INTRA ENERGY
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30 September 2015

30 June 2015 Annual Report

HIGHLIGHTS:

- **UNDERLYING OPERATING PROFIT OF $781,000[1]**
- **PRODUCTION TONNES INCREASED BY 50% TO 301,525 TONNES**
- **SALES VOLUME UP 35% TO 272,893 TONNES**
- **SALES REVENUE UP BY 52% TO $16.5m**
- **NET LOSS AFTER TAX SIGNIFICANTLY IMPROVED TO $1.39m**
- **ALL KEY SENIOR EXECUTIVE MANAGEMENT NOW BASED IN EAST AFRICA**

Intra Energy Corporation Limited (ASX:IEC) ("IEC" or "Company") is pleased to provide shareholders the Company's Annual Report with audited financial statements for the year ended 30 June 2015.

The Company incurred a net loss for the year of $1.39m, a significant improvement on the net loss of $20.78m ($7.38m after adjusting for impairments) reported for the prior year.

The African operations reported an operating profit before interest, tax and impairments of $1.33m, an improvement from the operating loss of $0.42m in the prior year.

The restructure of the executive management and administration functions significantly reduced corporate overhead costs.

Sponsorship for the development of the 120MW (net) "Pamodzi" coal-fired power station in Malawi and the 200MW (net) "Ngaka" coal-fired power station continues.

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[1] Underlying Operating Profit: excludes Loss on Sale of Subsidiary, Depreciation and Amortisation, Share Based Payments, Finance Income and Finance Costs

For further information please contact:
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ANNUAL REPORT 20/15

INTRA ENERGY
www.intraenergycorp.com.au

Contents

Corporate Directory

Directors
Graeme Robertson (Chairman)
Jonathan Warrand
David Mason
William Paterson
Simon Harvey (Alternate Director for Jonathan Warrand)

Company Secretary
Rozanna Lee

Chief Operating Officer
Tarn Brereton

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Internet Address
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ABN 65 124 408 751
ASX Code (IEC)

On behalf of the Board of Intra Energy Corporation Limited ("IEC"," Intra Energy" or "the Company"), it is my pleasure to present the Annual Financial Report for 2015 and this summary of the operating year.

Intra Energy remains the major producer and supplier of industrial coal in Eastern Africa and continues to expand sales with 0.27million tonnes in 2015, a 35.7% increase over 0.20 million tonnes the previous year. Sales revenue was US$12.48 million and regions supplied were Tanzania (85%), Kenya (8%) and Malawi (7%). It is noteworthy that 65% of sales were to the cement industry, a sign of strong economic growth in Eastern Africa, and confirming that it is undergoing rapid expansion with three new cement production facilities coming on stream in the next 12 months. The Company expects to capture a share of this market expansion and is undertaking mine planning measures to cater for production increases.

Despite this expanding market propelled by what is arguably one of the highest growth regions internationally, market conditions for coal supply have become very competitive with South African and Mozambique producers backed by traders attacking IEC markets in both Tanzania and Malawi. This has created further pressure on pricing. The challenge of imported coal has been presented to both the Tanzanian and Malawian Governments who are sympathetic to Intra Energy's subsidiaries, Tancoal Energy Limited and Malcoal Mining Limited. They are taking measures to ensure imported coal has no unfair advantage over the domestic coal supply.

The Company is also operating under very tight fiscal conditions with no wasteful expenditure. IEC has the support of the Kenya Commercial Bank, a regional bank which has increased the overdraft facility from US$0.5m to US$1.0m. It is expected that cash will be constrained well into the next Financial Year. However, the Company is surviving unlike others in the same industry in major western coal producing countries. In 2014 the trading loss for Intra Energy was A$7.4m and this position improved significantly to a trading loss of A$1.4m in the 2015 year. In terms of operating entities, Tancoal Energy Limited, had a trading profit of A$1.6m, of which IEC has a 70% interest. With forecast increased supply tonnage in the next year the overall result is expected to show improvement in bottom line results.

The total loss of $20.8m in 2014 included the impairment of $13.4m from the loss of the Mining Licence held by Tanzacoal, an 85% owned subsidiary of IEC. Legal action was undertaken to recover the Mining Licence or compensate IEC for its loss. The court rulings to date have been positive to the Company but the final proceedings of the court are pending a specific date when the Judgement will be delivered. Both the Company and the Ministry of Energy and Minerals are prevented from resolving this matter until the court decision is issued.

IEC continues to sponsor the development of the 120MW (net) "Pamodzi" coal-fired power station in Malawi and has initialled the Term Sheet to the Power Purchase Agreement (PPA) for the power station. The Attorney General has given approval to the Government to sign the PPA Term Sheet and the Company expects this to occur shortly. Discussions are being held with several parties interested in participating in the development of the power station and IEC expects to select a partner over the coming year.

Expressions of interest have also been received from potential participants for project "Ngaka", a 200MW (net) mine-mouth power station sited at Tancoal Energy Limited's Ngaka mine. It is considered timely to re-start discussions with the Tanzanian Government. The Ngaka coal deposit has attractive lower ash and sulphur and higher heating properties than other Tanzanian coals. The construction of a 220kVa transmission connection between Makambako and the nearby town of Songea is underway supported by overseas aid contributions. This transmission line is expected to connect Project Ngaka with the Tanzanian national electricity grid.

Both Tancoal and Malcoal mining operations are professionally planned and the focus is on improving efficiency in the operations.

IEC partners in significant community development with the local Women's Group and by contributing to education and other local infrastructure including the planning and intended construction of a dedicated haul road which will eliminate village impact of trucking operations. Malcoal employs extensively from the local community with a significant percentage of female operators at the mine site.

Despite a challenging year, Intra Energy has made substantial progress in the improvement of operating skills, planning and production to service market growth. Government support is important in creating a competitive environment and it is pleasing to see this occurring in support of "East African Coal for East African Development".

Sincerely

Graeme Robertson
Chairman – Intra Energy Corporation Limited

MINING OPERATIONS

IEC's 100% owned subsidiary, Intra Energy Tanzania Limited ("IETL"), owns a 70% interest in Tancoal Energy Limited ("Tancoal"), a joint venture with the National Development Corporation of Tanzania ("NDC"), which holds the remaining 30% interest. Tancoal was granted a Mining Licence ("ML") by the Tanzanian Government on 18 August 2011 and commenced mining and supply of coal to domestic and regional industrial customers in Tanzania, Kenya, Uganda, Zambia and Malawi. Sales increased across the Eastern African region, with a particular focus on Tanzanian industrial users.

IEC's flagship project, the Tancoal Mine, is a project of national significance, and remains the major operating coal mine in Tanzania.

	FY15	FY14	FY13
Overburden Stripped (BCM)	1,111,670	461,043	260,161
Coal mined (tonnes)	271,848	203,264	105,484
Coal Sold (tonnes)	257,946	189,597	121,026

During the year a Caterpillar D10 bulldozer was acquired as well as a second crushing plant. Mine planning optimisation work completed during the year increased the potential for production capacity to 600,000 tonnes per annum, utilising existing machinery and occasional hire equipment. The short term focus is to expand the customer base such that this level of production is reached. New industrial projects, including new cement factories, in Tanzania alone have the potential to cover this increase in coal sales expected in 2016.

As at 30 June 2015, approximately 28,000 tonnes was held in stockpiles and more than 70,000 tonnes of coal had been partially stripped. Coal quality has consistently met with client specifications.

Product coal is distributed from a stockpile at Kitai, some 50 kilometres from the mine pit. It is trucked to this location. During the year an expansion of the stockyard was completed, which is sufficient for loading up to the current annual mine production capacity noted above.

Also during the year two potential haul road routes from the Tancoal mine to major roads were surveyed. Following preliminary feasibility analysis a preferred route has been selected and capital allocated for detailed design and project costing. Subject to funding, it is planned to commence construction of this haul road during 2016. This road will allow customer trucks to directly access the mine for loading, resulting in transport cost savings.

MALCOAL (MALAWI)

Malcoal Mining Limited ("Malcoal") is a joint venture between IEC (90%) and its local partner, Consolidated Mining Industries Limited ("CMI") (10%). Malcoal is an important part of IEC's Eastern African strategy to be the dominant coal supplier in the region.

	FY15	FY14
Overburden Stripped (BCM)	91,126	67,529
Coal mined (tonnes)	18,996	27,539
Coal Sold (tonnes)	13,947	10,780

Malcoal continues to grow slowly and to push into supplying more of the Malawi industrial market. There is limited scope for regional exports given logistics challenges and existing coal mines in Mozambique, Zambia, and Zimbabwe.

As at 30 June 2015 3,900 tonnes of coal was held in stockpiles.

A haul road was planned for construction during the financial year however it has been delayed due to the wet season and then the withdrawal of the nominated contractor. It is now planned for 2016.

Laboratory equipment is currently on order which will further assist with timely quality assurance.

OCCUPATIONAL HEALTH, SAFETY AND ENVIRONMENT ("OHSE")

OHSE is an important priority for IEC, and is planned at a policy level in Dar es Salaam and managed and implemented at the mine sites.

Each mine operation is subject to an Environmental Impact Assessment Plan and the operations are regularly audited by the relevant regulatory authorities. No major issues were identified for the financial year. Initiatives undertaken included improvement of storm water management systems at both Tancoal and Malcoal by construction of trenches and ponds, which eliminated stream water pollution, and tree transplanting surrounding the Tancoal mine, Kitai stockpile and surrounding villages.

PROJECTS

POWER STATION DEVELOPMENT

IEC continues to sponsor two major coal-fired energy projects, Project Pamodzi and Project Ngaka. The sponsor's role is to be the originator of the projects, providing the initial equity. IEC will be the exclusive coal supplier to the proposed power stations.

During FY15, IEC was again identifying potential joint venture partners for both projects who can add expertise and resources to the projects during development, construction and operations.

PROJECT NGAKA (TANZANIA) – 200 MW (NET)

In the latter part of 2014 the Tanzanian regulator Energy and Water Utilities Regulatory Authority ("EWURA") introduced new guidelines for the establishment of new independent power projects. These guidelines include tariff ranges and a model power purchase agreement. Importantly, all projects are now assessed and approved by EWURA.

A new Minister was appointed to the Ministry of Energy and Minerals in January 2015. This appointment, along with the aforementioned guidelines, is a positive development for Project Ngaka.

PROJECT PAMODZI (MALAWI) – 120 MW (NET)

In December 2014 PPA term sheet negotiations with ESCOM were concluded and the term sheet was initialled. Approval for execution has been given by IEC's board, and the Attorney General's office in Malawi has also approved the term sheet. It is currently being circulated amongst ESCOM's board for final execution approval. The delay in execution stems from ESCOM having a new board constituted in March 2015.

IEC entered into a mandate with Standard Bank South Africa in May 2015 with respect to sourcing a joint venture partner for Project Pamodzi. The mandate is structured on a success only basis. Two potential partners have been identified and they are currently undertaking due diligence.

DRILLING

In September 2014 IEC completed a joint venture transaction with General Petroleum Oils and Tools Pty Limited ("GPOT"), a leading Queensland based provider of drilling supplies and consulting services to the oil and gas industry. GPOT acquired a 50% interest in AAA Drilling Limited ("AAA Mauritius"), a wholly owned Mauritian subsidiary of IEC.

The Mauritian subsidiary has itself a subsidiary, AAA Drilling Limited ("AAA Tanzania"), an operating drilling company in Tanzania that was established to undertake drilling and logging for IEC entities and third party customers in Eastern Africa. AAA Tanzania is seeking to expand its operations in Eastern Africa.

As part of the transaction, GPOT loaned A$700,000 to AAA Tanzania and IEC and GPOT each provided an additional A$125,000 working capital. Both joint venture partners have equal representation on the board. IEC is obligated to provide AAA Tanzania with US$200,000 of drilling work each year, and this obligation forms the substantive part of AAA Tanzania's recent work and immediate pipeline. A major contract is also being pursued in Zimbabwe.

EXPLORATION

Limited exploration was undertaken for the financial year, with expenditure controlled so as to preserve cash whilst still maintaining the tenements in good standing. IEC's total resources were unchanged for the financial year and remain as outlined in Table 1.

Table 1 – Intra Energy JORC resources

Project	Measured (Mt)	Indicated (Mt)	Inferred (Mt)	Total (Mt)
Tanzania				
Tancoal – North	16.4	49.1	142.0	207.5
Tancoal – South	38.9	63.0	114.0	215.9
Tanzania Total	**55.3**	**112.1**	**256.0**	**423.4**
Malawi				
Kopakopa	3.4	5.0	15.4	23.8
Nkhachira	10.1	13.8	14.4	38.3
Malawi Total	**13.5**	**18.8**	**29.8**	**62.1**
Total JORC resources	**68.8**	**130.9**	**285.8**	**485.5**

UAROO (AUSTRALIA)

IEC had two exploration licences (E08/1494 and E08/1495) at Uaroo in Western Australia, and a relationship with Cauldron Energy Limited (ASX:CXU) for the exploration of Uranium within the leases. The licences lapsed on 2 July 2015.

COMPETENT PERSON STATEMENT

MBALAWALA

The information in this report relates to Exploration Results, Mineral Resources or Ore Reserves based on the Mbalawala Mine Bankable Feasibility Study with related infrastructure feasibility options as at 31 August 2010, the Mbalawala Coal Mine Bankable Feasibility Study as at 13 August 2010 and the Resource Model Assessment and Review, Ngaka Project Area as at 20 July 2010, the Memorandum Summary provided by JB Mining Services Pty Ltd dated 18 October 2012 and have been reviewed by Mr David Mason MBA, BSc (Hons). Mr Mason is a Fellow of the Australasian Institute of Mining and Metallurgy, has Chartered Professional (Management) status, and as such qualifies as a Competent Person as defined by the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code) 2012 Edition". Mr Mason is a Non-Executive Director of Intra Energy Corporation Limited and has sufficient experience to qualify as a Competent Person as defined in the 2004 edition of the "Australian Code for Reporting of Mineral Resources and Ore reserves". Mr Mason consents to the inclusion of the matters based on his information in the form and context in which it appears.

SONGWE-KIWIRA (SONGWE KABULO)

The Resource Statement in relation to Songwe-Kiwira and the Memorandum Summary relating to the Ngaka coal leases were compiled by Phillip Sides, a qualified senior geologist employed by JB Mining Services Pty Ltd (JBMS), who has over 25 years' experience in the exploration and evaluation of coal resources. Mr Sides is a member of the Australian Institute of Geoscientists and as such, qualifies as a Competent Person as defined by the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code) 2012 Edition". The report has been prepared using the guidelines for the estimation of black coal resources and reserves as contained in The JORC Code.

Neither Mr Sides nor JBMS has any material interest or entitlement, direct or indirect, in the securities of Intra Energy Corporation Limited. JBMS has been providing geological services to Intra Energy Corporation on the Kabulo Project since early 2011.

Mr David Mason, Non-Executive Director of Intra Energy Corporation Limited, originally requested this resource evaluation. All fees for the preparation of this report are charged on a time and materials basis.

Initial evaluation, computer modelling of seam structure and coal quality and initial coal tonnage estimates were undertaken by Greg Jones, Senior Consultant/Director of JBMS prior to handing over responsibility of the resource evaluation to Phillip Sides.

NKHACHIRA AND KOPAKOPA

The information in this report that relates to the Nkhachira and Kopakopa coal resources is based on a report compiled by Mr David Mason. The reporting is in compliance with the 2012 JORC Code. Mr Mason is a qualified coal geologist, a Fellow of the Australasian Institute of Mining and Metallurgy (No 100405) and a Non-Executive Director employed by Intra Energy Corporation Limited. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the Australasian Code for Reporting of Mineral Resources and Ore Reserves published by the Joint Ore Reserves Committee (The JORC Code – 2012 Edition). Mr Mason has given his consent for the inclusion of this information in the report and has reviewed all statements pertaining to the information in the form and context in which it appears.

CORPORATE

During the financial year changes were made to the corporate functions of IEC and its subsidiaries to reduce ongoing administration costs. The full benefit of these reductions will be recognised in the next financial year.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

COMMUNITY

At IEC our approach to corporate social responsibility ("CSR") is about partnership with local communities to develop initiatives to provide social and economic development as well as environmental protection and conservation in the areas IEC operate.

By developing partnerships with the communities, IEC is helping to foster sustainable development, share the socio-economic benefits from its operations and alleviate poverty.

IEC's focus is helping communities by developing infrastructure, education and health opportunities by the employment of local personnel. It relies on the local community for operational support rather than external contractors in order to boost the local economy where it operates. IEC makes direct contributions to the community through building infrastructure and donations of equipment and supplies, and transfers capabilities and skills to enhance work abilities.

IEC is a member of the Australian African Mining Industry Group ("AAMIG") – an industry body that promotes best practice in corporate social responsibility among Australian mining companies active in Africa.

Some of the key challenges associated with investing in Africa relate to governance, capacity building, human rights, environment and social issues. The mining industry in both Tanzania and Malawi represents a large potential source of income for the long-term development of these economies. IEC is therefore committed to continue to work in conjunction with the government and local communities to put in place programs and develop projects that have a tangible outcome, and priority is given to projects that alleviate poverty, contribute to building skills and support women's and youth economic empowerment, especially through education and business ownership.

TANZANIA

MBALAWALA WOMEN'S GROUP ("THE WOMEN'S GROUP")

The Women's Group was established in late 2011 after consultation with local women and in partnership with community leaders. The Women's Group provides local goods and camp services to the mine employees and is funded by Tancoal with assistance from a successful grant application from the Australian Government's Direct Aid Programme.

During the year the Women's Group commenced agency services for a major Tanzanian bank, meaning village residents now have access to banking services without travelling to the nearest major town. As well, significant progress was made in having a coal briquette certified by the Tanzanian Bureau of Standards. These coal briquettes are an alternative to charcoal. Charcoal production is one of the major contributors to deforestation in Tanzania.

EDUCATION

Education for the local communities is very important. During the year Tancoal supplied sporting equipment to local schools as well as materials for school building projects.

COMMUNITY AND HEALTH

During the year Tancoal provided materials to assist in the construction of two local village medical dispensaries. As well, provision of clean water to the village closest to the mine was ongoing.

MALAWI

Intra Energy facilitated the establishment of a group of local women to provide catering services for Malcoal mine workers, as well as setting up an agricultural program.

The Directors submit their report for Intra Energy Corporation Limited ("IEC" or "the Company") and its controlled entities for the year ended 30 June 2015 (together referred to as "the Group" or "the Consolidated Entity").

DIRECTORS

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. The Directors were in office for the entire period unless otherwise stated.

Name	Position	Description
Graeme Robertson BA, FAICD, MAIE	*Non-Executive Chairman*	Graeme joined the Board in November 2010 as Non-Executive Chairman and was appointed Executive Chairman in January 2011. He has over thirty years' experience in the coal, infrastructure and power development industries. Graeme transitioned to Non-Executive Chairman on 1 November 2014. Graeme is a member of the Remuneration Committee. From 1983 to 2005 Graeme was CEO and Managing Director of New Hope Corporation Limited (ASX:NHC). During this period he pioneered the development of major international companies including as President Director of Adaro Indonesia, the largest single open cut coal mine in the Southern Hemisphere, President Director of Indonesia Bulk Terminal, a 12 mtpa capacity bulk coal port and as an advisor to the development of the 1,230MW Paiton Power station, the first IPP in Indonesia. His career has spanned both public and private energy related developments including directorships with the Port of Brisbane Authority and Washington H. Soul Pattinson & Co Ltd, one of Australia's oldest listed companies. Graeme was the recipient of the Asia 500 Award in 2000 and the Coaltrans Lifetime Achievement Award in 2010 for his contribution to the coal industry. He is a Fellow of the Australian Institute of Company Directors and a Member of the Australian Institute of Energy. Graeme currently holds the position of Non-Executive Director of NuEnergy Gas Limited (ASX:NGY) and Non-Executive Chairman of Indopac Holdings Limited (ASX:IDP).
Jonathan Warrand MBA (Exec), CA, FINSIA, IPAA, BCom (Accounting)	*Non-Executive Director* *(position as Chief Financial Officer ceased on 31 October 2014)*	Jonathan joined the Board in January 2011. Jonathan has over twenty five years' of corporate advisory experience across various sectors including resources, financial services and real estate and has experience in equity and debt capital markets, strategic planning, capital management and corporate advisory. Jonathan holds a Masters of Business Administration (AGSM, University of Sydney and University of New South Wales), is a Chartered Accountant, Fellow of Finsia, Associate of the Insolvency Practitioners' Association of Australia and holds a Bachelor of Commerce (Accounting) from the University of Wollongong. Jonathan currently holds the position of Non-Executive Director of Indopac Holdings Limited (ASX:IDP), Non-Executive Director of Smoke Alarm Holdings Limited, Non-Executive Director of NobleOak Life Limited and Non-Executive Chairman of Intrasia Oxley Managed Investments Limited.
David Mason BSc (Hons), MBA	*Non-Executive Director – Geology and Business*	David joined the Board in January 2011. He has over thirty years' exploration, drilling and mining experience throughout

	Development *Non-Executive Director from 31 July 2014*	Australasia. David was formerly a Director of Overseas & General Limited (ASX:OGL), a coal producer in Indonesia. Prior to this, David was Operations Director of Haddington Resources (now Altura Mining, ASX:AJM) a diversified resource company which acquired the resource investment and mining service companies of Minvest International, a group he managed. In his prior role as General Manager of Minvest, David assisted in the development of the Adaro Indonesia coal mine, the MHU coal mine, a suite of exploration assets and mining service companies. David is a member of the Remuneration Committee.
William Paterson BE (Civil) Hons	*(Non-Executive Director)*	Bill has held his position as Non-Executive Director of IEC since March 2012 and is the Chairman of the Remuneration Committee. Bill graduated in 1964 from Auckland University with an honours degree in civil engineering. From 1973, for 27 years, he made major contributions as a director to the growth and success of one of Australia's premier engineering consultancies. In 2002, that business became a listed engineering services provider, now known as Worley Parsons Ltd. Bill has extensive experience and continuing involvement in the planning, design and implementation of a wide range of civil, infrastructure and building projects in the commercial, industrial and energy related sectors.
Gideon Nasari MSc, MBA	*(Non-Executive Director)* *Resigned 31 July 2014*	Gideon was Managing Director and Chief Executive Officer of the National Development Corporation (NDC) from 2007 to 2014. NDC is a statutory organisation wholly owned by the Government of the United Republic of Tanzania with the mandate to implement strategic industrial development projects in partnership with the private sector. Gideon has more than 30 years' experience in mining, manufacturing and leadership. He has served as Manager, Deputy General Manager of Tanzania Portland Cement Co Ltd and later as Executive Director, Corporate Affairs in 1998, having risen through the ranks from a Mining Geologist in 1978.
Simon Harvey CA BCom	*(Non-Executive Alternate Director for Jonathan Warrand)*	Simon held the position of CFO of an ASX listed company, NuEnergy Gas Limited (ASX: NGY) until 30 April 2015 and is now an Associate Director of Intrasia Capital Pty Ltd.

COMPANY SECRETARY

Rozanna Lee B. Com (Hons), LLB, GradDipACG, AGIA, AGIS	*Company Secretary*	Rozanna is a Chartered Company Secretary and has acted as Company Secretary of IEC since October 2011. Rozanna's career has spanned numerous industry sectors and includes a period of over 8 years working for an international trust company in the Netherlands, which provided company secretarial, tax and administration services to private and corporate clients. Rozanna recently completed the Graduate Diploma of Applied Corporate Governance with the Governance Institute of Australia.

CORPORATE STRUCTURE

IEC is a public company domiciled in Australia and listed on the Australian Stock Exchange (ASX:IEC). The Company has prepared a consolidated financial report incorporating the entities that it controlled during the financial year, which are outlined in Note 20 of the financial statements.

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

As at the date of this report, the interests of the Directors in the shares of the Company were:

	Special Responsibilities	Ordinary Shares	Performance rights
G Robertson	Non-Executive Chairman[1]	83,118,517	1,666,666
D Mason	Non-Executive Director[2,4]	7,950,228	1,083,333
J Warrand	Non-Executive Director[3 4]	7,680,237	916,666
W Paterson	Non-Executive Director, Chair of Remuneration Committee	34,179,370	–
S Harvey	Alternate Director to J Warrand	59,000	–

1. Mr Graeme Robertson resigned as Executive Chairman on 31 October 2014
2. Mr David Mason resigned as an Executive Director on 31 July 2014
3. Mr Jonathan Warrand resigned as Executive Director and Chief Financial Officer on 31 October 2014
4. Mr Mason and Mr Warrand continue as Non-Executive Directors. Mr Robertson continues as a Non-Executive Chairman

During the first half of the financial year, a private placement was completed whereby 59,648,102 ordinary shares in IEC were issued at $0.027 per share raising $1.6m before transaction costs. Each shareholder participating in the placement received two unlisted options for nil consideration for every five ordinary shares. The options were exercisable at any time prior to 31 August 2015 at an exercise price of $0.05 and as no options were exercised before 31 August 2015, all options lapsed. Directors who participated in the placement received shareholder approval at the meeting of IEC shareholders held on 30 October 2014. 1,295,698 Performance rights vested during the year.

Loss Per Share	2015	2014
Basic loss per share (cents)	(0.05)	(6.68)

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activities of the entities within the Consolidated Entity during the year were coal exploration, production and power generation in Eastern Africa.

OPERATING REVIEW

The Consolidated Entity's operations are discussed in detail in the Review of Operations which can be found on pages 6 to 10 of this Annual Financial Report.

REVIEW OF FINANCIAL CONDITION

The Consolidated Entity recorded an operating loss after income tax $1.39m (2014 Loss: $20.78m). Income tax benefit for the year is $0.07m (2014: $0.10m).

CAPITAL STRUCTURE

As at the date of signing this report, the Company had 351,268,725 fully paid ordinary shares on issue.

DIVIDEND

No dividend was paid or declared during the year ended 30 June 2015.

CASH FROM OPERATIONS

The net cash inflow from operations of $0.94m was a turnaround from the net cash outflow in the previous year of $3.39m, the improved cash performance was due to improved operating activities arising from an increase in coal tonnes sold.

The net cash inflow from operations was funded by a US$0.5m working capital facility, increased to US$1.0m in July 2015 combined with proceeds from a Share Purchase Plan concluded during the first half of the financial year raising $1.53m, net of costs. The Company had a net overdraft of $0.60m at year end with $0.04m cash at bank and a bank overdraft facility of $0.64m.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There are no further significant changes to the state of affairs of the Company.

SIGNIFICANT EVENT AFTER THE BALANCE DATE

On 28 July 2015 Tancoal increased its working capital facility with KCB Bank Tanzania Limited from US$0.5m to US$1.0m.

On 20 August 2015, the Company advised the market that its Uaroo tenements in Australia lapsed on 2 July 2015.

Other than those events outlined above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company is subject to environmental regulations and is compliant with all aspects of environmental regulation in its exploration and mining activities, including provision for environmental rehabilitation costs. The Directors are not aware of any environmental law that is not being complied with.

SHARES UNDER OPTION

As at 30 June 2015, there were 23,859,217 unissued ordinary shares under option, these options were exercisable at $0.05 any time before 31 August 2015. The numbers of shares under option held by each Director are set out in the table below.

The holders of these options do not have any rights under the options to participate in any share issues of the Company.

Expiry Date	Exercise Price of Options	Total Number Under Option
31 August 2015*	$0.05	23,859,217
Director		**Number Under Option**
Mr G Robertson	$0.05	5,047,702
Mr J Warrand	$0.05	1,737,036
Mr D Mason	$0.05	510,634
Mr W Paterson	$0.05	2,071,748
Mr G Nasari^	$0.05	-
Mr S Harvey (Alternate)	$0.05	-

^Resigned on 31 July 2014
*No options were exercised prior to 31 August 2015 and therefore lapsed on this date

MEETINGS OF DIRECTORS

Directors	Attended	Available to attend
Mr G Robertson	11	11
Mr J Warrand	11	11
Mr D Mason	11	11
Mr W Paterson	11	11
Mr G Nasari^	1	1
Mr S Harvey (Alternate)	0	0

^Resigned on 31 July 2014

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has entered into Directors' Access Indemnity and Insurance Deeds ("Deed") with each Director. Under the Deed, the Company indemnifies the Directors to the maximum extent permitted by law and the Constitution against legal proceedings, damage, loss, liability, cost, charge, expense, outgoing or payment (including legal expenses on a solicitor/client basis) suffered, paid or incurred by the Directors in connection with the Directors being an officer of the Company, the employment of the officer with the Company or a breach by the Company of its obligations under the Deed.

Also pursuant to the Deed, the Company must insure the Directors against liability and provide access to all board papers relevant to defending any claim brought against the Directors in their capacity as officers of the Company. Amounts disclosed for remuneration of directors and specified officers exclude insurance premiums of $18,568 (2014: $23,105) paid by the Company in respect of liability for any current and former Directors, executive officers and secretaries of the Company and its controlled entities. This amount has not been allocated to the individuals covered by the insurance policy as, based on all available information, the Directors believe that no reasonable basis for such allocation exists.

LOANS TO DIRECTORS AND EXECUTIVES

No loans were made to any Directors or Executives during the financial year.

CORPORATE GOVERNANCE

The Board of Directors of IEC is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of IEC on behalf of the shareholders by whom it is elected and to whom it is accountable.

The Company is committed to ensuring that its systems, procedures and practices reflect a high standard of corporate governance. The Directors believe that the corporate governance framework is critical in maintaining high standards of corporate governance and fostering a culture that values ethical behaviour, integrity and respect to protect security holders' and other stakeholders' interests at all times.

During the year ended 30 June 2015, the Company's corporate governance framework was consistent with the third edition of the Corporate Governance Principles and Recommendations released by the ASX Corporate Governance Council.

The Company will now publish its Corporate Governance statement on its website rather than in its Annual Report. The Corporate Governance statement may be viewed or downloaded at: www.intraenergycorp.com.au. Copies of the Group policies referred to in the Corporate Governance Statement are also posted on the website.

REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for key management personnel of the Company, in connection with the management of the affairs of the entity and its subsidiaries, during the year to 30 June 2015.

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and the Consolidated Entity, including Directors of the Company and other executives. Key management personnel comprise the Directors of the Company and executives of the Company and the Consolidated Entity.

A. REMUNERATION POLICY

Remuneration Committee

At 30 June 2015, the Remuneration Committee ("the Committee") comprised of three members, two Non-Executive Directors and the Non-Executive Chairman. The Committee is chaired by a Non-Executive Director.

The function of the Committee is to assist the Board in fulfilling its corporate governance responsibilities with respect to remuneration by reviewing and making appropriate recommendations on:

(a) Remuneration packages of Executive Directors, Non-Executive Directors and Senior Management;
(b) Employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

Remuneration Policy

The Committee adopts the following policies on executive compensation and will bear these policies in mind during remuneration reviews:

All key executives should be paid fair market Total Fixed Remuneration ("TFR") for their employment, taking into account their responsibilities and performance expectations.

All remuneration paid to Directors and Executives is valued at the cost to the Company and expensed. Prior to August 2013 (when the Board resolved that the employee incentive scheme would be suspended), the Company had a practice of granting shares and/or options to the Executives (being Executive Directors and Senior Management). The shares granted were valued at the difference between the market price of those shares and the amount paid by the Executives. Options were valued using the Black-Scholes methodology.

In 2012 the Remuneration Committee initially adopted Performance Rights as the incentive scheme for the Executive Directors and Senior Management.

The Committee's policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Committee determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when needed. Fees for Non-Executive Directors are not linked to the performance of the Consolidated Entity. The Directors are not required to hold any shares in the Company under the Company's Constitution. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company.

Executive Directors' Remuneration

In considering the Company's Remuneration Policy and levels of remuneration for Executives, the Committee makes recommendations that seek to:

- Motivate Executive Directors and Senior Management to pursue long term growth and success of the Company within an appropriate control framework;
- Demonstrate a clear correlation between Executives' performance and remuneration; and
- Align the interests of Executives with the long-term interests of the Company's shareholders.

To the extent that the Company adopts a different remuneration structure for its Executive Directors, the Committee shall document its reasons for the purpose of disclosure to stakeholders.

In August 2013, the Board resolved that the employee incentive scheme would be suspended for an indefinite period.

On 22 January 2014, Shareholders approved the issue of performance rights to the Executive Directors (as at this date) and Senior Management of IEC in exchange for a voluntarily reduction in their cash remuneration for the six month period from 1 January to 30 June 2014. The Executive Directors at the time voluntarily elected a 20% reduction in base remuneration (excluding superannuation) and the Senior Management elected a 10% reduction in exchange for performance rights as a short term cash saving measure. These Executive Directors and Senior Management were granted a fixed number of IEC performance rights based on their remuneration deferral. The 1,295,698 performance rights issued to the Senior Management and these Executive Directors (now Non-Executive Directors) vested in January 2015.

Non-Executive Director Remuneration

In considering the Company's Remuneration Policy and levels of remuneration for Non-Executive Directors, the Committee is to ensure that:

- Fees paid to Non-Executive Directors are within the aggregate amount approved by shareholders and recommendations are made to the Board with respect to the need for increases to this aggregate amount at the Company's Annual General Meeting;
- Non-Executive Directors are remunerated by way of fees (in the form of cash);
- Non-Executive Directors are not provided with retirement benefits; and
- Non-Executive Directors are not entitled to participate in equity-based remuneration schemes designed for Executives without due consideration and appropriate disclosure to the Company's shareholders.

To the extent that the Company adopts a different remuneration structure for its Non-Executive Directors, the Committee shall document its reasons for the purpose of disclosure to stakeholders.

Incentive Scheme

To qualify for the Scheme a person must be an employee and have worked with the Company for a minimum of 6 months (the only exception is to attract Senior Management or a Head of Business and is subject to the approval of the Remuneration Committee).

The incentive scheme has two components, namely, the Short Term Incentive ("STI") and Long Term Incentive ("LTI") respectively. This is to ensure that the key Executives have short and long term interests of the Company in mind in their decision making.

In August 2013, the Board resolved that the employee incentive scheme would be suspended for an indefinite period.

Executive Management

For Executive Directors the performance conditions are 50% external, 50% internal.

Payout of LTI incentive is dependent on the combined score of both the external and internal measures.

STI: 40% of TFR, payable in lump sum annually when an Executive has satisfactorily achieved his or her performance targets set by the Company.

LTI: 60% of TFR, This is in a form of an equity incentive using Performance Rights as an instrument. Payout will be based on the performance of the entire management team in achieving exceptional performance for the Company and its shareholders.

Management

The Management team performance conditions are 1/3 satisfaction of individual performance (agreed Key Performance Indicators), 1/3 external measure and 1/3 internal measure. The annual individual performance targets are agreed at the June board meeting.

External Measure

The vesting of Performance Rights is subject to the Company's Total Shareholder Return ("TSR") outperforming the S&P/ASX300 Energy Index (ASX: XEK) over the vesting period.

Percentile Ranking	Percentage of Tranche 1 (T1) Performance Rights to Vest (50% component)
50^{th}	Nil
> 51^{st} but < 60^{th}	30%
> 60^{th} but < 68^{th}	60%
> 68^{th} but < 76^{th}	90%
> 76^{th}	100%

IEC's TSR over the vesting period is ranked against the constituent companies of the S&P/ASX300 Energy Index. T1 Performance Rights will vest based on the IEC TSR Percentile Ranking achieved in this table. The Peer Group is established on the Grant Date as all companies within the S&P/ASX300 Energy Index.

Any companies within the Peer Group which are delisted as at the vesting date are removed from the final analysis.

The Company reserves the right to amend the Peer Group at any time prior to the vesting date.

Internal Measure

The internal measure uses earnings per share ("EPS") as the indicator.

The annual EPS target is set by the Board and agreed by the Committee after approval of the following year's Group budget. The vesting of these Rights is subject to achieving the budgeted earnings per share ("Budget EPS") as determined by the Board over the vesting period. That is, the sum of three years' EPS ending 30 June.

The Budget EPS is determined by the Board and takes into account market expectations, economic and industry conditions, meeting financial objectives and the past performance of the Company. EPS is as defined under AIFRS for the relevant period.

Performance against budget EPS	Percentage of Tranche 2 (T2) Performance Rights to Vest (50% component)
< 100%	Nil
> 100% but < 107%	25%
> 107% but < 114%	50%
> 114% but < 120%	75%
> 120%	100%

KEY MANAGEMENT PERSONNEL

During the year ended 30 June 2015 the Key Management Personnel ("KMP") of IEC were:

Name	Position Held
Mr Graeme Robertson[1]	Non-Executive Chairman
Mr Jonathan Warrand[2]	Non-Executive Director
Mr David Mason[3]	Non-Executive Director
Mr William Paterson	Non-Executive Director and Chair of Remuneration Committee
Mr Gideon Nasari[4]	Non-Executive Director
Mr Tarn Brereton	Acting CEO (Appointed 31 October 2014. Was Chief Operating Officer until 31 October 2014)
Mr Simon Harvey	Alternate Director to J Warrand

[1]Mr Graeme Robertson resigned as Executive Chairman on 31 October 2014, Mr Robertson continues as a Non-Executive Chairman
[2]Mr Jonathan Warrand resigned as Executive Director and Chief Financial Officer on 31 October 2014, Mr Warrand continue as a Non-Executive Director
[3]Mr David Mason resigned as an Executive Director on 31 July 2014, Mr Mason continue as a Non-Executive Director
[4]Mr Nasari resigned from the Board on 31 July 2014

B. DETAILS OF REMUNERATION

2015	Short-term			Post-Employment		Long-term	Share-based Payment				
	Salary and fees $	Cash bonus $	Non-monetary benefits $	Superannuation $	Retirement Benefits $	Long service leave $	Shares $	Options $	Incentive plans[1] $	TOTAL $	% of Remuneration granted as options %
NON-EXECUTIVE DIRECTORS											
Mr G Nasari^	3,500		–	–	–	–	–	–	–	3,500	–
Mr W Paterson	65,000		–	–	–	–	–	–	–	65,000	–
Mr G Robertson*	123,334	–	–	–	33,750	–	–	–	62,180	219,264	–
Mr D Mason*	114,772	–	–	2,917	62,785	–	–	–	49,466	229,940	–
Mr J Warrand*	148,609	–	–	7,953	62,785	–	–	–	44,701	264,048	–
Mr S Harvey	–	–	–	–	–	–	–	–	–	–	–
KEY MANAGEMENT PERSONNEL											
Mr T Brereton	299,222	–	–	–	–	–	–	–	15,582	314,804	–
Total	**754,437**	**–**		**10,870**	**159,320**	**–**	**–**	**–**	**171,929**	**1,096,556**	**–**

^Resigned on 31 July 2014. *Mr David Mason resigned as an Executive Director on 31 July 2014. Mr Graeme Robertson resigned as Executive Chairman on 31 October 2014. Mr Jonathan Warrand resigned as Executive Director and Chief Financial Officer on 31 October 2014. Mr Mason and Mr Warrand continue as Non-Executive Directors. Mr Robertson continues as a Non-Executive Chairman.

2014	Short-term			Post-Employment		Long-term	Share-based Payment				
	Salary and fees $	Cash bonus $	Non-monetary benefits $	Superannuation $	Retirement Benefits $	Long service leave $	Shares $	Options $	Incentive plans $	TOTAL $	% of Remuneration granted as options %
NON-EXECUTIVE DIRECTORS											
Mr G Nasari	45,680	–	4,621	–	–	–	–	–	–	50,301	–
Mr W Paterson	50,000	–	4,621	–	–	–	–	–	–	54,621	–
EXECUTIVE DIRECTORS											
Mr G Robertson	186,500	–	4,621	–	–	–	–	–	84,913	276,034	–
Mr D Mason	226,555	–	4,621	23,284	–	–	–	–	62,697	317,157	–
Mr J Warrand	226,555	–	4,621	23,284	–	–	–	–	59,133	313,593	–
Mr S Harvey	–	–	–	–	–	–	–	–	–	–	–
KEY MANAGEMENT PERSONNEL											
Mr T Brereton	258,316	–	-	-	–	–	–	–	14,606	272,922	–
Total	**993,606**	**–**	**23,105**	**46,568**	**–**	**–**	**–**	**–**	**221,349**	**1,284,628**	**–**

[1] Incentive plan amounts relate to FY12 and FY13 LTI/STI schemes and FY14 incentives granted in lieu of pay reductions.

C. CASH BONUSES

There were no cash bonuses paid during the year.

D. SHARE BASED PAYMENT BONUSES

There were no share-based payment bonuses paid during the year.

E. OPTIONS ISSUED AS PART OF REMUNERATION

No options were issued as remuneration during the 2015 year. In 2012 the Committee adopted Performance Rights as the incentive scheme for the Executive Directors and Senior Management. In August 2013, the Board resolved that the employee incentive scheme would be suspended for an indefinite period.

F. EMPLOYMENT CONTRACTS OF DIRECTORS AND EXECUTIVES

Until 31 October 2014, Mr Graeme Robertson was employed by the Company as Executive Chairman which could be terminated by either party by giving not less than three months' notice. His remuneration was $135,000 per annum. Mr Robertson also received Chairman's fees of $65,000 per annum.

Mr Robertson transferred to a non-executive role on 31 October 2014 and continued on the Board as Non-Executive Chairman. He was entitled to receive three months' termination payment. His Non-Executive Chairman's fees are $85,000 per annum.

Mr Jonathan Warrand was employed by the Company as Executive Director and Chief Financial Officer which could be terminated by either party by giving not less than three months' notice. Mr Warrand received a salary of $275,000 including superannuation from the Company.

Mr Warrand transferred to a non-executive role on 31 October 2014 and continued on the Board as Non-Executive Director. He was entitled to receive three months' termination payment in respect of his role as an Executive Director and Chief Financial Officer. His Non-Executive Director's fees are $85,000 per annum.

Intrasia Capital Pty Ltd, a related entity of Mr Warrand and Mr Robertson, receives monthly management services fees (representing administration, investor relations, accounting and general office support) from IEC. Fees of $186,000 were paid to Intrasia Capital Pty Ltd during the year ended 30 June 2015. The fees are reviewed at least quarterly and approved by Directors of IEC not related to Mr Warrand and Mr Robertson.

Mr David Mason was employed as Executive Director – Exploration and Business Development for an indefinite period until terminated by either party by giving not less than three months' notice. Mr Mason received a salary of $275,000 as an employee including superannuation.

Mr Mason transferred to a non-executive role on 31 August 2014 and continued on the Board as Non-Executive Director. He was entitled to receive three months' termination payment. His Non-Executive Director's fees are $85,000 per annum.

Mr Tarn Brereton is employed as Chief Operating Officer for an indefinite period until terminated by either party by giving not less than three months' notice. Mr Brereton is paid US$250,000 in total as an employee.

During the year, Mr Tarn Brereton was appointed to act as Acting Chief Executive Officer for IEC. This was effective on 31 October 2014. The key terms of Mr Brereton's remuneration package are as follows:

- Total Fixed Remuneration (TFR) of US$250,000 (excluding superannuation contributions), subject to annual review;
- Eligibility to participate in the Company's incentive scheme as approved by the Board from time to time;

Each employment contract of Executive Directors and Executives includes:

- Three months' notice to be given by the Director;
- Termination payments equivalent to six months' salary package;
- Base total fixed remuneration (including superannuation) to be reviewed annually;
- Provision of annual leave, accrued balance payable upon termination;
- Provision made for the awarding of bonuses at the recommendation of the Committee ("STI"); and

- Provision made for the award of performance share rights ("LTI"), subject to shareholder approval.

No payments were made under an LTI or STI scheme for the year ended 30 June 2015.

G. KEY MANAGEMENT PERSONNEL COMPENSATION - OPTIONS

2015	Balance at beginning of year	Granted during the year as compensation	Exercised during the year	Lapsed / cancelled during the year	Balance at the end of the year	Vested and exercisable
Mr G Robertson	–	–	–	–	–	–
Mr J Warrand	–	–	–	–	–	–
Mr D Mason	–	–	–	–	–	–
Mr G Nasari^	–	–	–	–	–	–
Mr W Paterson	–	–	–	–	–	–
Mr T Brereton	–	–	–	–	–	–
Mr S Harvey	–	–	–	–	–	–
Total	**-**	**–**	–	**-**	–	**–**

2014	Balance at beginning of year	Granted during the year as compensation	Exercised during the year	Lapsed / cancelled during the year	Balance at the end of the year	Vested and exercisable
Mr G Robertson	3,000,000	–	–	(3,000,000)	–	–
Mr J Warrand	1,000,000	–	–	(1,000,000)	–	–
Mr D Mason	1,500,000	–	–	(1,500,000)	–	–
Mr G Nasari	800,000	–	–	(800,000)	–	–
Mr W Paterson	–	–	–	–	–	–
Mr C Hartz	–	–	–	–	–	–
Mr F Lung	–	–	–	–	–	–
Total	**6,300,000**	**–**	–	**(6,300,000)**	–	**–**

^Resigned on 31 July 2014

H. KEY MANAGEMENT PERSONNEL COMPENSATION – FULLY PAID SHARES

The numbers of shares in the Company held during the financial year or at time of resignation by each Director or KMP of IEC are set out below:

2015	Balance at beginning of year	Granted during the year as compensation	Received during the year on exercise of options	Changes during the year*	Balance at the end of the year
Mr G Robertson	70,345,741	–	–	12,772,776	83,118,517
Mr J Warrand	2,835,930	–	–	4,844,307	7,680,237
Mr D Mason	6,421,923	–	–	1,528,305	7,950,228
Mr W Paterson	29,000,000	–	–	5,179,370	34,179,370
Mr G Nasari^	–	–	–	–	–
Mr T Brereton	–	–	–	–	–
Mr S Harvey	59,000	–	–	–	59,000
Total	**108,662,594**	**–**	–	**24,324,758**	**132,987,352**

*Changes during the year represent shares acquired or sold by Directors or their associates
^Resigned on 31 July 2014

2014	Balance at beginning of year	Granted during the year as compensation	Received during the year on exercise of options	Changes during the year *	Balance at the end of the year
Mr G Robertson	61,278,109	–	–	9,067,632	70,345,741
Mr J Warrand	2,224,179	–	–	611,751	2,835,930
Mr D Mason	5,488,074	–	–	933,849	6,421,923
Mr W Paterson	24,467,248	–	–	4,532,752	29,000,000
Mr G Nasari	–	–	–	–	–
Mr T Brereton	–	–	–	–	–
Mr S Harvey^	59,000	–	–	–	59,000
Total	**93,516,610**	**–**	–	**15,145,984**	**108,662,594**

* Changes during the year represent shares acquired or sold by Directors or their associates
^ At time of appointment as Alternate Director

I. KEY MANAGEMENT PERSONNEL COMPENSATION – PERFORMANCE RIGHTS

The numbers of performance rights in the Company held during the financial year or at time of resignation by each Director or KMP of IEC, including their personally related parties, are set out below:

2015	Balance at beginning of year	Granted during the year as compensation	Vested during the year	Lapsed/cancelled during the year	Balance at the end of the year
Mr G Robertson	2,832,240	-	135,000	1,030,574	1,666,666
Mr J Warrand	1,889,784	-	251,716	721,402	916,666
Mr D Mason	2,004,922	-	251,716	669,873	1,083,333
Mr W Paterson	-	-	–	–	–
Mr G Nasari^	-	-	–	–	–
Mr T Brereton	532,305	-	140,242	–	392,063
Mr S Harvey	-	-	–	–	–
Total	**7,259,251**	**-**	**778,674**	**2,421,849**	**4,058,728**

^Resigned on 31 July 2014

2014	Balance at beginning of year	Granted during the year as compensation	Vested during the year	Lapsed/cancelled during the year	Balance at the end of the year
Mr G Robertson	2,697,240	135,000	–	–	2,832,240
Mr J Warrand	1,638,068	251,716	–	–	1,889,784
Mr D Mason	1,753,206	251,716	–	–	2,004,922
Mr W Paterson	–	–	–	–	–
Mr G Nasari	–	–	–	–	–
Mr T Brereton	392,063*	140,242	–	–	532,305
Mr S Harvey	–	–	–	–	–
Total	**6,480,577**	**778,674**	–	–	**7,259,251**

* At time of appointment as Chief Operating Officer

End of Remuneration Report

NON-AUDIT SERVICES

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence as set out in the Institute of Chartered Accountants in Australia and APES110 Code of Ethics for Professional Accountants.

The following fees for non-audit services were paid to an affiliated entity of the external auditors during the year ended 30 June 2015:

Taxation and other advisory services: $41,000

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration is set out on page 24 and forms part of the Directors' Report for the financial year ended 30 June 2015.

ROUNDING OFF

The Group is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report and Directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This Directors' Report, Remuneration Report and Corporate Governance Statement are made with a resolution of the Directors.

GRAEME ROBERTSON
Chairman
Dated this 30 September 2015

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Intra Energy Corporation Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2015 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Daniel Camilleri
Partner

Sydney

30 September 2015

Directors' Declaration

1. In the opinion of the Directors:

   (a) the accompanying financial statements, notes and additional disclosures are in accordance with the Corporations Act 2001 including:

      (i) giving a true and fair view of the Company and Group's financial position as at 30 June 2015 and its performance for the financial year ended on that date; and

      (ii) complying with Accounting Standards (includes the Australian Accounting Interpretations), the Corporations Regulations 2001 and any other mandatory professional reporting requirements.

   (b) as disclosed in note 1(A) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

   (c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2015.

The declaration is signed in accordance with a resolution of the Board of Directors.

GRAEME ROBERTSON
Chairman

Dated this 30 September 2015

Independent auditor's report to the members of Intra Energy Corporation Limited

Report on the financial report

We have audited the accompanying financial report of Intra Energy Corporation Limited (the Company), which comprises the consolidated statement of financial position as at 30 June 2015, and consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, notes 1 to 30 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement whether due to fraud or error. In note 1, the directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements of the Group comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the Group's financial position and of its performance.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

(a) the financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Material uncertainty regarding continuation as a going concern

Without modifying our opinion, we draw attention to note 1(A), which indicates that the Group has a net current asset deficiency of $5,666,000 at 30 June 2015. As set out in note 1(A), the directors have indicated that they expect improved coal sales, productivity improvements and cost saving initiatives. Should the Group not achieve its coal sales, productivity improvements or cost saving initiatives, or the KCB Bank of Tanzania recalls the Tancoal Energy Limited loans, the Group will be required to raise further debt or equity or divest assets to continue as a going concern.

This indicates the existence of a material uncertainty as to whether the Group will be able to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of the business and at the amounts stated in the financial report.

Report on the remuneration report

We have audited the Remuneration Report included in pages 16 to 24 of the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with auditing standards.

Auditor's opinion

In our opinion, the remuneration report of Intra Energy Corporation Limited for the year ended 30 June 2015, complies with Section 300A of the *Corporations Act 2001*.

KPMG

KPMG

Daniel Camilleri
Partner

Sydney
30 September 2015

Consolidated Statement of Comprehensive Income

INTRA ENERGY

FOR THE YEAR ENDED 30 JUNE 2015

		CONSOLIDATED	
		2015	2014
	NOTES	$'000s	$'000s
Sales revenue	2	16,555	10,867
Net cost of production		(9,752)	(8,978)
Gross Profit		6,803	1,889
Other income		1,031	50
Foreign exchange gain / (loss)		229	(56)
Compliance and regulatory expenses		(343)	(78)
Legal and professional expenses		(1,044)	(976)
Depreciation and amortisation	3	(1,288)	(1,392)
Remuneration and employee expenses		(2,761)	(2,039)
Exploration expense		(217)	(785)
Project expenditure		(232)	(1,295)
Impairment of fixed assets		-	(204)
Impairment of tenements		(126)	(13,413)
Share based payments		(206)	(322)
Other expenses		(2,555)	(1,775)
Share of loss of equity-accounted investees net of tax	11	(77)	-
Finance income		2	15
Finance expenses		(532)	(503)
Loss on sale of asset	10	(142)	-
Loss Before Income Tax		**(1,458)**	**(20,884)**
Income tax benefit	4	71	107
Net Loss For The Period		**(1,387)**	**(20,777)**
Other Comprehensive Income			
Foreign currency translation (loss)/gain^		(1,457)	(2,005)
Total Comprehensive Loss for the Period		**(2,844)**	**(22,782)**
Net Loss for the Period Attributable to:			
Shareholders of IEC		(1,745)	(18,845)
Non-controlling interest		358	(1,932)
		(1,387)	(20,777)
Total Comprehensive Loss for the Period Attributable to:			
Shareholders of IEC		(3,119)	(20,686)
Non-controlling interest		275	(2,096)
		(2,844)	(22,782)
Loss per share			
Loss per share (cents per share, basic and diluted)	7	(0.05)	(6.68)

^ Item that may be classified subsequently to Statement of Comprehensive Income

The Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes to the Financial Statements.

Consolidated Statement of Financial Position

AS AT 30 JUNE 2015

INTRA ENERGY

	NOTES	CONSOLIDATED 2015 $'000s	2014 $'000s
Assets			
Current Assets			
Cash and cash equivalents		40	88
Inventories	8	2,185	1,701
Trade and other receivables	9	2,529	2,518
Assets held for sale	10	-	2,458
Total Current Assets		**4,754**	**6,765**
Non-Current Assets			
Other receivables		196	160
Equity accounted investments	11	989	-
Property, plant and equipment	12	9,859	10,059
Mine development costs	13	7,071	6,442
Exploration expenditure	14	513	375
Total Non-Current Assets		**18,628**	**17,036**
Total Assets		**23,382**	**23,801**
Liabilities			
Current Liabilities			
Bank overdraft		644	522
Trade and other payables	15	7,260	5,386
Employee benefits		87	47
Interest bearing liabilities	16	2,429	2,147
Liabilities held for sale	10	-	1,056
Total Current Liabilities		**10,420**	**9,158**
Non-Current Liabilities			
Other payables		196	193
Provisions	17	550	444
Interest bearing liabilities	16	805	1,486
Total Non-Current Liabilities		**1,551**	**2,123**
Total Liabilities		**11,971**	**11,281**
Net Assets		**11,411**	**12,520**
Equity			
Issued capital	18	69,387	67,858
Reserves		2,979	4,147
Accumulated losses		(56,075)	(54,330)
Total equity attributed to equity holders of the Company		**16,291**	**17,675**
Non-controlling interest	21	(4,880)	(5,155)
Total Equity		**11,411**	**12,520**

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes to the Financial Statements.

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2015

INTRA ENERGY

		CONSOLIDATED	
		2015	2014
	NOTES	$'000s	$'000s
Cash Flows from Operating Activities			
Receipts from Customers		17,389	13,320
Payments to Creditors and Suppliers		(16,076)	(16,329)
Interest Received		2	15
Interest paid		(532)	(503)
Tax (paid)/received		161	107
Net cash provided/(used) in operating activities	25	**944**	**(3,390)**
Cash Flows from Investing Activities			
Mine Development and Capitalised Exploration Costs		(578)	(1,178)
Purchase of property, plant and equipment		(767)	(1,384)
Contribution to equity accounted investment		(125)	-
Net cash provided/(used) in investing activities		**(1,470)**	**(2,562)**
Cash Flows from Financing Activities			
Proceeds from issue of shares and options		1,610	1,531
Share and option issue costs		(81)	(64)
Proceeds from borrowings		5,723	1,161
Repayment of borrowings		(6,796)	(1,617)
Net cash provided/(used) in financing activities		**456**	**1,011**
Net (decrease)/increase in cash and cash equivalents		(70)	(4,941)
Cash and cash equivalents at beginning of year		(434)	4,437
Effects of exchange rate changes on cash		(100)	70
Cash and Cash Equivalents/(Net Overdraft) at end of year		**(604)**	**(434)**
Cash and cash equivalents		40	88
Bank overdrafts used for cash management purposes		(644)	(522)
Cash and Cash equivalents/(Net Overdraft) in the Statement of Cash Flows		**(604)**	**(434)**

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes to the Financial Statements.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2015

CONSOLIDATED	ISSUED CAPITAL $'000s	ACCUMULATED LOSSES $'000s	PERFORMANCE RIGHTS $'000s	OPTION RESERVE $'000s	FOREIGN CURRENCY TRANSLATION RESERVE $'000s	TOTAL $'000s	NON-CONTROLLING INTEREST $'000s	TOTAL EQUITY $'000s
At 1 July 2014	67,858	(54,330)	589	2,216	1,342	17,675	(5,155)	12,520
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD								
Loss for the year	–	(1,745)	–	–	–	(1,745)	358	(1,387)
Other Comprehensive Income								
Foreign currency translation differences	–	–	–	–	(1,374)	(1,374)	(83)	(1,457)
Total Other Comprehensive Income	**–**	**(1,745)**	**–**	**–**	**(1,374)**	**(3,119)**	**275**	**(2,844)**
TRANSACTIONS WITH OWNERS RECORDED DIRECTLY INTO EQUITY								
Shares issued during the year	1,610	–	–	–	–	1,610	–	1,610
Share raising cost (net of tax)	(81)	–	–	–	–	(81)	–	(81)
Performance rights granted		–	206	–	–	206	–	206
Balance at 30 June 2015	**69,387**	**(56,075)**	**795**	**2,216**	**(32)**	**16,291**	**(4,880)**	**11,411**
CONSOLIDATED								
At 1 July 2013	**66,391**	**(36,806)**	**267**	**2,216**	**3,183**	**35,251**	**(1,738)**	**33,513**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD							–	
Loss for the year	–	(18,845)	–	–	–	(18,845)	(1,932)	(20,777)
Other Comprehensive Income						–		
Foreign currency translation differences	–	–	–	–	(1,841)	(1,841)	(164)	(2,005)
Total Other Comprehensive Income	–	**(18,845)**	**–**	**–**	**(1,841)**	**(20,686)**	**(2,096)**	**(22,782)**
TRANSACTIONS WITH OWNERS RECORDED DIRECTLY INTO EQUITY								–
Shares issued during the year	1,531	–	–	–	–	1,531	–	1,531
Share raising cost (net of tax)	(64)	–	–	–	–	(64)	–	(64)
Performance rights granted	–	–	322	–	–	322	–	322
Change in ownership of subsidiary	–	1,321	–	–	–	1,321	(1,321)	–
Balance at 30 June 2014	**67,858**	**(54,330)**	**589**	**2,216**	**1,342**	**17,675**	**(5,155)**	**12,520**

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes to the Financial Statements.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Intra Energy Corporation Limited ("the Company") is a company limited by shares, incorporated and domiciled in Australia. The shares of Intra Energy Corporation Limited are publically traded on the Australian Stock Exchange. The consolidated financial statements for the year ended 30 June 2015 comprise the Company and its controlled entities (together referred to as "the Group" or "Consolidated Entity") and the Group's interests in associates and jointly controlled entities. The Company is a for-profit entity and primarily is involved in the mining and sale of coal.

The consolidated financial statements were approved by the Board and authorized for issue on 30 September 2015.

A. Going Concern

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to continue trading, realise its assets and discharge its liabilities in the ordinary course of business for a period of at least 12 months from the date that these financial statements are approved.

The Directors note that:

- The Group generated a loss after tax for the year of $1.39m (2014:$20.78m) primarily as a result of exploration and project expenditure of $0.58m, non-cash depreciation and amortisation charges of $1.29m together with continued but decreased operating losses after corporate overheads; and
- As at balance date, the Group's current liabilities exceeded its current assets by $5.7m. The deficit in net current assets includes a $0.6m overdraft payable to KCB Bank of Tanzania ("KCB") and $1.6m payable to the KCB under loan facilities which expire in November 2017 although these facilities can be called at any time.

In assessing the appropriateness of using the going concern assumption, the Directors have:

- Considered the funding requirements of the business given the current operating and cash flow forecasts of the Group. The market conditions for coal supply are very competitive and create pressure on pricing but coal sales are still expected to increase as the Group continues to respond to growing demand in the East African cement and industrial markets segment. As Tancoal continues to implement productivity improvements and further initiatives to expand equipment capacity to produce more coal, the working capital position of the Company is expected to improve in the longer term.
- Implemented a number of cost saving initiatives to preserve working capital.
- Retained their confidence in the strategic value of the Group as it develops its coal and power station projects across East Africa. IEC is the dominant and growing coal miner and supplier to industrial energy users in the Eastern African region and is advancing coal-fired power generation projects in Malawi and Tanzania. Eastern Africa is one of the fastest growing regions in the world with national growth rates between 5% and 8%. In 2015, IEC supplied 85% of its production to Tanzania and 15% to Kenya and Malawi. Approximately 65% was supplied to the cement industry, 10% to textile manufacturers, 13% to paper and ceramics industries and the remainder to processing plants.
- Acknowledged the interest received in the 120MW "Pamodzi" coal fired power station project in Malawi and the potential for the power station to become a future customer.
- Recognised that the interest bearing liabilities relating to the loans from the KCB and hire purchase equipment providers are secured against the Group's mining equipment.
- Noted JORC compliant resources of 62 million tonnes in Malawi and 423 million tonnes at the Tancoal mine in Tanzania.

After considering the above factors, the Directors have concluded that the use of the going concern assumption is appropriate. However if improved coal sales, cost saving initiatives or working capital improvements are not achieved or if the KCB Bank of Tanzania demands repayment of their combined $2.2 million debt facility, the Group will be required to raise further debt or equity or divest assets to continue as a going concern.

Whilst the Directors remain confident in the Group's ability to access further working capital through debt, equity or asset sales if required, there remains material uncertainty as to whether the Group will continue as a going concern.

Had the going concern basis not been used, adjustments would need to be made relating to the recoverability and classification of certain assets, and the classification and measurement of certain liabilities to reflect the fact that the

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Group may be required to realise its assets and settle its liabilities other than in the ordinary course of business, and at amounts different from those stated in the consolidated financial statements.

B. Statement of compliance and basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report of Intra Energy Corporation Limited and controlled entities ("IEC", "the Company", "the Group" or "Consolidated Entity"), and IEC as an individual parent entity ("IEC Parent" or "Parent Entity") complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) and International Financial Reporting Standards (IFRS).

b.i Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs other than financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Separate financial statements for IEC Parent, as an individual entity are no longer presented as a consequence of a change to the Corporations Act 2001, however, required financial information for IEC Parent as an individual entity is included in Note 30.

b.ii New Accounting Standards

The Group applied the following standards and amendments, including any consequential amendments to other standards for the first time for the annual reporting period commencing 1 July 2014.

- AASB 2013-2 Offsetting Financial Assets and Financial Liabilities
- AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets
- AASB 2014-1 Part A: Annual improvements 2010-2012 and 2011-2013 cycles
- ASX Corporate Governance Principles and Recommendations

There were no significant impacts arising from accounting standards or interpretations adopted in these Financial Statements.

b.iii New Accounting Standards and Interpretations that are not yet mandatory

A number of new accounting standards and interpretations have been published that are not mandatory for 30 June 2015 reporting periods and have not been early adopted by the Group.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2015 reporting periods. The Group's assessment of the impact of these new standards and interpretations is set out below. The Group does not plan to adopt these standards early.

AASB 9, published in July 2014, replaces the existing guidance in AASB 139 Financial Instruments: Recognition and Measurement. AASB 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from AASB 139. AASB 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. As the Group does not have hedging arrangements, this will not have a significant impact to the Group or its results.

AASB 15 Revenue from Contracts with Customers, AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 Revenue and AASB 111 Construction Contracts. AASB 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Group does not consider that this will have a significant impact to the Group or its results.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Principles of consolidation

c.i Business combinations

The purchase method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired.

Cost is measured as the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the fair value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are expensed in the period incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the Group's share of the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the Consolidated Statement of Comprehensive Income, but only after a reassessment of the identification and measurement of the net assets required.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

c.ii Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

c.iii Transactions eliminated on consolidation

All balances and transactions, arising from transactions between entities within the group are eliminated in preparing the consolidated financial statements.

c.iv Non-controlling interests

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

c.v Equity accounted investments

A joint venture is an arrangement in which the Group has joint control whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. The financial statements include the Group's share of the total recognised gains and losses on an equity accounted basis subsequent to initial recognition at cost, which includes transaction costs.

When the Group's share of losses exceeds its interest in a joint venture, the Group's carrying amount is reduced to $nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of a joint venture.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

Associates are all entities over which the group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. Income tax

Tax expense comprises current and deferred tax and is recognised in the statement of profit or loss or the statement of comprehensive income according to the accounting treatment of the related transaction.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax in respect of previous years.

Deferred tax expense represents the tax expense in respect of the future tax consequences of recovering or settling the carrying amount of an asset or liability. Both are calculated using tax rates for each jurisdiction, enacted or substantially enacted at the reporting date, and for deferred tax those that are expected to apply when the asset is realised or the liability is settled.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- arising on the initial recognition or assets or liabilities, other than on a business combination, that affect neither accounting or taxable profit;
- arising from the recognition of goodwill; and
- relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future.

E. Property, Plant and Equipment

Each class of plant and equipment is carried at cost less any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

e.i Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use.

The useful lives used for each class of depreciable asset are:

Class of fixed asset	Useful life
Mining Plant and Equipment	10 to 15 years
Motor Vehicles	10 years
Office Equipment	8 years
Computer Equipment and Software	3 years
Leasehold Improvements	25 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the profit or loss.

F. Exploration, evaluation and acquisition expenditure

Acquisition costs are accumulated in respect of each separate area of interest. Acquisition costs are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Where an area of interest is abandoned or the Directors decide that it is not commercial, any

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

accumulated acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated acquisition costs written off to the extent that they will not be recoverable in the future. Amortisation is not charged on acquisition costs carried forward in respect of areas of interest in the development phase until production commences.

G. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on average costs over the relevant period of production and includes expenditure in accumulating the inventories, production costs and other costs incurred in bringing them to their existing location and condition. Stockpile tonnages are verified by periodic surveys.

H. Overburden removal costs

Overburden and other mine waste materials are often removed during the initial development of a mine site in order to access the mineral deposit. This activity is referred to as development stripping. The directly attributable costs are initially capitalised as mine development costs. Capitalising of development stripping costs ceases at the time that saleable mineral rights begin to be extracted from the mine.

Production stripping commences at the time that saleable materials begin to be extracted from the mine and normally continues through the life of a mine. The costs of production stripping are capitalised to the cost of inventory, and charged to the income statement upon sale of inventory in cost of goods sold.

I. Development expenditure

When a mining project has been established as commercially viable and technically feasible, expenditure other than that on land, buildings and plant equipment is capitalised under development expenditure. Development expenditure costs include previously capitalised exploration and evaluation costs, pre-production development costs, development excavation, development studies and other subsurface expenditure pertaining to that area of interest.

Costs related to surface plant and equipment and any associated land and buildings are accounted for as property, plant and equipment. Development costs are accumulated in respect of each separate area of interest. Costs associated with commissioning new assets in the period before they are capable of operating in the manner intended by management, are capitalised. Development costs incurred after the commencement of production are capitalised to the extent they are expected to give rise to a future economic benefit. Amortisation of carried forward exploration and development costs is charged on a unit of production basis over the life of economically recoverable reserves.

When an area of interest is abandoned or the Directors decide it is not commercial or technically feasible, any accumulated cost in respect of that area is written off in the financial period the decision is made. Each area of interest is reviewed at the end of each accounting period and accumulated cost written off to the Statement of Comprehensive Income to the extent that they will not be recoverable in the future.

Development assets are assessed for impairment if facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purpose of impairment testing, development assets are allocated to cash generating units to which the development activity relates. The cash generating unit shall not be larger than the area of interest.

J. Rehabilitation expenditure

The mining, extraction and processing activities of the Company give rise to obligations for site rehabilitation. Rehabilitation obligations can include facility decommissioning and dismantling, removal or treatment of waste materials, land rehabilitation and site restoration. The extent of work required and the associated costs are estimated based on feasibility and engineering studies using current restoration standards and techniques. Provisions for the cost of each rehabilitation programme are recognised at the time that environmental disturbance occurs.

Rehabilitation provisions are initially measured at the expected value of future cash flows required to rehabilitate the relevant site, discounted to their present value. The value of the provision is progressively increased over time as the effect of discounting unwinds. When provisions for rehabilitation are initially recognised, the corresponding cost is capitalised as an asset, representing part of the cost of acquiring the future economic benefits of the operation. The capitalised cost of rehabilitation activities is recognised in 'Development Expenditure' as rehabilitation assets and amortised accordingly.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Where rehabilitation is expected to be conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the present obligation or estimated outstanding continuous rehabilitation work at each balance date and the costs are recognised based on a consideration of the period which the rehabilitation is expected to occur.

K. Segment Reporting

Segment results are reported to the Board of Directors (chief operating decision maker) and include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent with those adopted in the Annual Financial Statements of the Company.

L. Financial Instruments

l.i Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

l.ii Financial assets at fair value through Profit and Loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the Consolidated Statement of Comprehensive Income in the year which they arise.

l.iii Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

l.iv Fair value

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. In the Consolidated Statement of Comprehensive Income, the fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices. The quoted market price used for financial assets held by the Group is the current bid price.

The carrying value less impairment provision of trade receivables and payables is assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash follows at the current market interest rate that is available to the Group for similar financial instruments.

l.v Impairment of assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Consolidated Statement of Comprehensive Income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the Consolidated Statement of Comprehensive Income.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

M. Foreign Currency Transactions and Balances

m.i. Functional and Presentation Currency

The functional currency of each of the Company's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

m.ii. Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the Consolidated Statement of Comprehensive Income, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity; otherwise the exchange difference is recognised in the Consolidated Statement of Comprehensive Income.

m.iii. Group Companies

The financial results and position of foreign operations whose functional currency is different from the Company's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date; and
- income and expenses are translated at average exchange rates for the year.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the Statement of Financial Position. These differences are recognised in the Consolidated Statement of Comprehensive Income in the year in which the operation is disposed.

N. Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

n.i Equity settled compensation

The bonus element over the exercise price of the employee services rendered in exchange for the grant of options is recognised as an expense in the Consolidated Statement of Comprehensive Income. The total amount to be expensed over the vesting year is determined by reference to the fair value of the options granted.

n.ii Share-based payments

The Company provides benefits to employees (including Directors) of the Company in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions"). The cost of these equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation and an external valuation using the Black-Scholes model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the year in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("vesting date"). The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the Company, will ultimately vest.

This opinion is formed based on the best available information at reporting date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

determination of fair value at grant date. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon market condition. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award.

O. Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

P. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

Q. Revenue recognition

Revenue is measured at the fair value of gross consideration received or receivable. IEC recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. The amount of revenue is not considered to be reliably measured until all contingencies relating to the sale have been resolved.

IEC recognises revenue when the risks and rewards transfer to the customer which is defined in the customer contract.

R. Finance income and finance expense

r.i. Finance income and finance expense

Finance income and expenses are recognised using the effective interest rate method, which, for floating rate financial assets and liabilities is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

All finance income and expenses are stated net of the amount of goods and services tax (GST) and local value added tax (VAT).

S. Goods and Service Tax (GST) and Value Added Tax (VAT)

Revenues, expenses and assets are recognised net of the amount of respective GST or VAT, except where the amount of GST or VAT incurred is not recoverable from the relevant Tax Office. In these circumstances the GST or VAT is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Consolidated Statement of Financial Position are shown inclusive of GST or VAT.

Cash flows are presented in the Consolidated Cash Flow Statement on a gross basis, except for the GST or VAT component of investing and financing activities, which are disclosed as operating cash flows.

T. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

U. LEASES

u.i. Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether the arrangement is or contains a lease.

At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other considerations required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

u.ii. Leased assets

Assets held by the Group under lease, that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Group's Consolidated Statement of Financial Position.

u.iii. Leased payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

V. Earnings per share

v.i. Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

v.ii. Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares.

W. Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefits assets which continue to be measured in accordance with the Group's other accounting policies.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity accounted investee is no longer equity accounted.

X. Critical accounting judgments and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 1, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or, in the period of the revision and future periods if the revision affects both current and future periods.

x.i. Key Sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- **Recoverability of exploration and evaluation expenditure**
  The recoverability of the capitalised acquisition expenditure recognised as a non-current asset is dependent

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

upon the successful development, or alternatively sale, of the respective tenements which comprise the assets.

- **Inventories**
  Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on average costs over the relevant period of production and includes expenditure in accumulating the inventories, production costs and other costs incurred in bringing them to their existing location and condition. Stockpile tonnages are verified by periodic surveys.
- **Rehabilitation**
  The extent of work required and the associated costs are estimated based on feasibility and engineering studies using current restoration standards and techniques. Provisions for the cost of each rehabilitation programme are recognised at the time that environmental disturbance occurs.

	CONSOLIDATED	
	2015	2014
	$'000s	$'000s
2. REVENUES		
From continuing operations		
Coal sales	**16,555**	**10,867**

	CONSOLIDATED	
	2015	2014
	$'000s	$'000s
3. DEPRECIATION AND AMORTISATION		
Loss before income tax includes the following specific expenses:		
Depreciation and amortisation		
Depreciation		
Plant and equipment	(1,261)	(1,374)
Less depreciation capitalised	-	119
Total depreciation	(1,261)	(1,255)
Amortisation	(27)	(137)
TOTAL	**(1,288)**	**(1,392)**

	CONSOLIDATED	
	2015	2014
	$'000s	$'000s
4. INCOME TAX BENEFIT		
(a) Numerical reconciliation of income tax expense to prima facie tax payable		
Loss from ordinary activities before income tax expense	(1,458)	(20,884)
Prima facie tax benefit on loss from ordinary activities at 30%	(437)	(6,265)
Non-deductible expenditure	178	185
Tax effect of temporary differences	487	(435)
Tax effect of current year tax losses for which no deferred tax asset has been recognised	537	7,549
Foreign tax losses utilised	(719)	-
Foreign income tax payable	43	26
Under provision of tax from prior year	-	(1,033)
Research & Development Grant	(160)	(134)
Income tax (Benefit)/ Expense	**(71)**	**(107)**

(b) Unrecognised temporary differences		
Deferred Tax Assets (at 30%)		
Other temporary differences	1,314	1,164
Carry forward revenue tax losses	5,749	5,399
Carry forward capital tax losses	8	8
Carry forward foreign tax losses	12,769	12,194
TOTAL	**19,840**	**18,765**

The deferred tax asset relating to carry forward losses and other temporary differences have not been brought to account as it is unlikely they will arise until such a point that the Company generates sufficient revenue to utilise them.

5. KEY MANAGEMENT PERSONNEL COMPENSATION

The following persons were Directors of the Company during the financial year:

Non-Executive Directors	Non-Executive Directors	Acting Chief Executive Officer
Mr G Robertson (Chairman) [1]	Mr W Paterson	Mr T Brereton[5]
Mr D Mason[2]	Mr G Nasari	
Mr J Warrand[3]	Mr S Harvey[4]	

[1]Mr Graeme Robertson resigned as Executive Chairman on 31 October 2014, Mr Robertson continues as a Non-Executive Chairman
[2]Mr David Mason resigned as an Executive Director on 31 July 2014, Mr Mason continued as a Non-Executive Director
[3]Mr Jonathan Warrand resigned as Executive Director and Chief Financial Officer on 31 October 2014, Mr Warrand continued as a Non-Executive Director

5. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

[4]Mr Simon Harvey was appointed as an Alternate Director for Mr Jonathan Warrand on 10 December 2013. Mr Harvey does not receive any remuneration for acting in his capacity as Alternate Director

[5]Mr Tarn Brereton was appointed Acting Chief Executive Officer on 31 October 2014, previously Mr Brereton held the position of Chief Operating Officer.

KEY MANAGEMENT PERSONNEL COMPENSATION	2015 $	2014 $
Short-term employee benefits	754,437	993,606
Superannuation	10,870	46,568
Post-employment benefits	159,320	-
Other benefits*	-	23,105
Performance rights	171,929	221,349
TOTAL COMPENSATION	**1,096,556**	**1,284,628**

* Other benefits relates to the payment of Directors' and Officers' Liability Insurance

Details on the remuneration paid to the non-executive directors and executive directors who at any point during the year had authority and responsibility for planning, directing and controlling the activities of Intra energy Corporation Limited are provided under Section D of the Remuneration Report in accordance with the Corporations Amendment Regulations 2006 (no.4).

EQUITY INSTRUMENT DISCLOSURES RELATING TO KEY MANAGEMENT PERSONNEL

Options provided as remuneration and shares issued on exercise of such options

Details of options provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, can be found in the Remuneration Report forming part of the Directors' Report on pages 16 to 24.

Option holdings

The numbers of options over ordinary shares in the Company provided as remuneration held during the financial year or at time of resignation by each Director and Key Management Personnel of IEC, including their related parties, are set out below:

2015	BALANCE AT THE BEGINNING OF YEAR	GRANTED DURING THE YEAR AS COMPENSATION	EXERCISED DURING THE YEAR	LAPSED / CANCELLED DURING THE YEAR	BALANCE AT THE END OF THE YEAR	VESTED AND EXERCISABLE
Key Management Personnel						
Mr G Robertson	–	–	–	–	–	–
Mr J Warrand	–	–	–	–	–	–
Mr D Mason	–	–	–	–	–	–
Mr G Nasari	–	–	–	–	–	–
Mr W Paterson	–	–	–	–	–	–
Mr T Brereton	–	–	–	–	–	–
Mr S Harvey	–	–	–	–	–	–
Total	**–**	**–**	**–**	**–**	**–**	**–**

5. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

2014	BALANCE AT THE BEGINNING OF YEAR	GRANTED DURING THE YEAR AS COMPENSATION	EXERCISED DURING THE YEAR	LAPSED / CANCELLED DURING THE YEAR	BALANCE AT THE END OF THE YEAR	VESTED AND EXERCISABLE
Key Management Personnel						
Mr G Robertson	3,000,000	–	–	(3,000,000)	–	–
Mr J Warrand	1,000,000	–	–	(1,000,000)	–	–
Mr D Mason	1,500,000	–	–	(1,500,000)	–	–
Mr G Nasari	800,000	–	–	(800,000)	–	–
Mr W Paterson	–	–	–	–	–	–
Mr T Brereton	–	–	–	–	–	–
Mr S Harvey	–	–	–	–	–	–
Total	**6,300,000**	**–**	**–**	**(6,300,000)**	–	–

Performance rights

The numbers of performance rights in the Company held during the financial year or at time of resignation by each Director and Key Management Personnel of IEC, including their personally related parties, are set out below:

2015	BALANCE AT THE BEGINNING OF YEAR	GRANTED DURING THE YEAR AS COMPENSATION	VESTED DURING THE YEAR	LAPSED / CANCELLED DURING THE YEAR	BALANCE AT THE END OF THE YEAR
Key Management Personnel					
Mr G Robertson	2,832,240	–	135,000	1,030,574	1,666,666
Mr J Warrand	1,889,784	–	251,716	721,402	916,666
Mr D Mason	2,004,922	–	251,716	669,873	1,083,333
Mr G Nasari	–	–	–	–	–
Mr W Paterson	–	–	–	–	–
Mr T Brereton*	532,305	–	140,242	–	392,063
Mr S Harvey	–	–	–	–	–
Total	**7,259,251**	**–**	**778,674**	**2,421,849**	**4,058,728**

* At time of appointment as Chief Operating Officer

5. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

2014	BALANCE AT THE BEGINNING OF YEAR	GRANTED DURING THE YEAR AS COMPENSATION	VESTED DURING THE YEAR	LAPSED / CANCELLED DURING THE YEAR	BALANCE AT THE END OF THE YEAR
Key Management Personnel					
Mr G Robertson	2,697,240	135,000	–	–	2,832,240
Mr J Warrand	1,638,068	251,716	–	–	1,889,784
Mr D Mason	1,753,206	251,716	–	–	2,004,922
Mr G Nasari*	–	–	–	–	–
Mr W Paterson	–	–	–	–	–
Mr T Brereton	392,063	140,242	–	–	532,305
Mr S Harvey	–	–	–	–	–
Total	**6,480,577**	**778,674**	**–**	**–**	**7,259,251**

ˆ At time of resignation

6. AUDITOR'S REMUNERATION

	CONSOLIDATED	
	2015 $'000s	2014 $'000s
Audit services		
Auditors of the Group – KPMG		
Audit and review of financial reports	312	218
Other auditors – non-KPMG firms		
Audit and review of financial reports	–	3
	312	**221**
Non-Audit services		
Services provided other than statutory audit – KPMG		
Tax advisory services	23	53
Other advisory services	18	–
	41	53

7. EARNINGS PER SHARE

	2015	2014
Basic and diluted loss per share		
Loss from continuing operations attributable to the ordinary equity holders of the Company	$1,745,000	$18,845,000
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	336,264,875	281,904,708
Loss per share (cents) - basic	**(0.52)**	**(6.68)**

7. EARNINGS PER SHARE (CONT'D)

At 30 June 2015, 23,859,217 options were excluded from the diluted weighted-average number of ordinary shares calculation because their effect would have been anti-dilutive.

8. INVENTORIES

	CONSOLIDATED	
	2015 $'000s	2014 $'000s
Consumables, fuel and other equipment	435	117
Coal stock	1,750	1,584
	2,185	**1,701**

9. TRADE AND OTHER RECEIVABLES

	CONSOLIDATED	
	2015 $'000s	2014 $'000s
Current		
Trade receivables	924	1,777
Other receivables	946	261
Related party receivables	63	34
Taxation receivables	91	37
Prepayments	505	409
	2,529	**2,518**

10. DISPOSAL GROUP HELD FOR SALE

In April 2014, management committed to joint venture part of its subsidiary AAA Drilling Limited ("AAA Mauritius") which owns 100% of AAA Drilling Limited ("AAA Tanzania"), an operating drilling company in Tanzania that was established to undertake drilling and logging for IEC entities and third party customers in Eastern Africa. Accordingly, AAA Drilling Limited Group is presented as a disposal group held for sale.

Subsequent to 30 June 2014, IEC completed the transaction of the joint venture with General Petroleum Oils and Tools Pty Limited ("GPOT"), a leading Queensland based provider of drilling supplies and consulting services to the oil and gas industry. GPOT has acquired a 50% interest in AAA Mauritius. As part of the joint venture, GPOT lent A$0.7m to AAA Tanzania to be paid in three cash instalments, A$0.4m on completion, A$0.15m on or before 30 November 2014 and A$0.15m on or before 31 March 2015 for working capital.

IEC and GPOT each provided an additional A$0.125m working capital and provide significant technical and operational capabilities to AAA Tanzania. Both joint venture partners will have equal representation on the board and appoint a Joint Operating Officer to the company.

The Group recognised a loss of $0.142m on the disposal.

10. DISPOSAL GROUP HELD FOR SALE (CONT'D)

Assets and liabilities held for sale at 30 June 2014

	CONSOLIDATED	
Assets and Liabilities held for sale	2015 $'000s	2014 $'000s
Current Assets		
Assets held for sale	-	2,458
Current Liabilities		
Liabilities held for sale	-	1,056

11. EQUITY ACCOUNTED INVESTMENTS

On 9 September 2014, IEC entered into the joint venture with AAA drilling with GPOT. Information on the interest in the AAA Drilling Joint Venture is as follows;

	CONSOLIDATED	
	2015 $'000s	2014 $'000s
Equity accounted investments	989	-

IEC's share of loss after tax in its equity accounted investee was ($0.077m)[1]

Summary financial information for equity accounted investees, not adjusted for the percentage ownership held by IEC, is as follows;

2015						
	Owned	Nature of relationship	Assets $'000s	Liabilities $000's	Revenues $000's	Loss before tax $000's
AAA Drilling Limited	50%	Joint Venture	2,456	(477)	195	(252)

[1]AAA Drilling has been equity accounted from 9 September 2014.

12. PROPERTY, PLANT AND EQUIPMENT

30 June 2015	Office Equipment $'000	Mining Plant and Equipment^ $'000	Motor Vehicles $'000	Leasehold $'000	Capital Work in Progress $'000	Software* $'000	Total $'000
Year ended 30 June 2015							
At 1 July 2014, net of accumulated depreciation	521	6,642	1,696	514	498	188	10,059
Additions	126	531	-	64	-	46	767
Disposals (net)	(10)	-	-	-	-	-	(10)
Impairment	-	-	-	-	-	-	-
Transfers	65	242	-	-	(307)	-	-
Depreciation charge	(167)	(660)	(326)	(19)	-	(89)	(1,261)
Effect of exchange rates (net)	28	224	46	5	-	1	304
At 30 June 2015, net of accumulated depreciation	**563**	**6,979**	**1,416**	**564**	**191**	**146**	**9859**
At 30 June 2015							
At cost	949	8,844	2,410	613	191	490	13,497
Accumulated depreciation and impairment	(386)	(1,865)	(994)	(49)	-	(344)	(3,638)
Net carrying amount	**563**	**6,979**	**1,416**	**564**	**191**	**146**	**9,859**

^ $1.6m of Property, Plant and Equipment is held as collateral by KCB Bank of Tanzania in relation to loan facilities.
***** Intangible items were re-classified as software in financial year 2015.

INTRA ENERGY

12. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

30 June 2014	Office Equipment $'000	Mining Plant and Equipment^ $'000	Motor Vehicles $'000	Leasehold $'000	Capital Work in Progress $'000	Software* $'000	Total $'000
Year ended 30 June 2014							
At 1 July 2013, net of accumulated depreciation	509	7,117	2,139	528	220	252	10,765
Additions	61	2,614	234	13	563	72	3,557
Disposals (net)	(3)	–	–	–	–	–	(3)
Impairment	–	(204)	–	–	–	–	(204)
Transfers	130	132	–	22	(284)	–	0
Depreciation charge	(150)	(828)	(378)	(18)	–	(134)	(1,508)
Effect of exchange rates (net)	(24)	(556)	(113)	(31)	(1)	(2)	(727)
Reclassified as held for sale*	(2)	(1,633)	(186)	–	–	–	(1,821)
At 30 June 2014, net of accumulated depreciation	**521**	**6,642**	**1,696**	**514**	**498**	**188**	**10,059**
At 30 June 2014							
At cost	742	7,821	2,376	546	498	442	12,425
Accumulated depreciation and impairment	(221)	(1,179)	(680)	(32)	-	(254)	(2,366)
Net carrying amount	**521**	**6,642**	**1,696**	**514**	**498**	**188**	**10,059**

^ $2.568m of Property, Plant and Equipment is held as collateral by the National Bank of Commerce in relation to loan facilities.
* Intangible items were re-classified as software in financial year 2015.

13. CAPITALISED MINE DEVELOPMENT COSTS

	CONSOLIDATED	
	2015 $'000s	2014 $'000s
Tancoal Mine		
Opening balance	4,530	4,688
Mine development expenditure	242	41
Rehabilitation asset	106	112
Amortisation	(26)	(2)
Effect of exchange rates	66	(309)
	4,918	**4,530**
Malcoal Mine		
Opening balance	1,912	1,611
Mine development expenditure	74	590
Amortisation	(1)	(1)
Effect of exchange rates	168	(288)
	2,153	**1,912**
TOTAL	**7,071**	**6,442**

14. EXPLORATION EXPENDITURE

	CONSOLIDATED	
	2015 $'000s	2014 $'000s
Uaroo tenements		
Opening balance	126	126
Impairment	(126)	–
	–	**126**
Tanzacoal tenements		
Opening balance	–	14,276
Exploration expenditure	–	22
Effect of exchange rates	–	(885)
Impairment	–	(13,413)
	–	–
Intra Energy Tanzania Limited tenements		
Opening balance	–	255
Acquisition expenditure	–	–
Exploration expenditure transferred to capitalised mine development	–	–
Effect of exchange rates	–	(6)
Exploration expenditure transferred to Tancoal Energy Limited	–	(249)
	–	**–**
Tancoal Energy Limited tenements		
Opening balance	239	–
Exploration expenditure	262	–
Exploration expenditure transferred from Intra Energy Tanzania	–	249
Effect of exchange rates	2	(10)
	503	**239**
Intra Energy Trading (Malawi) Limited tenements		
Opening balance	10	11
Effect of exchange rates	-	(1)
	10	**10**
TOTAL	**513**	**375**

The recoverability of the carrying amount of exploration assets is dependent on the successful development and commercial exploitation or sale of the respective mining permits.

On 4 April 2014 Intra Energy's subsidiary company Tanzacoal East Africa Mining Limited received notice from the Tanzanian Minister for Energy that Special Mining Licence SML235/2005 had been cancelled without consultation. An impairment charge has been recognised for the full carrying value of the licence. The Company believes the cancellation has been made in error and is seeking legal remedy to have the licence reinstated or compensation from the Tanzanian Government.

On 20 August 2015, the Company advised the market that its Uaroo tenements in Australia lapsed on 2 July 2015. An impairment charge has been recognised for the full carrying value of the licence.

15. TRADE AND OTHER PAYABLES

	CONSOLIDATED	
	2015	2014
	$'000s	$'000s
Trade payables	5,802	4,617
Related party payables	358	106
Accruals	1,100	663
	7,260	**5,386**

16. INTEREST BEARING LIABILITIES

	CONSOLIDATED	
	2015	2014
	$'000s	$'000s
Current		
Secured loan facility	1,739	1,733
Hire purchase equipment	690	414
	2,429	2,147
Non-current		
Hire purchase equipment	805	1,486
	805	1,486
	3,234	**3,633**

On 1 December 2014 Tancoal re-financed its debt with KCB Bank Tanzania Limited (KCB). The loan facility does not have any covenants but is repayable on demand and is secured against plant and equipment. Interest is charged on the facility at a rate of 8% per annum. The facility is repaid over a three year term and principal and interest repayments are made monthly. Full repayment is expected in November 2017.

Bank overdraft facility

On 28 July 2015, KCB approved an increase in the working capital facility from US$0.5m to US$1.0m to support the monthly working capital cycle of Tancoal. Interest is charged on the facility at a rate of 8% per annum. The overdraft is not subject to any covenant requirements.

Hire purchase

On 28 August 2013, IEC's subsidiary Malcoal Mining Limited entered into a hire purchase arrangement to finance mining equipment at the Malcoal Mine in Malawi. The agreement term is 5 years with an option to purchase the equipment at the conclusion of the term.

17. PROVISIONS

	CONSOLIDATED	
	2015	2014
	$'000s	$'000s
Non-current		
Rehabilitation provision	550	444
	550	**444**

Rehabilitation provision was reclassified as non-current in financial year 2015

17. PROVISIONS (CONT'D)

The movement in provisions during the year are as follows:

2015 $000's	Rehabilitation	Total
Opening balance	**444**	**444**
Increase	106	106
Closing balance	**550**	**550**
Represented by;		
Current	-	-
Non-current	550	550
Closing balance	**550**	**550**

Rehabilitation

The mining, extraction and processing activities of the Company give rise to obligations for site rehabilitation. Rehabilitation obligations can include facility decommissioning and dismantling, removal or treatment of waste materials, land rehabilitation and site restoration. The extent of work required and the associated costs are estimated based on feasibility and engineering studies using current restoration standards and techniques. Provisions for the cost of each rehabilitation programme are recognised at the time that environmental disturbance occurs.

18. ISSUED CAPITAL

	2015 No.	Issue price $ per share	2015 $'000s	2014 No.	Issue price $ per share	2014 $'000s
Balance at the beginning of the year:	**290,324,925**		**67,858**	**275,012,492**		**66,391**
Shares issued as part of the vesting of performance rights	1,295,698	–	–	–	–	–
Shares issued for cash as part of Share Purchase Plan	59,648,102	$0.027	1,610	15,312,433	$0.010	1,531
Share issue costs			(81)	–		(64)
Balance at the end of the year	**351,268,725**		**69,387**	**290,324,925**		**67,858**

1. Fully paid ordinary shares carry one vote per share and carry the rights to dividends
2. On 22 January 2014, Shareholders approved the issue of performance rights to the Executive Directors (as at this date) and Senior Management of IEC in exchange for a voluntarily reduction in their cash remuneration for the six month period from 1 January to 30 June 2014. The Executive Directors at the time voluntarily elected a 20% reduction in base remuneration (excluding superannuation) and the Senior Management elected a 10% reduction in exchange for performance rights as a short term cash saving measure. These Executive Directors and Senior Management were granted a fixed number of IEC performance rights based on their remuneration deferral. The 1,295,698 performance rights issued to the Senior Management and these Executive Directors (now Non-Executive Directors) vested in January 2015.

19 RESERVES

19(a) Options reserve

	2015 No.	2015 $'000s	2014 No.	2014 $'000s
Balance at the beginning of the year:	**600,000**	**2,216**	**9,400,000**	**2,216**
Options exercised during year	–	–	–	–
Options expired during year	(600,000)	–	(8,800,000)	–
Issued during the year	–	–	–	–
Balance at the end of the year	–	**2,216**	**600,000**	**2,216**

1. No options were granted during the 2014 or 2013 years
2. Options expired during the year had not been issued to directors

19(b) Performance Rights reserve

	CONSOLIDATED	
	2015 $'000s	2014 $'000s
Total Performance Rights reserve	795	589

20. SUBSIDIARIES AND JOINTLY CONTROLLED ENTITIES

The Consolidated Financial Statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with accounting policy described in Note 1.

Name of Entity	Country of Incorporation	Class of Share	Equity (%)* 2015	Equity (%)* 2014
Atomic Resources Pty Ltd	Australia	Ordinary	100%	100%
Intra Energy (Tanzania) Limited	Tanzania	Ordinary	100%	100%
Tancoal Energy Limited	Tanzania	Ordinary	70%	70%
Tanzacoal East Africa Mining Limited^	Tanzania	Ordinary	85%	85%
AAA Drilling Limited^^^	Mauritius	Ordinary	50%	100%
AAA Drilling Limited^^^	Tanzania	Ordinary	50%	100%
Intra Energy Limited	Mauritius	Ordinary	100%	100%
East Africa Mining Limited	Mauritius	Ordinary	100%	100%
Intra Energy Trading (Malawi) Limited	Malawi	Ordinary	100%	100%
Malcoal Mining Limited	Malawi	Ordinary	90%	90%
Intra Energy (Sarawak) Sdn. Bhd.	Malaysia	Ordinary	100%	100%
Intra Energy Corporation (Singapore) Pte Ltd	Singapore	Ordinary	100%	100%
Intra Energy Laos Pte. Ltd^^^^	Singapore	Ordinary	100%	100%
Intra Energy Vietnam Pte. Ltd^^^^	Singapore	Ordinary	100%	100%
Pamodzi Power Limited^^	Malawi	Ordinary	100%	100%

20. SUBSIDIARIES AND JOINTLY CONTROLLED ENTITIES (CONT)

* Percentage of voting power is in proportion to ownership.
^ In December 2013 Intra Energy increased its ownership in the Tanzacoal joint venture from 70% to 85%. The increase was triggered under terms in the Joint Venture Agreement by the minority shareholder not satisfying its share of the development and holding costs of the concessions.
^^ Entity incorporated in financial year ending 30 June 2014.
^^^ IEC completed the transaction of the joint venture with General Petroleum Oils and Tools Pty Limited ("GPOT"), GPOT has acquired a 50% interest in AAA Drilling Limited in both Tanzania and Mauritius.
^^^^ De-registered 20 January 2015.

21. NON-CONTROLLING INTEREST

	CONSOLIDATED	
	2015 $'000s	2014 $'000s
Total non-controlling interest	(4,880)	(5,155)

The Company's subsidiary Intra Energy (Tanzania) Limited ("IETL") owns 70% of Tancoal and 30% is owned by Tancoal's joint partner, the National Development Corporation of Tanzania, a Tanzanian government entity.

IETL owns 85% of Tanzacoal and 15% is owned by IETL's Tanzacoal joint partner, Olympic Exploration Limited, a private Tanzanian entity.

The Company's subsidiary East Africa Mining Limited owns 90% of Malcoal and 10% is owned by Consolidated Mining Industries Limited, a private Malawian entity.

22. COMMITMENTS

22(a) Operating Commitments

Operating expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

	2015 $'000s	2014 $'000s
Rental and Lease Payments		
Less than 1 year	216	159
Between 2 and 5 years	440	382
Greater than 5 years	–	–
Total Rental and Lease Payments	**656**	**541**
Tenement Leases Expenditure Payable		
Less than 1 year	873	487
Between 2 and 5 years	1884	1,857
Greater than 5 years	39	65
Total Tenement Leases Expenditure Payable	**2,796**	**2,409**
TOTAL	**3,452**	**2,950**

22. COMMITMENTS (CONT)

22(b) Finance Lease Commitments

Finance lease liabilities committed to at the reporting date, recorded as liabilities, are as follows:

	2015 $'000s	2014 $'000s
Finance Lease Expenditure Commitments Payable		
Less than 1 year	857	608
Between 2 and 5 years	1,024	1,371
Greater than 5 years	-	–
TOTAL	**1,881**	**1,979**

The Group has an obligation under the JV agreement with AAA Drilling to commit $0.2m per year by the provision of drilling work or by contribution.

23. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

On 4 April 2014 the Company received notice from the Tanzanian Minister of Energy and Minerals that licence SML 235/2005, held by IEC subsidiary company Tanzacoal East Africa Mining Limited, had been cancelled. As a result an impairment of $13.4m was recorded during the period. The Company has sought legal recourse to have the licence re-instated and should the Company be successful then any re-instatement or recompense would result in benefit to the Group. The matter has not been resolved at the date of this report.

The Directors are not aware of any further contingent liabilities or contingent assets at 30 June 2015.

24. SEGMENT REPORTING

The Company operates in two geographical segments being Australia and Africa.

Segment information

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources. The Company's business is the exploration, evaluation, marketing, production and sale of coal in Africa.

'Other' recognises the non-operating entities incorporated in Singapore and Malaysia, which were nil in FY 2015.

Basis of Accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent with those adopted in the annual Financial Statements of the Group.

Inter-segment loans payable and receivable are initially recognised at the consideration received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location. Unless indicated otherwise in the segment assets note, investments in financial assets, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables.

Notes to and forming part of the segment information

The consolidation adjustments represent the elimination of inter-segment loan balances and transactions.

24. SEGMENT REPORTING (CONT)

Accounting policies
Segment information is prepared in conformity with the accounting policies of the entity as per Accounting Standard AASB 8 Operating Segments.

24. SEGMENT REPORTING (CONT'D)

Geographical Segment	Australia Period Ended 30 June 15 $'000	Australia Period Ended 30 June 14 $'000	Africa Period Ended 30 June 15 $'000	Africa Period Ended 30 June 14 $'000	Other Period Ended 30 June 15 $'000	Other Period Ended 30 June 14 $'000	Elimination Period Ended 30 June 15 $'000	Elimination Period Ended 30 June 14 $'000	Consolidated Period Ended 30 June 15 $'000	Consolidated Period Ended 30 June 14 $'000
Revenue										
Sales revenue	–	–	16,555	10,867	–	–	–	–	16,555	10,867
Inter-segment revenue	691	625	–	–	–	–	(691)	(625)	–	–
Total revenue	**691**	**625**	**16,555**	**10,867**	–	–	**(691)**	**(625)**	**16,555**	**10,867**
Net costs of production	–	–	(9,752)	(8,978)	–	–	–	–	(9,752)	(8,978)
Gross Profit	**691**	**625**	**6,803**	**1,889**	–	–	**(691)**	**(625)**	**6,803**	**1,889**
Other income	161	–	870	50	–	–	–	–	1,031	50
Other operating expenses	(2,199)	(5,543)	(5,149)	(1,010)	–	(773)	–	–	(7,348)	(7,326)
Profit/(loss) before impairment, depreciation, amortisation, net finance costs	**(1,347)**	**(4,918)**	**2,524**	**929**	–	**(773)**	**(691)**	**(625)**	**486**	**(5,387)**
Impairment	(126)	–	–	(13,617)	–	–	–	–	(126)	(13,617)
Depreciation	(97)	(39)	(1,164)	(1,216)	–	–	–	–	(1,261)	(1,255)
Amortisation	–	–	(27)	(137)	–	–	–	–	(27)	(137)
Results from operating activities	(1,570)	(4,957)	1,333	(14,041)	–	(773)	(691)	(625)	(928)	(20,396)
Finance income									2	15
Finance expenses									(532)	(503)
Profit/(loss) before tax									**(1,458)**	**(20,884)**
Income tax benefit/(expense)									71	107
Net Loss									**(1,387)**	**(20,777)**
Balance per statutory accounts										
Total Assets	5,538	4,704	22,128	19,423	–	–	(4,284)	(326)	23,382	23,801
Total Liabilities	(695)	(276)	(55,940)	(56,296)	–	–	44,664	45,291	(11,971)	(11,281)

25. CASH FLOW INFORMATION

	2015 $'000s	2014 $'000s
Loss before income tax	(1,458)	(20,884)
Non-cash flows in profit		
Depreciation and amortisation	1,289	1,392
Share based payments	206	322
Provision for doubtful debts	–	257
Share of profit of equity-accounted investees net of tax	77	–
Impairment and other provisions	126	13,617
Loss on sale of non-current assets	142	3
Foreign exchange	(229)	56
Change in inventories	(484)	323
Change in receivables	(11)	714
Change in other current assets	-	97
Change in provisions	39	(4)
Change in trade payables	1,247	717
Net cash provided/(used) in operating activities	**944**	**(3,390)**

26. SHARE BASED PAYMENTS

26(a) Shares and options

No shares or options were granted by the Company during the 2015 or 2014 years.

26(b) Performance rights

No Performance rights were issued in the 2015 year.

Performance Rights for the 2014, 2013 and 2012 incentive schemes were provisionally expensed in the period. As stated in the Remuneration Report there are two measures of performance for Directors and three measures for senior management who participate in the incentive scheme. It is not considered likely that the internal measure (EPS) will be met over the vesting period and no provision has been made. The vesting of the external measured rights will be subject to IEC's TSR outperforming the S&P/ASX300 Energy Index (ASX: XEK) over the vesting period. A valuation methodology was constructed using a Monte Carlo simulation to generate a fair value at grant date. The fair value of the market based performance incentives was deemed to be 17 cents per performance right share. This will be expensed over the vesting period of three years and resulted in $.206m being expensed in FY 2015.

Vesting periods:

Performance rights issued in FY 2012 vested over the period 12 August 2011 to 29 August 2014.

Performance rights issued in FY 2013 vest over the period 31 October 2012 to 31 August 2015.

Performance rights issued in FY 2014 vested over the period 22 January 2014 to 31 January 2015.

27. SUBSEQUENT EVENTS

On 28 July 2015 Tancoal increased its working capital facility with KCB Bank Tanzania Limited from US$0.5m to US$1.0m.

On 20 August 2015, the Company advised the market that its Uaroo tenements in Australia lapsed on 2 July 2015.

Other than those events outlined above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

28. RELATED PARTY TRANSACTIONS

Details relating to Key Management Personnel are disclosed in Note 5.

2015

During the year the Company paid Intrasia Capital Pty Limited, a related party of Graeme Robertson and Jonathan Warrand, for accounting, administration, investor relations and back office support services to IEC, the fee was reviewed regularly over the year and an amount of $186,000 (plus GST) was paid for the full year. At 30 June 2015 an amount of $11,893 remained outstanding.

In October 2014 the Company raised A$1.6m by way of a partially underwritten Share Purchase Plan. The Plan was partially underwritten by IEC Directors, Key Management Personnel and their related parties, who received underwriting fees of 3% on their portion of the shortfall:

Director/KMP	Related Party	Shares underwritten	$'000	Underwriting fees $'000
Mr G Robertson	Aspac Mining Limited	6,717,632	672	20
Mr J Warrand	Cobblyn Investments Pty Ltd	246,751	25	1
Mr D Mason	D&H Investments Pty Ltd and Rothstein Pty Ltd	608,849	61	2
Mr W Paterson	Lujeta Pty Ltd	2,744,407	274	8
Mr Tarn Brereton	Brereton Family Trust	250,000	25	1

During the year, IEC subsidiary Intra Energy Tanzania Limited received administration fees of $8,287 for administration services provided to Geothermal Power Tanzania Limited, a related party of Graeme Robertson, David Mason and Jonathan Warrand.

During the year, IEC subsidiary Intra Energy Tanzania Limited received administration fees of $4,999 for administration services provided to NuEnergy (Tanzania) Limited, a related party of Graeme Robertson.

At 30 June 2015 a loan of US$150,000 (A$195,940) to Malcoal joint venture partner Consolidated Mining Industries Limited, a private Malawian entity remained outstanding. The loan is to be repaid from first dividends from Malcoal and interest is charged on the loan at the rate of 5% per annum.

In June 2013, IEC subsidiary Tancoal Mining Limited received a loan of TZS300,000,000 (A$196,000) from joint venture partner the National Development Corporation of Tanzania. This loan remained outstanding at 30 June 2015.

At 30 June 2015 $39,081 was receivable from Geothermal Power Tanzania Limited and NuEnergy Gas (Tanzania) Limited.

At 30 June 2015 $24,301 was receivable from NuAfrica Limited for reimbursement of expenses and Tanzagrain Limited for services provided in a prior year, related parties to Graeme Robertson.

In January 2014 a hire purchase contract with an option to purchase four trucks was entered into with Extran Limited, a related party of Graeme Robertson and David Mason. An amount of $230,341 was outstanding at 30 June 2015.

2014

At 30 June 2014 $97,174 was payable to Intrasia Mining Pte Ltd (a wholly owned subsidiary of Intrasia Capital Pte Limited), a related party of Graeme Robertson relating to legal services and expense reimbursement. $9,250 was payable to William Paterson for Directors fees.

During the year the Company resolved to pay Intrasia Capital Pty Limited, a related party of Graeme Robertson and Jonathan Warrand, for accounting, administration, investor relations and back office support services to IEC a monthly fee of $40,000 (plus GST). This fee was reviewed following the end of the period.

28. RELATED PARTY TRANSACTIONS (CONT'D)

During the year the Company paid $64,257 in fees to Intrasia Mining Pte Ltd (a wholly owned subsidiary of Intrasia Capital Pte Limited), a related party of Graeme Robertson, for the provision of legal services by a qualified lawyer employed by Intrasia Capital Pte Ltd.

In January 2014 the Company raised A$1.5m by way of a partially underwritten Share Purchase Plan. The Plan was partially underwritten by IEC Directors and their related parties, who received underwriting fees of 3% on their portion of the shortfall:

Director	Related Party	Shares underwritten	$'000	Underwriting fees $'000
Mr G Robertson	Aspac Mining Limited	6,717,632	672	20
Mr J Warrand	Cobblyn Investments Pty Ltd	246,751	25	1
Mr D Mason	D&H Investments Pty Ltd and Rothstein Pty Ltd	608,849	61	2
Mr W Paterson	Lujeta Pty Ltd	2,744,407	274	8

During the year, IEC subsidiary Intra Energy Tanzania Limited received administration fees of $19,039 for administration services provided to Geothermal Power Tanzania Limited, a related party of Graeme Robertson, David Mason and Jonathan Warrand.

During the year, IEC subsidiary Intra Energy Tanzania Limited received administration fees of $10,872 for administration services provided to NuEnergy (Tanzania) Limited, a related party of Graeme Robertson.

During the year, IEC subsidiary Intra Energy Tanzania Limited received administration fees of $2,082 for administration services provided to Tanzagrain Limited, a related party of Graeme Robertson.

At 30 June 2014 a loan of US$150,000 (A$160,000) to Malcoal joint venture partner Consolidated Mining Industries Limited, a private Malawian entity remained outstanding. The loan is to be repaid from first dividends from Malcoal and interest is charged on the loan at the rate of 5% per annum.

In June 2013, IEC subsidiary Tancoal Mining Limited received a loan of TZS300,000,000 (A$193,000) from joint venture partner the National Development Corporation of Tanzania. This loan remained outstanding at 30 June 2014.

At 30 June 2014 $34,083 was receivable from Geothermal Power Tanzania Limited and NuEnergy Gas (Tanzania) Limited.

29. FINANCIAL RISK MANAGEMENT

Exposure to credit and interest rate risks arises in the normal course of the Consolidated Entity's businesses. The Company has exposure to the following risks from their use of financial instruments:

- Credit Risk
- Liquidity Risk
- Market risk i) Interest rate risk, ii) Foreign currency risk

This note presents information about the Company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout this financial report.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed to reflect changes in market conditions and the Company's activities. The Company, through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

29. FINANCIAL RISK MANAGEMENT (CONT'D)

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

Exposure to credit risk

The carrying amount of the Company's financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk at the reporting date was:

	2015 $'000s	2014 $'000s
Trade and Other Receivables	2,529	2,678
Cash and cash equivalents	40	88
TOTAL	**2,569**	**2,766**

Trade and other receivables

The Company's receivables relate to GST and other taxation (including VAT, WHT and fuel relief receivables) due from the Australian and Tanzanian taxation offices, trade receivables from coal sales.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Board monitors liquidity risk on a monthly basis.

The Consolidated Entity's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances to meet expected requirements for a period of at least twelve months.

The Board receives cash flow projections on a monthly basis as well as information regarding cash balances. At the balance sheet date, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations, and forward expenditure commitments, under all reasonably expected circumstances

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

30 June 2015	Carrying amount $'000s	Contractual Cash Flows $'000s	6 months or less $'000s	6 – 12 months $'000s	1 – 2 years $'000s	2 – 5 years $'000s	More than 5 years $'000s
Non-derivative financial liabilities							
Bank overdraft	644	644	644	–	–	–	–
Trade and other payables	7,260	7,260	7,260	–	–	–	–
Interest bearing liabilities	3,234	3,788	925	798	1,416	649	–
Other liabilities	–	–	–	–	–	–	–
TOTAL	**11,138**	**11,692**	**8,829**	**798**	**1,416**	**649**	**–**

INTRA ENERGY

29. FINANCIAL RISK MANAGEMENT (CONT'D)

30 June 2014	Carrying amount $'000s	Contractual cash flows $'000s	6 months or less $'000s	6 – 12 months $'000s	1 – 2 years $'000s	2 – 5 years $'000s	More than 5 years $'000s
Non-derivative financial liabilities							
Bank overdraft	522	522	522	–	–	–	–
Trade and other payables	5,386	5,386	5,386	–	–	–	–
Interest bearing liabilities	3,633	3,633	1,902	245	415	1,071	–
Other liabilities	193	193	–	–	193	–	–
TOTAL	**9,734**	**9,734**	**7,810**	**245**	**608**	**1,071**	**–**

Cash and receivables

The following are the contractual maturities of financial assets including receivables.

30 June 2015	Carrying amount $'000s	Contractual cash flows $'000s	6 months or less $'000s	6 – 12 months $'000s	1 – 2 years $'000s	2 – 5 years $'000s	More than 5 years $'000s
Financial assets							
Cash	40	40	40	–	–	–	–
Trade & other receivables	2,529	2,529	2,529	–		–	–
TOTAL	**2,569**	**2,569**	**2,569**	–		**–**	–

30 June 2014	Carrying amount $'000s	Contractual cash flows $'000s	6 months or less $'000s	6 – 12 months $'000s	1 – 2 years $'000s	2 – 5 years $'000s	More than 5 years $'000s
Financial assets							
Cash	88	88	88	–	–	–	–
Trade & other receivables	2,678	2,678	2,518	–	160	–	–
TOTAL	**2,766**	**2,766**	**2,606**	–	**160**	**–**	–

29. FINANCIAL RISK MANAGEMENT (CONT'D)

30 June 2015	Average interest rate %	Floating Interest Rate %	< 1 year $'000s	1 – 5 Years $'000s	Total $'000s
Financial assets					
Cash and cash equivalents	0%	–	40	–	40
Trade and other receivables	-	–	2,529	–	2,529
TOTAL	**-**	**–**	**2,569**	**–**	**2,569**
Financial liabilities					
Bank overdraft	–	8%	644	–	644
Trade and other payables	–	–	7,260	–	7,260
Interest bearing liabilities	–	8%	1,448	1,786	3,234
Other liabilities	–	–	–	–	–
TOTAL	**–**	**–**	**–**	–	–
NET FINANCIAL ASSETS/ (LIABILITIES)	**–**	**–**	**(6,783)**	**(1,786)**	**(8,569)**

30 June 2014	Average interest rate %	Floating Interest Rate %	< 1 year $'000s	1 – 5 Years $'000s	Total $'000s
Financial assets					
Cash and cash equivalents	0%	–	88	–	88
Trade and other receivables	–	–	2,518	160	2,678
TOTAL		**–**	**2,606**	**160**	**2,766**
Financial liabilities					
Bank overdraft	–	8.0%	522	–	522
Trade and other payables	–	–	5,386	–	5,386
Interest bearing liabilities	–	8.0%	2,147	1,486	3,633
Other liabilities	–	–	–	193	193
TOTAL	**–**	**–**	**8,055**	**1,679**	**9,734**
NET FINANCIAL ASSETS/ (LIABILITIES)	**–**	**–**	**(5,449)**	**(1,519)**	**(6,968)**

Market risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

29. FINANCIAL RISK MANAGEMENT (CONT'D)

(i) Interest rate risk

Profile

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

	2015 $'000s	2014 $'000s
Financial assets	40	88
Financial liabilities	(3,878)	(4,155)
TOTAL	**(3,838)**	**(4,067)**

The Company's cash at bank and on hand and short term deposits had a weighted average floating interest rate at year end of 0%. The Company currently does not engage in any hedging or derivative transactions to manage interest rate risk.

Interest rate sensitivity

A sensitivity of 10% has been selected as this is considered reasonable given the current level of both short term and long term interest rates. A 10% movement in interest rates at the reporting date would have increased (decreased) equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or Loss		Equity	
30 June 2015	10% Increase $'000s	10% Decrease $'000s	10% Increase $'000s	10% Decrease $'000s
Financial assets				
Cash and cash equivalents	–	–	–	–
Interest bearing liabilities	(38)	38	(38)	38
Total	(38)	38	(38)	38

	Profit or Loss		Equity	
30 June 2014	10% Increase $'000s	10% Decrease $'000s	10% Increase $'000s	10% Decrease $'000s
Financial assets				
Cash and cash equivalents	–	–	–	–
Interest bearing liabilities	(33)	33	(33)	33
Total	(33)	33	(33)	33

Fair values versus Carrying amounts

The Group's accounting policies and disclosures may require the measurement of fair values for both financial and non-financial assets and liabilities. The Group has an established framework for fair value measurement. When measuring the fair value of an asset or a liability, the Group uses market observable data where available.

Fair values are categorised into different levels in a fair value hierarchy based on the following valuation techniques:

29. FINANCIAL RISK MANAGEMENT (CONT'D)

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability can be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Fair values of recognised financial assets and liabilities with their carrying amounts shown in the balance sheet are as follows:

30 June 2015	Carrying Amount	Fair Value Total	Quoted Market Price (Level 1)	Observable Inputs (Level 2)	Non-Market Observable Inputs (Level 3)
Cash and cash equivalents	40	40	40	–	–
Loans and receivables(1)	2,654	2,654	–	2,654	–
Trade and other payables(1)	(7,260)	(7,260)	–	(7,260)	–
Interest bearing liabilities(2)	(3,234)	(3,234)	–	(3,234)	–
Other payables	-	-	–	-	–
TOTAL	**(7,800)**	**(7800)**	**40**	**(7,840)**	–

30 June 2014	Carrying Amount	Fair Value Total	Quoted Market Price (Level 1)	Observable Inputs (Level 2)	Non-Market Observable Inputs (Level 3)
Cash and cash equivalents	88	88	88	–	–
Loans and receivables(1)	2,484	2,484	–	2,484	–
Trade and other payables(1)	(5,386)	(5,386)	–	(5,386)	–
Interest bearing liabilities(2)	(3,633)	(3,633)	–	(3,633)	–
Other payables	(193)	(193)	–	(193)	–
TOTAL	**(6,640)**	**(6,640)**	**88**	**(6,728)**	–

29. FINANCIAL RISK MANAGEMENT (CONT'D)

Estimation of fair values

(1) Receivables/payables

For receivables/payables with a remaining life of less than six months, the notional amount is deemed to reflect the fair value. All other receivables/payables are discounted to determine the fair value, if the effect of discounting is material.

(2) Interest bearing liabilities

The fair value is estimated at the present value of future cash outflows. Future cash flows are discounted using appropriate market rates.

(ii) Foreign currency risk

As a result of activities overseas, the Company's Consolidated Statement of Financial Position can be affected by movements in exchange rates.

The Company also has transactional currency exposures. Such exposure arises from transactions dominated in currencies other than the functional currency of the entity.

The Company currently does not engage in any hedging or derivative transactions to manage foreign currency risk.

The Company's exposure to foreign currency risk throughout the current year primarily arose from the Group's 100% interest in Intra Energy (Tanzania) Limited and its controlling interests in Tancoal and Tanzacoal (collectively "Tanzanian subsidiaries"), whose functional currencies are Tanzanian Shillings. Additionally the Company has exposure to foreign currency risk through the Group's 90% interest in Malcoal Mining Limited and 100% interest in Intra Energy Trading Malawi Limited (collectively "Malawian subsidiaries"), whose functional currencies are Malawian Kwacha. Foreign currency risk arises on translation of the net assets of these entities to Australian dollars. The foreign currency gains or losses arising from this risk are recorded through the foreign currency translation reserve.

The Company is additionally exposed to the USD by way of its USD denominated loans to the KCB Bank Tanzania Limited. The foreign currency gains or losses arising from this risk are recorded in the Statement of Comprehensive Income.

Sensitivity Analysis for Foreign Currency risk

A sensitivity of 10% has been selected as this is considered reasonable given historic and potential future changes in foreign currency rates. This has been applied to the net assets of the Company. This sensitivity analysis is prepared at reporting date.

A 10% strengthening of the Australian dollar against the Tanzanian Shilling and Malawian Kwacha at 30 June 2015 would have decreased the net liabilities of the Tanzanian and Malawian subsidiaries by A$3.5m (2014: $3.0m). A 10% weakening of the Australian dollar against the Tanzanian Shilling and Malawian Kwacha at 30 June 2015 would have increased the net liabilities of the Tanzanian and Malawian subsidiaries by A$2.9m (2014: $3.3m).

There would be no impact on profit or loss arising from these changes in the currency risk variables as all changes in value are taken to a reserve.

A 10% strengthening of the Australian dollar against the United States dollar at 30 June 2015 would have decreased net interest bearing liabilities of the KCB loan and hire purchases by A$0.4m (2014: $0.4m). A 10% weakening of the Australian dollar against the United States dollar at 30 June 2015 would have increased net interest bearing liabilities of the KCB loan and hire purchases by A$0.3m (2014: $0.4m).

29. FINANCIAL RISK MANAGEMENT (CONT'D)

The impact on profit or loss arising from changes in this currency risk variables would be taken to the Statement of Comprehensive Income.

The above analysis assumes that all other variables, in particular interest rates and equity prices, remain constant.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence. There were no changes in the Company's approach to capital management during the year. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

30. PARENT ENTITY DISCLOSURES

Financial Position of Intra Energy Corporation Limited

	2015 $'000s	2014 $'000s
Assets		
Current Assets		
Cash and cash equivalents	8	20
Trade and other receivables	10	26
Other assets	19	16
Total Current Assets	**37**	**62**
Non-Current Assets		
Other receivables	196	159
Equity accounted investments	989	-
Exploration expenditure	-	126
Interest in subsidiaries	4,136	4,136
Property, plant and equipment[1]	180	221
Loans to subsidiaries	45,326	45,760
Loans to subsidiaries provided for	(45,326)	(45,760)
Total Non-Current Assets	**5,501**	**4,642**
Total Assets	**5,538**	**4,704**
Current Liabilities		
Trade and other payables	656	243
Provisions	39	33
Total Liabilities	**695**	**276**
Net Assets	**4,843**	**4,428**
Equity		
Issued capital	69,387	67,858
Reserves	3,261	2,805
Accumulated losses	(67,805)	(66,235)
Total equity attributed to equity holders of the Company	**4,843**	**4,428**
Total Equity	**4,843**	**4,428**

1. The ultimate recovery of investments and loans to subsidiaries is dependent on the successful development and commercial exploitation or sale of the subsidiary's exploration assets.
2. The Parent has a net current asset deficiency of $0.66m

30. PARENT ENTITY DISCLOSURES (CONT'D)

Financial Performance of Intra Energy Corporation Limited

	2015 $'000s	2014 $'000s
Loss for the year	**(1,570)**	**(4,808)**
Total Comprehensive Income	**(1,570)**	**(4,808)**

The parent entity has not entered into any guarantees in relation to debts of its subsidiaries, has no contingent liabilities and has no commitments for the acquisition of property, plant and equipment.

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows. The information is current as at 1 September 2015.

(a) Distribution of Equity Securities

The numbers of shareholders, by size of holding, in each class of share are:

			Listed Ordinary Shares	
			Number of Holders	Number of Shares
1	–	1,000	69	6,815
1,001	–	5,000	85	263,484
5,001	–	10,000	120	999,907
10,001	–	100,000	410	16,983,788
100,001	–	and over	224	333,014,731
			908	351,268,725
The number of shareholders holding less than a marketable parcel of shares are:			477	5,437,598

(b) Twenty Largest Shareholders

The names of the twenty largest holders of quoted shares are:

		Listed Ordinary Shares	
		Number of Shares	Percentage of Shares
1	ASPAC MINING LIMITED	72,529,302	20.65%
2	LUJETA PTY LTD	34,179,370	9.73%
3	FARJOY PTY LTD	30,482,763	8.68%
4	RBC INVESTOR SERVICES AUST NOMINEES PTY LIMITED	13,846,968	3.94%
5	MARA SUPERANNUATION PTY LTD	12,184,807	3.47%
6	MR GRAEME LANCE ROBERTSON	9,675,779	2.75%
7	NUVOLARI CAPITAL LIMITED	8,835,770	2.52%
8	MR PETER TSEGAS	8,731,766	2.49%
9	COBBLYN INVESTMENTS PTY LTD	7,360,818	2.10%
10	JP MORGAN NOMINEES	6,577,014	1.87%
11	MARA PTY LTD	6,225,390	1.77%
12	D & H MASON INVESTMENTS PTY LTD	5,783,701	1.65%
13	LOMACOTT PTY LTD	4,500,000	1.28%
14	DRFT MANAGEMENT PTY LTD	4,200,000	1.20%
15	OZEA PTY LTD	3,021,154	0.86%
16	MR CRAIG IAN BROWN & MRS JENNY LEE BROWN	2,704,994	0.77%
17	HSBC CUSTODY NOMINEES(AUSTRALIA) LIMITED A/C 3	2,222,222	0.63%
18	PLATO PROSPECTING PTY LTD	2,000,000	0.57%
18	MR ROSS FRANCIS STANLEY	2,000,000	0.57%
19	MR EDWARD GARNET BRERETON & MRS MEGAN LESLIE BRERETON	1,851,851	0.53%
20	MR COLIN PRIESTLEY BELTON & MR MARK PRIESTLEY BELTON	1,819,429	0.52%
		240,733,098	**68.53%**

INTRA ENERGY

(c) Substantial Shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Number of Shares	Percentage of Ordinary Shares
ASPAC MINING LIMITED AND ASSOCIATES	113,601,280	32.34%
LUJETA PTY LTD	34,179,370	9.73%
MARA SUPERANNUATION PTY LTD AND ASSOCIATES	18,410,197	5.24%

(d) Schedule of Mining Tenements

Area of Interest	Tenements	% Interest
Tanzania		
Tancoal Energy Limited	ML439/2011, PL6285/2009, PL7391/2011, PL7392/2011, PL5380/2008, PL5474/2008, PL7620/2012, PL7713/2012, PL5756/2009, PL5903/2009, PL5030/2008, PL8999/2013	70%
Tanzacoal East Africa Mining Limited	PL6319/2010, PL7030/2011, PL6111/2009	85%
Malawi		
Malcoal Mining Limited	ML0143/2005, EPL0174/2005, EPL376/2013, EPL 377/2013, EPL0360/2012	90%
Intra Energy Trading Limited	EPL0392/2013	100%
Australia		
Intra Energy Corporation Limited[1]	E08/1494, E08/1495	100%

[1]On 20 August 2015 the Company advised the market that the tenements lapsed on 2 July 2015