

Pty Ltd

Barry Dawes

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INTEC LIMITED [INL]

June Quarter 2004 update

Unlocking A\$1.5bn of in-situ value at Hellyer.

Recommendation: STRONG BUY DURING CAPITAL RAISING

CAPITAL STRUCTURE

ASX Code	INL
Share price	A\$0.099
Market capitalisation ¹	A\$24.6m
Shares on issue	248.7m
Unlisted options ²	13.0m
12-mth low-high (A¢)	3.5 – 17.5
12-month volume	188.3m

¹Undiluted. ²Various.

Source: IRESS

DIRECTORS

Chairman	Richard Jenkins
CEO & MD	Philip Wood
Non-exec.	John Moyes
Non-exec.	Ian Ross
Non-exec.	Godon Toll
Non-exec.	Philip Evans
Non-exec.	Ken Severs

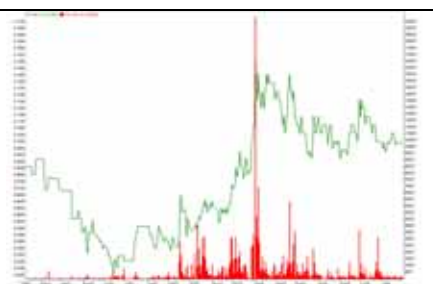
REGISTERED OFFICE

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Website: www.intec.com.au

PRICE CHART (02/05/02-present)



Source: IRESS

KEY POINTS

Hellyer Metals Project

- Pre-feasibility study (PFS) due for completion by mid-August 2004.
- PFS assessing 'base case' and an 'enhanced case'. Latter will include blending of zinc-bearing residues (e.g. Zeehan Slag Dump, see below).
- Hellyer tailings still being processed at INL's pilot plant, with recently achieved metal recoveries as follows:

Zinc – 98.5%, Lead – 99.0%, Silver – 92.7% and Copper – 93.6%
- The circuit has since been modified to improve gold recoveries, which are now in excess of 40%.
- INL entered into agreement to acquire unlisted Encore Metals NL, which owns the **Zeehan Slag Dump**.
- 450,000t Zeehan Slag Dump contains 13.4% zinc, 1.7% lead, 54g/t silver and 50g/t indium for an in-situ metal value of more than A\$100m.
- INL looking to blend this slag material with the Hellyer tailings.
- INL also in negotiations with regional metal project owners for toll treatment arrangements in order to make use of flotation capacity.
- Review of Hellyer exploration tenements continued, with a number of exploration targets identified and details sent to 25 interested parties.

Intec Gold Project (IGP)

- The IGP was tested on a number refractory gold concentrates from large scale operating mines and recoveries of up to 98% achieved.

Corporate

- Upon completion of the Hellyer PFS, INL will be looking to a 'significant' capital raising during SQ04 (INL had A\$1.1m cash at end-JQ04).
- Richard Jenkins (ex-Macquarie Bank) elected as Chairman.
- The outlook for metals commodities remains strong with capacity utilisation rates high and inventories low. Chinese demand underpins current consumption levels.

Intec Limited

Metals: Price and Inventory 1985 – 2004

Copper

LME Price US\$ / tonne



LME Stock Levels (000t)



Lead

LME Price US\$ / tonne



LME Stock Levels (000t)



Zinc

LME Price US\$ / tonne



LME Stock Levels (000t)



Silver

NY Price US\$ / oz



Gold

NY Price US\$ / oz



WHISecurities Pty Ltd

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