

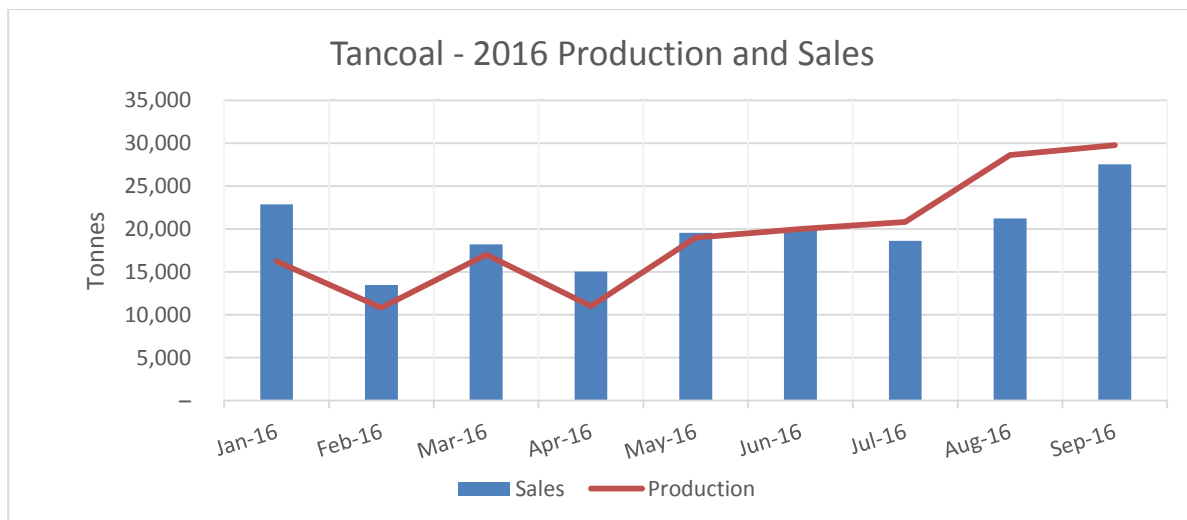
ASX Release

6 October 2016

Company Announcement Officer
Australian Securities Exchange

IEC REPORTS STRONG IMPROVEMENT IN SEPTEMBER OPERATIONS

Intra Energy Corporation Limited ("IEC") is pleased to announce a strong increase in sales and improvement in pricing for the month of September. This follows the reduction in stockpiles of imported coal following the Tanzanian Government's ban on imported coal (Refer ASX announcement on 12 August 2016). It is expected that this trend will continue with strong sales orders for October.



Sales increased by 25% to 27,552 tonnes in September over August 2016. Generally, thermal coal prices rose strongly in Tanzania reflecting the strengthening in coal prices from South Africa.

The operating company, Tancoal Energy Lt), which is 70% owned by IEC has moved to ensure sufficient production by increasing working capital through the increased overdraft approved by KCB Bank of Tanzania, (Refer ASX announcement on 29 September 2016) and by engaging Effco Solutions (T) Ltd, a local mining contractor to produce approximately 15,000 tonnes per month. The Company has also increased its production capacity by the hire of an additional excavator from Ramani Contractors.

A detailed update will be provided in the Quarterly Activities Report later this month.

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.