

Intec Ltd

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31 October 2002

Companies Announcements Office
Australian Stock Exchange Limited
PO Box H224
Australia Square
SYDNEY NSW 2000

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

The available cash at 30 September 2002 was \$3,094,000. Payments made during the September quarter were approximately \$238,000 less than the budget completed for the IPO Prospectus dated 19 December 2001. September quarter payments included Queensland Project engineering and other project consultants of \$109,000. The planned December quarter cash expenditures are expected to be in line with Prospectus estimates and will continue to focus on project feasibility 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.

Cell design validation, plant basic engineering design package preparation, analytical metallurgical and financial modelling and customer concentrates testwork were all progressed satisfactorily during the quarter.

The commercial-scale Intec copper electrowinning (EW) cell is the only significant item of equipment in the Intec Copper Process that requires novel engineering and its final design has now been radically changed and optimised. Testing of the newly designed electrodes at laboratory scale was very successful and all units of the EW cell, including product removal, will now be tested at full scale at Sydney University over the next six months. A provisional patent was lodged during October 2002 for the new EW cell design. The Company intends to seek technical and pro rata funding commitments for this exercise (which is expected to have a staged budget totalling up to approximately \$1.5 million) from the various mining-related companies that are Intec Copper sub-licensees.

A large proportion of the laboratory time expended during the quarter has been directed to gathering data for the copper concentrates proposed as feed material to the 25,000 tpa Queensland copper plant (notably from the Selwyn and Osborne mines in the Cloncurry region). This work forms part of the Bankable Feasibility Study currently underway and is required for the sizing of equipment such as the regrind circuit, thickeners, filters and leach tanks.

Copper concentrate samples from three other potential clients have been trial leached at laboratory scale. They are the Northparkes mine, located in New South Wales, Australia; the Erdenet mine, located in the northeast of Mongolia; and Asgat, an undeveloped copper ore body located in the far northwest of Mongolia that contains very high silver values.

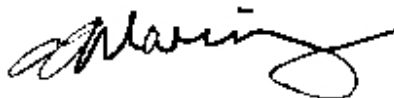
A nickel process flowsheet has been developed at the request of Platreef Resources to treat a very low-grade concentrate containing nickel, copper, gold, cobalt, platinum and palladium. The concentrate grade is too low to be economically processed via conventional smelting. During the quarter the Company was commissioned to undertake laboratory testwork on this concentrate in order to validate the process flowsheet.

The principal focus of the Company's activities is a Bankable Feasibility Study for an Intec Copper plant near to Townsville in northern Queensland. The study is reviewing the technical, environmental and economic feasibility of building and operating an Intec Copper plant to produce initially 25,000 tonnes per annum of copper metal and associated by-products.

Discussions also proceeded during the quarter with the Government of British Columbia in Canada and with BHP Billiton concerning the possibility of conducting a pre-feasibility study for an Intec copper plant on the former BHP Billiton-owned Island Copper mine site near Port Hardy on Vancouver Island.

Yours faithfully

Intec Ltd

A handwritten signature in black ink, appearing to read 'R. Waring', written in a cursive style.

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 September 2002

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from customers	1	1
1.2 Payments for:		
(a) staff costs	(405)	(405)
(b) advertising and marketing	(92)	(92)
(c) research and development	(48)	(48)
(d) leased assets	(3)	(3)
(e) other working capital	(3)	(3)
(f) administration and corporate costs	(122)	(122)
(g) cost of sales	-	-
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	51	51
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	(621)	(621)

+ 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 (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	(621)	(621)
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	(30)	(30)
(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	-	-
(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	(30)	(30)
1.14 Total operating and investing cash flows	(651)	(651)
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 – share issue expenses	(3)	(3)
Net financing cash flows	(3)	(3)
Net increase (decrease) in cash held	(654)	(654)
1.21 Cash at beginning of quarter/year to date	3,748	3,748
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	3,094	3,094

+ 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	175
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 the three non-executive directors amounted to \$162,688. In addition \$12,330 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

+ See chapter 19 for defined terms.

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

Reconciliation of cash

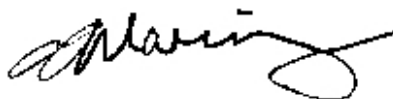
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	21	50
4.2 Deposits at call	168	198
4.3 Bank overdraft	-	-
4.4 Other – bank accepted bills of exchange	2,905	3,500
Total: cash at end of quarter (item 1.23)	3,094	3,748

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:

Date: 31 October 2002

(~~Director~~/Company Secretary)

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.