



Intec Ltd

ABN 25 001 150 849

Superior and Sustainable Metals Production

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ASX code: INL

28 April 2006

Companies Announcements Office
Australian Stock Exchange Limited

Quarterly Activities Report: Appendix 4C March 2006

On behalf of Intec Ltd (ASX code: INL, or the Company), I now attach the March 2006 Quarterly Report for Entities Admitted on the Basis of Commitments (Appendix 4C).

Hellyer Metals Project

John Moyes, INL's Technical Director, in INL's ASX announcement on 27 April 2006, provided a comprehensive technical and operational update on the Burnie demonstration plant (BDP).

The delay in the achievement of "steady state" operations at the BDP has slowed the progress of certain elements the bankable feasibility study (BFS) for the Hellyer Metals Project, in particular, engineering design work. However as previously advised, those aspects of the BFS that are not reliant on generation of data from the BDP are being progressed as appropriate. It is now expected that the BFS will be completed by or close to the end of the September 2006 quarter.

Electric Arc Furnace Dust (EAFD) Stockpile Agreement with Smorgon Steel

On 31 March 2006, the Company received payment of the A\$2.42 million treatment fee (plus GST) in relation to the transfer to INL of a 20,500 tonne stockpile of electric arc furnace dust (EAFD), as stipulated in the Stockpile Treatment and Transfer Agreement with the Smorgon Steel Group (ASX Code: SSX) dated 21 February 2006. In relation to this matter see INL's ASX announcement dated 3 April 2006.

Bulk zinc/lead/silver concentrate joint venture with Polymetals

On the 5 April 2006, INL announced that it had entered into a Conditional Letter Agreement with Polymetals Mining Services Pty Ltd for the re-treatment of the Hellyer tailings to produce saleable bulk zinc/lead/silver concentrate. For further details on this agreement, please see INL's ASX announcement dated 5 April 2006.

Corporate

The Company's cash balance at 31 March 2006 was A\$3,156,000.

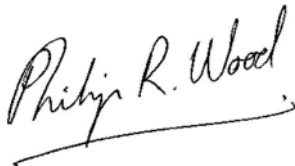
On 14 March 2006, Mr Richard Jenkins resigned as a Non-executive Director of the Company and the INL Board appointed Mr Ian Ross as Acting Chairman.

By Deed of Amendment dated 15 February 2006, Macquarie Bank Limited (ASX Code: MBL) and INL agreed to increase MBL's Working Capital Facility to INL from A\$2.5 million to A\$5 million until 12 May 2006. INL's liability under the expanded facility at 31 March was A\$4.785 million. In relation to the expanded MBL facility, please see INL's ASX announcement dated 22 February 2006.

The Company has advised the ASX of a Share Placement and Purchase Plan totalling up to A\$10 million. This amount will be more than sufficient to meet the Company's working capital requirements through until strong anticipated cashflows from the Polymetals joint venture later this year.

Yours faithfully

Intec Ltd

A handwritten signature in black ink that reads "Philip R. Wood". The signature is written in a cursive style and is underlined with a single horizontal line.

Philip R Wood

Managing Director and Chief Executive Officer

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")

31 March 2006

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from customers		
1.2 Payments for:		
(a) staff costs	(588)	(1,689)
(b) advertising and marketing	(67)	(115)
(c) research and development	-	(404)
(d) bankable feasibility study	(1,018)	(2,360)
(e) other working capital	(1,081)	(2,209)
(f) administration and corporate costs	(651)	(1,286)
(g) cost of sales	-	-
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	14	64
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes (paid)/received	-	-
1.7 Other ¹	2,694	2,704
Net operating cash flows	(697)	(5,295)

¹ Includes receipt of \$2.662 million treatment fee from Smorgon Steel Group.

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

		Current quarter \$A'000	Year to date (9 months) \$A'000
1.8	Net operating cash flows (carried forward)	(697)	(5,295)
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	(184)	(1,379)
	(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	(184)	(1,379)
1.14	Total operating and investing cash flows	(881)	(6,674)
Cash flows related to financing activities			
1.15	Proceeds from issues of shares, options, etc.	-	500
1.16	Proceeds from R&D Start Grant	-	-
1.17	Proceeds from borrowings	3,785	4,785
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Other – share issue expenses	-	-
	Net financing cash flows	3,785	5,285
	Net increase (decrease) in cash held	2,904	(1,389)
1.21	Cash at beginning of quarter/year to date	252	4,545
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	Cash at end of quarter	3,156	3,156

+ 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	137
1.25	Aggregate amount of loans to the parties included in item 1.11	

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 four non-executive directors who held office during the quarter amounted to \$137,207.

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	5,000	4,785
3.2	Credit standby arrangements	Nil	Nil

Reconciliation of cash

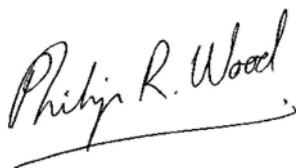
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	3,156	252
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other – bank negotiable certificates of deposit	-	-
Total: cash at end of quarter (item 1.23)	3,156	252

Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
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~~ give a true and fair view of the matters disclosed.



Sign here:

(Director/~~Company Secretary~~)

Date: 28 April 2006

Print name: Philip R Wood

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.