

Intec Ltd

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30 July 2002

Companies Announcements Office
Australian Stock Exchange Limited
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SYDNEY NSW 2000

Attached is the June 2002 Quarterly Report for Entities Admitted on the Basis of Commitments (Appendix 4C).

Intec completed its initial public offering (IPO) on 19 April 2002 after raising the Maximum Issue Amount of A\$5 million and its shares commenced trading on 2 May 2002. The available cash at 30 June 2002 was A\$3,748,000. Payments made during the June quarter were in line with the budget completed for the IPO Prospectus dated 19 December 2001. June quarter payments included repayment of debt of A\$385,000 (primarily to the Federal Government (AusIndustry) A\$289,000) and costs associated with the Prospectus and listing of A\$231,000. The planned September and December quarter cash expenditures are expected to be in line with Prospectus estimates and will continue to focus on project feasibility studies – particularly the study for an initial 25,000 tonnes of copper per annum plant in Queensland and the targeted marketing of the Intec Process elsewhere in Australia and internationally.

In May 2002 Intec announced that its new 19.9 per cent shareholder, Ivanhoe Mines Ltd. (IVN), had negotiated exclusive rights to use the Intec Copper/Gold Process under royalty-based licence in Mongolia, where IVN is developing the Turquoise Hill (Oyu Tolgoi) copper/gold project. Testwork is currently proceeding successfully on other Mongolian copper concentrates at Intec's laboratories at Sydney University. In order to add potential value to IVN's broader international portfolio of base and precious metals projects, IVN has also negotiated worldwide royalty-based licences to use Intec's various copper, zinc/lead and nickel processing technologies (inclusive of associated precious metals).

On 23 May 2002 Intec announced the appointment of Mr Gordon L Toll to its Board of Directors. Mr Toll is an Executive Director and Deputy Chairman of IVN, which is listed on both the TSX in Canada and ASX, and was the cornerstone investor in Intec's fully subscribed A\$5 million IPO.

Yours faithfully

Intec Ltd



Robert J Waring
Company Secretary

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

Intec Ltd

ABN

25 001 150 849

Quarter ended ("current quarter")

30 June 2002

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from customers	-	41
1.2 Payments for:		
(a) staff costs	(359)	(1,250)
(b) advertising and marketing	(49)	(164)
(c) research and development	(146)	(218)
(d) leased assets	-	-
(e) other working capital	(24)	(35)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	22	52
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – administration and corporate costs	(89)	(287)
Net operating cash flows	(645)	(1,861)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(645)	(1,861)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(26)	(35)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	11	15
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
Net investing cash flows	(15)	(20)
1.14 Total operating and investing cash flows	(660)	(1,881)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	5,000	5,177
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	95
1.18 Repayment of borrowings	(385)	(440)
1.19 Dividends paid	-	-
1.20 Other – share issue expenses	(231)	(352)
Net financing cash flows	4,384	4,480
Net increase (decrease) in cash held	3,724	2,599
1.21 Cash at beginning of quarter/year to date	24	1,149
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	3,748	3,748

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

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

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	130
1.25	Aggregate amount of loans to the parties included in item 1.11	Nil

1.26 Explanation necessary for an understanding of the transactions

The salary paid to the two executive directors and the directors' and consultancy fees paid to non-executive directors amounted to \$130,050. In addition \$118,446 was paid to HG Engineering Ltd, a metallurgical engineering firm of Toronto, Canada, of which Mr JP Evans is a director, for engineering work on copper precipitation removal system, dendritic copper wiper system and Queensland project feasibility study.

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

None

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Not applicable

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

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Appendix 4C
Quarterly report for entities
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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.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	50	10
4.2 Deposits at call	198	14
4.3 Bank overdraft	-	-
4.4 Other – bank accepted bills of exchange	3,500	-
Total: cash at end of quarter (item 1.23)	3,748	24

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	Not Applicable	Not Applicable
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

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~~* (*delete one*) give a true and fair view of the matters disclosed.



Sign here:
 (Director/Company Secretary)

Date: 30 July 2002

Print name: Robert J Waring

+ See chapter 19 for defined terms.

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.