

ASX Release
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Feasibility Study for Project Ngaka Power Station Completed

Intra Energy Corporation (ASX: IEC) is pleased to advise that Sinohydro Corporation Limited (Sinohydro) have released the Commercial and Technical Feasibility Study for the Ngaka Minemouth Power Station project. The Financial Evaluation is expected to be released in early October 2016.

The Feasibility Study identifies the potential for a commercially viable power station based on the following parameters:

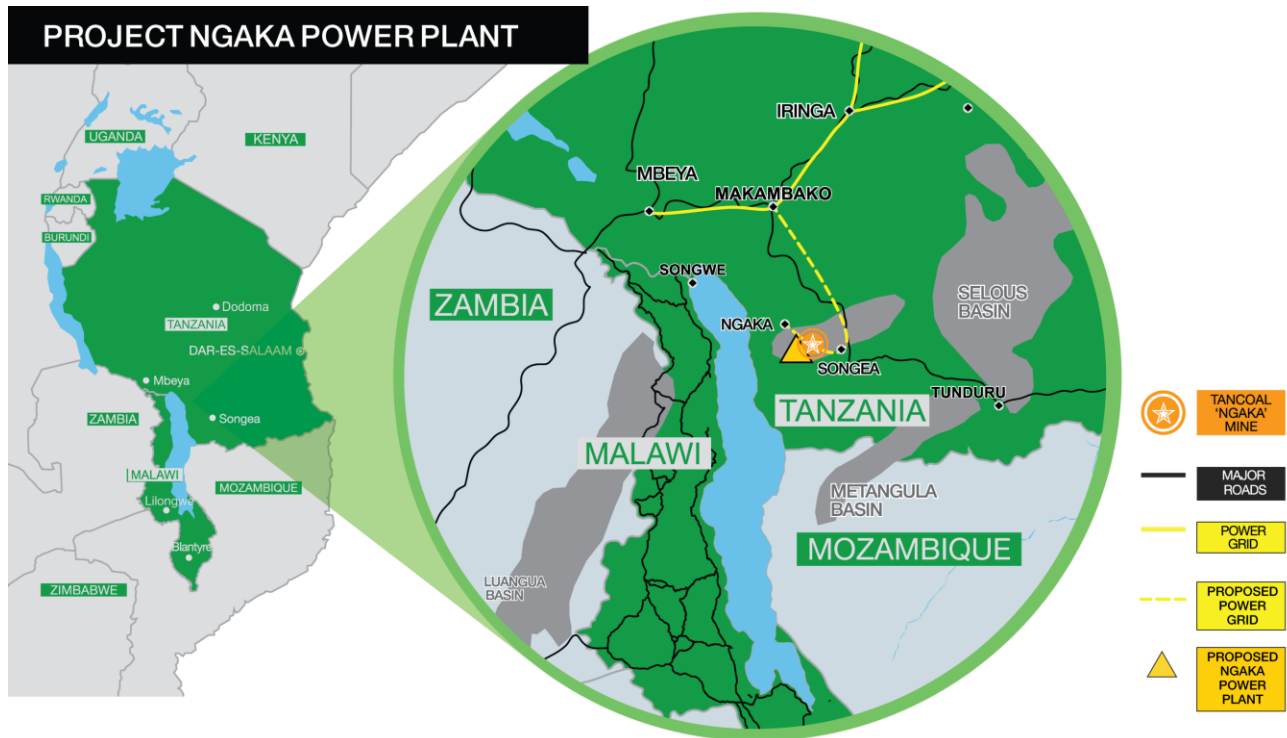
- Capacity 270MW consisting of 2 x 135MW Pulverised Coal Injection (PCI) Boilers with Super High Pressure and Natural Circulation;
- Location 80km northwest of Songea City, 46km to the east of Lake Nyasa, 1,100km from Dar es Salaam and 900km from Mtwara;
- Operation designed as Base Load;
- Environmentally designed with flue gas desulphurisation, waste water treatment, ash and noise control to meet all World Bank and IFC Guidelines;
- Maximum coal consumption is 1,215,000 tonnes per year;
- Power Station site to be 7km from the North Ngaka Minesite and 4km from Ruhuhu River, initial transport of coal by truck;
- Coal stockyard capacity 105,000 tonnes equivalent to approximately 30 days' supply; and
- Construction period estimated as 33 months from financial closing.

According to Chairman Graeme Robertson: "This represents a great opportunity for Tanzania to develop its first baseload electricity generation based on the high quality Ngaka thermal coal which allows the use of PCI technology, generally a cheaper and more effective technology than the Circulating Fluidised Bed systems applicable to the high ash coal sources in other parts of Tanzania".

Transmission, which has not been included in the study, will be by via a double circuit 220kV to Madaba, a distance of 100km, which will then link up with the national grid at Mufindi. Coal mining and supply will be the role of Tancoal on a long-term contractual basis to the developers. The Acting IEC CEO, Mark McAndrew, who has extensive experience in coalmine planning and development, has already implemented mine development plans. Tancoal itself already supplies the industrial market from its South Ngaka mine and is unique in Tanzania as one of the only mines managed entirely by Tanzanians to international standards to benefit Tanzanian development.

The Ngaka coalfield hosts an open-cut resource of 423 million tonnes to JORC standard.





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.