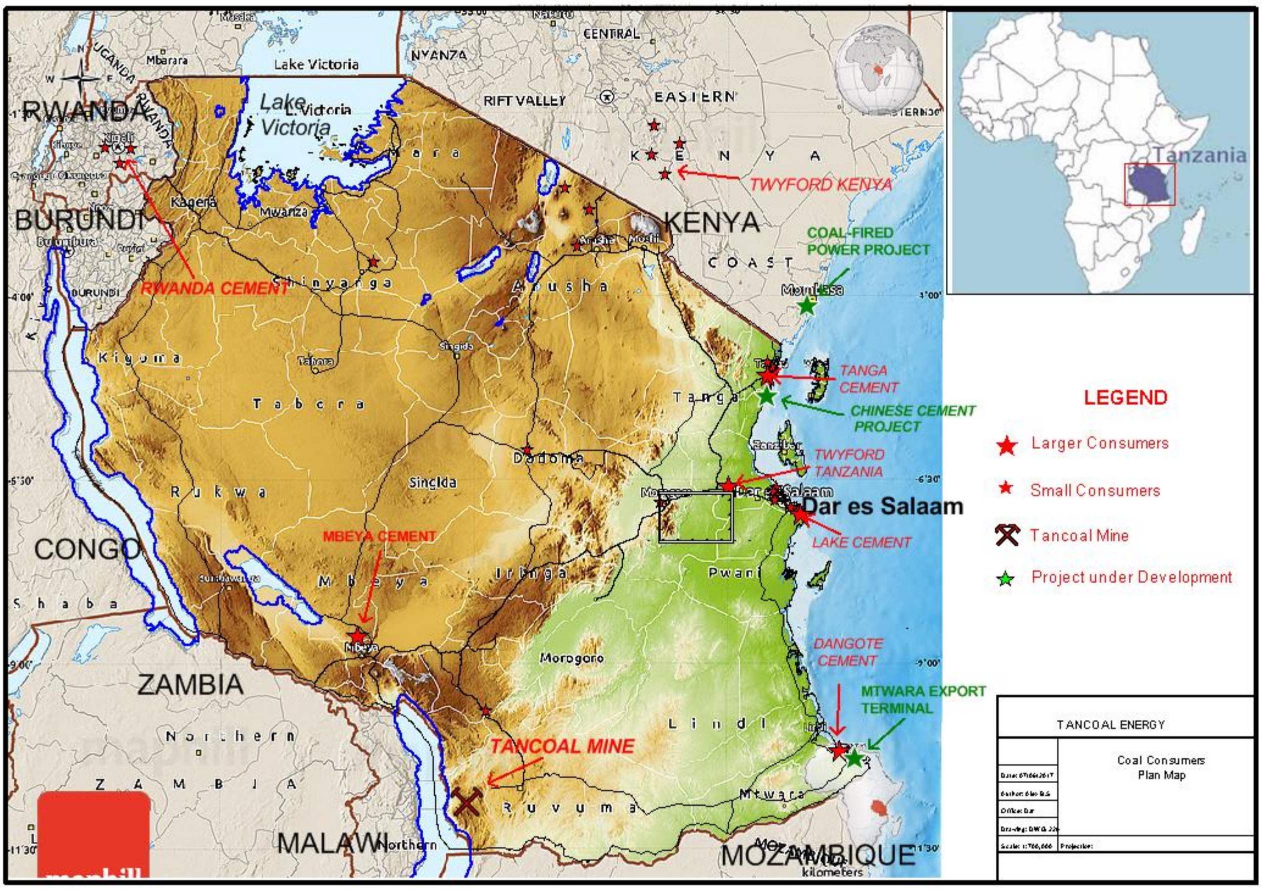
Intra Energy Corporation Limited ("IEC" or "the Company") is pleased to announce that Tancoal Energy Limited (IEC 70% and National Development Corporation of Tanzania 30%) has maintained the solid performance in August 2017 with production of 45,469 tonnes together with sales of 44,497 tonnes, compared with August 2016 production of 31,941 tonnes and sales of 21,252 tonnes.

Mtwara Port visit in preparation for coal exports from the region

The slowdown in cement usage within Tanzania continued to impact sales and production in August and sales are forecast to be lower than expected in September. Coal prices were increased in August by 10% to offset higher costs of production. The export price for the Company's coal is competitive and the Company is actively seeking export markets.

The new screen plant is now operational and can screen up to 500 tonnes per hour. The screen plant will enable the Company to meet the demand for export of sized coal product in the East African region. The new crushing plant and conveyors are en route to Tanzania and are expected in October.

IEC Chairman, Graeme Robertson, commented "While we are seeing a slowdown in construction and industrial development in Tanzania impacting coal sales domestically, we are also seeing strongly increased export coal prices ex Richards Bay, South Africa. There is increased level of enquiry from countries in the region which are enjoying economic growth, looking to broaden their coal sourcing with the realisation that Tancoal is now competitive."



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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.