

ASX Release

15 March 2017

Company Announcement Officer
Australian Securities Exchange

IEC Update

Intra Energy Corporation (ASX:IEC) ("the Company" or "IEC") advises that it has reached an agreement with the responsible Ministries in Tanzania with regard to allocating an area of its coal tenements to Dangote Industries Tanzania ("Dangote").

The Minister of Mining and Energy has confirmed that Tancoal Energy Limited ("Tancoal") will continue its current mining operations. Tancoal has agreed to allocate to Dangote a mining area that is under application. This agreement will not impact current mining operations but will reduce Tancoal's coal resources.

IEC holds a 70% stake in Tancoal and the Tanzanian state owned National Development Corporation ("NDC") holds the remaining 30%.

Tancoal has also identified a credible mining contractor and is currently finalising contractual conditions to allow immediate commencement and subsequent increase in production.

The Ministry of Energy and Minerals has published the following release (translation of original attached):

***"NOTICE TO THE PUBLIC :
DANGOTE TO BE GIVEN AN AREA TO MINE COAL AT NGAKA***

The process of giving Dangote Cement an area to mine coal to enable it to mine its own coal was completed today, 11 March 2017. The Company will be given an area of 9.98km² in the Ngaka Coal Fields, Mbinga District, Ruvuma Region.

This comes after the directive from the President of the United Republic of Tanzania, Dr. John Pombe Magufuli issued on the 5 March 2017 while in official business tour in Mtwara. In that official business tour, the President ordered the Ministry of Energy and Minerals to provide Dangote with a coal mining area within the Ngaka coal fields for mining their own coal for their cement industry usage.

The Government will continue to provide assistance and cooperation to Investors in the Energy and Minerals sectors to ensure that the existing and new projects contribute considerably in the economy of the country to meet with the Government's drive for industrialization."

Tancoal has advised Ministry of Energy and Minerals that it reserves its legal rights and insists that due compensation be paid to Tancoal for costs expended on the area to be given-up.

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.

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TAARIFA KWA UMMA

**DANGOTE KUPATIWA ENEO LA KUCHIMBA MAKAA YA MAWE
LILILOPO NGAKA**

Utaratibu wa kuipatia Kampuni ya Saruji ya Dangote eneo la kuchimba madini ya makaa ya mawe ili ichimbe yenyewe umekamilika leo tarehe 11 Machi, 2017. Kampuni hiyo itapewa leseni kwenye eneo la ukubwa wa kilomita za mraba 9.98 katika eneo la Ngaka, Wilayani Mbinga Mkoani Ruvuma.

Hii inatokana na agizo la Rais wa Jamhuri ya Muungano wa Tanzania, Dkt. John Pombe Joseph Magufuli alilotoa tarehe 5 Machi 2017, akiwa katika ziara ya kazi mkoani Mtwara. Katika ziara hiyo, Rais Magufuli aliagiza Wizara ya Nishati na Madini kuipatia Kampuni ya Dangote, eneo lililopo Ngaka wilayani Mbinga, Mkoa wa Ruvuma ili wachimbe makaa hayo wao wenyewe kwa ajili ya uzalishaji wa saruji katika kiwanda hicho.

Serikali itaendelea kutoa ushirikiano kwa wawekezaji katika sekta za Nishati na Madini ili kuhakikisha kuwa miradi mipya na iliyopo inachangia ipasavyo katika uchumi wa Taifa ili kutekeleza azma ya Serikali ya kujenga uchumi wa viwanda.

**Imetolewa na Wizara ya Nishati na Madini
Machi 11, 2017**