



Intec Ltd

ABN 25 001 150 849

Superior and Sustainable Metals Production

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Companies Announcements Office
Australian Securities Exchange

30 April 2013

Quarterly Activities Report: Appendix 4C March 2013

On behalf of Intec Ltd (ASX code: INL, Intec or the Company), I now attach the March 2013 Quarterly Report for Entities Admitted on the Basis of Commitments (Appendix 4C).

Operations Update

IRC Project

Stage 1 of the IRC Project involves the processing of 25,000tpa of zinc/lead bearing residues to generate Special High Grade zinc metal and lead metal together with other by-products as appropriate. The Final Milestone 1 Report, describing the results of the laboratory testing and development programme in Australia, was submitted to the client in August 2012. During the March 2013 Quarter, the Company completed an engineering design package for a pilot plant to be located near the project site. The pilot plant engineering design package forms a significant component of the second milestone for Stage 1 of the IRC Project with the other component being the construction of the pilot plant by a local service provider. The completion of the engineering design package largely completes Intec's component of Milestone 2. Milestone 3 is the operation of the pilot plant.

The completed engineering design package will be delivered to the client upon receipt of an overdue payment due to Intec International Projects Pty Ltd (IIP, the 50/50 joint venture between Intec and Mr Reza Maghzian). Subsequent to the end of the Quarter, Mr Maghzian conducted extensive meetings with the client in Iran on behalf of IIP and set out the contractual difficulties arising from the long overdue payment. The Company is hopeful that the commercial aspects of the IRC Project contract will now proceed in a more predictable manner.

Other

During and subsequent to the March 2013 Quarter, the Company continued discussions with EPA Tasmania and the Hellyer site owners regarding the identification of suitable material to remediate the former EAF Dust storage site. The remediation work is expected to be completed during the current Quarter.

Subsequent to the end of the Quarter the Company has sold, for a nominal amount, a 1,800 tonne parcel of Zeehan slag that remained at Burnie following the completion of previous blending operations relating to the disposal of EAF Dust stockpiles.

Corporate

The Company's total cash available at the end of the quarter was \$3,674,000. During the March 2013 Quarter the Company received an R & D Tax Offset for an amount of \$497,000 relating to eligible R & D expenditure undertaken during the 2011/12 financial year.

The Company continued to review corporate and asset acquisition opportunities and also options for the Burnie Research Facility.

As previously advised, the Company completed the sale of unmarketable parcels of shares. In total, 1,964 shareholders holding in aggregate 15,507,624 shares declined to retain their shareholdings. The aggregated shareholding was sold on-market on 18 January 2013. The proceeds from the sale have been distributed to relevant shareholders after deduction of certain costs of the sale in accordance with the Company's Constitution.

Intec Ltd

A handwritten signature in blue ink, appearing to read 'Kieran Rodgers', is written over a yellow rectangular highlight.

Kieran Rodgers
Managing Director

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

Intec Ltd

ABN

25 001 150 849

Quarter ended ("current quarter")

31 March 2013

Consolidated statement of cash flows

Cash flows related to operating activities

	Current quarter	Year to date (9 months)
	\$A'000	\$A'000
1.1 Receipts from product sales and related debtors	-	253
1.2 Payments for		
(a) advertising and marketing	-	-
(b) zinc bearing concentrate cost of sales	-	(121)
(c) hydrometallurgical process development	(220)	(865)
(d) administration costs and corporate overheads	(217)	(969)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	41	132
1.5 Interest and other costs of finance paid	-	(4)
1.6 Income tax paid	-	-
1.7 Royalty income	-	499
1.8 Other Income*	526	538
Net Operating Cash Flows	130	(537)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	10
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other: Refund of Environmental Bonds	-	2,701
Refund of Security Bond	-	124
Net investing cash flows	-	2,835
1.14 Total operating and investing cash flows	130	2,298

*Principally represented by an R & D Tax Offset of \$497,000.

Appendix 4C (Continued)

Quarterly report for entities admitted on the basis of commitments

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material) Share Issue Costs	-	(24)
Net financing cash flows	-	(24)
Net increase (decrease) in cash held	130	2,274
1.21 Cash at beginning of quarter/year	3,544	1,400
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter/year	3,674	3,674

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

1.24 Aggregate amount of payments to the parties included in item 1.2	33
1.25 Aggregate amount of loans to the parties included in item 1.10	-

1.26 Explanation necessary for an understanding of the transactions

Salaries, Directors fees and consultancy fees at normal commercial rates.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	Nil
2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest	Nil

Appendix 4C (Continued)

Quarterly report for entities admitted on the basis of commitments

Financing facilities available

Add notes as necessary for an understanding of the position.

- 3.1 Loan facilities
- 3.2 Credit standby arrangements

Amount available \$A'000	Amount used \$A'000
Nil	Nil
Nil	Nil

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

- 4.1 Cash on hand and at bank
- 4.2 Deposits at call
- 4.3 Bank overdraft
- 4.4 Term Deposits

	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	44	40
4.2 Deposits at call	130	54
4.3 Bank overdraft	-	
4.4 Term Deposits	3,500	3,450
Total: cash at end of quarter (item 1.23)	3,674	3,544

Acquisitions and disposals
of business entities

- 5.1 Name of entity
- 5.2 Place of incorporation or registration
- 5.3 Consideration for acquisition or disposal
- 5.4 Total net assets
- 5.5 Nature of business

Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does/~~does not~~ give a true and fair view of the matters disclosed.

Sign here:



Date: 30 April 2013

(Director/~~Company secretary~~)

Print name: **Kieran Rodgers**

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.