

ASX Release

29 December 2016

Company Announcement Officer
Australian Securities Exchange

INTRA ENERGY DECEMBER OPERATIONS UPDATE

- December sales maintaining increases over record sales of the previous month
- Expanding production capacity to produce 60,000 tonnes per month
- New CEO started work

Intra Energy Corporation Limited (ASX:IEC) ("IEC") is pleased to advise that its 70% owned Tancoal Energy Ltd ("Tancoal") is maintaining increases over record sales of the previous month despite the end of year slowdown and rainy season. After round table discussions with the cement industry, the Ministry of Energy and Minerals and Tancoal, customers have indicated they will place orders of approximately 60,000 tonnes per month in the new-year as a result of the policy restricting imports of coal, consequently Tancoal will increase its production capacity to have a stockpile and ongoing production available to meet that level of sales. Sales to other East African countries continue. Tancoal is a partnership with National Development Corporation ("NDC") of Tanzania.

Tancoal is increasing its production capacity to prepare for the indicated increase in sales. Contracts for one new 40T Excavator, one 85T Excavator and four 55T Dump Trucks have been completed and the machines are on their way to the mine site. A new Grader is starting work on the Haul Road to the Kitai Sales Point to keep the road in good condition and arrangements are in place with contractors to have more than 40 Coal Haul Trucks working every day on the Haul Road. As part of the new fuel supply contract a new 55,000 litre fuel tank is being built at Kitai.



Jim Shedd started as CEO on 27 December and went directly to the Tancoal Mine site to work with the mine site team on increasing the production capacity.

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.