

ASX Release

29 September 2016

Increase of Tancoal Working Capital Facility

Intra Energy Corporation Limited (ASX: IEC) is pleased to announce that KCB Bank Tanzania Limited ("KCB Bank") has agreed to increase the current working capital facility to Tancoal Energy Limited ("Tancoal") by USD 800,000.

The Government of Tanzania's ban on the import of coal (refer ASX Announcement on 12 August 2016), has resulted in increased sales orders and the indications are that orders will increase steadily over the next few months. KCB has supported Tancoal by providing the working capital to increase production to enable the Company to supply the orders.

KCB Bank is Eastern African's largest banking institution with an asset base of USD 5.045 Billion, a market capitalization USD 704.5 Billion and broad regional distribution in six Eastern Africa countries. IEC has a joint venture with National Development Corporation of Tanzania. Tancoal is the leading supplier of coal to the industrial markets in the Eastern African region.

Terms of KCB Bank Debt Facility	Debt covenants	Fixed and Floating charge	Interest rate
Term Loan US\$1,274,000	None	Yes	8% - USD Base Rate minus 1%
Bank Guarantee (existing US\$625,000)	None	Yes	Bank fees apply
Invoice Discounting Facility (existing US\$500,000)	None	Yes	8.5% - USD Base Rate minus 0.5%
Overdraft (existing US\$1,000,000) (new limit US\$1,800,000)	None	Yes	8% - USD Base Rate minus 1%

The outstanding debt facilities totalled US\$4.199m at 29 September 2016. An amount of USD 100,000 of the bank guarantee is available for use, the balance has been previously applied. The balance of the Term Loan at 29 September 2016 is USD 624,500.

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.