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## Intec goes for early zinc production

Thursday, 6 April 2006

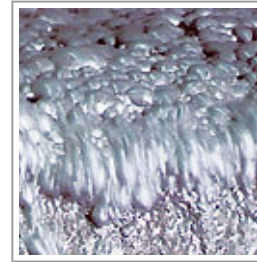
Michael Quinn

**INTEC is seeking to take advantage of the strong zinc price by entering into a joint venture with private miner Polymetals to exploit the Hellyer tailings deposit in Tasmania.**

First production from the potential 27,000 tonne per annum of contained zinc in concentrate operation is flagged for the September quarter, with a \$A4 million capital investment refurbishing and refining the existing plant expected to yield a \$19 million per annum profit (EBITDA).

Assumptions include a zinc price of US90c per pound and a US0.74c/\$A1 exchange rate. Throughput is being put at 1.5Mtpa.

Polymetals, a Brisbane-based private company that operates the 1.3 million ounce per annum Nimbus silver mine near Kalgoorlie and the Mt Boppy gold mine near Cobar (70,000oz since 2002), will bear the costs of the start-up, with operating costs split as per the 50:50 JV once steady state production is reached.



Intec said the deposit was not previously developed following a pre-feasibility study in 1999 because of metals prices.

The terms of the JV include Intec's right after four years of operations to acquire Polymetals' stake for \$A1 million.

Intec is currently focused on completing a bankable feasibility early in the September quarter for using its own technology for treating tailings and other waste material.

Shares in Intec finished up 0.3c (4.5%) at 7c, having closed last week at 5.4c. The stock was trading at 4.2c in the previous week.

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