

Intec shown the money

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INTEC has chalked up another milestone with the company to receive its first payment of \$US1.86 million (\$A2.39 million) in respect of 90% of the provisional value of its shipment of bulk zinc concentrate from its Hellyer zinc concentrate project in Tasmania.

The Tasmanian-based zinc producer is scheduled to receive the payment, which represents Intec's 50% share of the Hellyer zinc concentrate project revenue after deduction of smelter treatment terms, on February 21.

Intec said a further analysis of the 5511 wet tonnes of bulk zinc concentrate shipped had a higher grade than previous estimates.



"Using a more accurate 'wet' analysis method than that applied onstream during processing at Intec's Hellyer Mill, it was found that the shipment contained an average grade of 41% zinc, 9% lead and 210 grams per tonne silver," the company said.

This compares to the previous estimated average grade of 38% zinc, 8.7% lead and 228gpt silver.

Intec said there would be a slight delay in payment due to the requirement to match shipping documentation with the favourable revised assay.

Production from the Hellyer project continues at a rate of 63,000 tonnes per annum with two thirds of production currently sold under long-term, formula-based contracts to two Chinese smelters, with the other third of production also sought by existing customers and others.

Intec is currently putting in place a long-term working capital/hedging facility with Macquarie Bank, though at present none of the bulk zinc concentrate production was hedged.

The company also plans to excavate, crush and haul a bulk sample of 2000t grading at 16.5% zinc, 7% lead and 2oz per tonne silver, 4km from the Hellyer Mill, for a test processing trial.

The Hellyer project is a joint venture between Intec and Polymetals and was previously operated by Western Metals before the project closed in 2000.

Shares in Intec closed up 0.05c at 21c today.

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