

Intec Ltd

ASX Code: INL
ABN 25 001 150 849

Superior and Sustainable Metals Production

Gordon Chiu Building J01
Department of Chemical Engineering
Maze Crescent
University of Sydney NSW 2006
Australia



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4 November 2004

Intec Share Purchase Plan offer

Dear Intec Shareholder

On 28 October 2004 Intec Ltd (Intec or the Company) announced further details of its A\$12 million capital raising package which includes a Share Purchase Plan offer to the Company's existing shareholders.

Details of Intec's offer to existing shareholders are set out below. Please read this letter carefully and if you wish to participate in the offer, act promptly and follow the instructions provided.

Invitation to participate in the Intec Share Purchase Plan

The Board of Directors of Intec advise that the Company has introduced a Share Purchase Plan (the Plan). The Plan entitles shareholders in the Company, irrespective of the size of their shareholding, to purchase up to A\$5,000 worth of Intec shares at 6.9 Acents per share, free from stamp duty and brokerage. Shareholders (currently numbering over 1,000) who were on the Intec share register at 5pm on 28 October 2004 (Record Date) will be entitled to participate in the Plan.

Grange Securities Ltd will underwrite the Plan and suitably qualified Intec shareholders ('excluded offerees' in the context of Section 708 of the Corporations Act 2001) will be given priority to sub-underwrite the Plan. Those current Intec shareholders who wish to invest more than A\$5,000 in the current capital raising, who are so qualified under the Corporations Act, and who wish to be considered in any sub-underwriting should contact Bryce Reynolds, Divisional Director – Equities of Grange Securities Ltd, on +612-8259-4800 and email address breyolds@grangesecurities.com.au.

As an incentive to shareholders, the purchase price of the new shares to be offered under the Plan has been set at 6.9 Acents. This represents a discount of 19% to the weighted average market price of shares in the Company over the five trading days prior to the announcement of details of the Plan offer on 28 October 2004.

Each Intec Director intends to take up the maximum allocation of A\$5,000 worth of shares.

Activities

A summary of the activities of Intec and its plans for the coming period are set out in the Annual Report which was forwarded to shareholders in late September 2004 and in recent announcements to the Australian Stock Exchange (ASX) and at the Annual General Meeting of Intec shareholders held on 28 October 2004 (posted on Intec website at www.intec.com.au).

During the September quarter H. G. Engineering of Toronto, Canada completed a Pre-Feasibility Study on Intec's Hellyer Project in Tasmania. This indicated that the Project has very attractive economics and the current capital raising will be used for the completion, over an approximate 15 month period, of a bankable feasibility study for, and financing of, a full scale processing facility at Hellyer.

Very positive results were achieved during the quarter on the use of Electric Arc Furnace (EAF) dust as supplemental feed for the Hellyer Project. The pilot plant campaign on a blend of Hellyer tailings and Smorgon Steel EAF dust resulted in extraction of 95% of the zinc contained in the dust which graded 31% zinc. The co-treatment of Hellyer tailings and EAF dust forms the basis for the 'Enhanced Case' in the pre-feasibility study completed by H.G. Engineering and released to the ASX on 7 September 2004. The financial evaluation of the 'Enhanced Case' demonstrates significant technical and economic advantages over an already very robust 'Base Case' (for the treatment of Hellyer tailings only). Intec and Smorgon Steel have held discussions regarding the latter's interest in the Hellyer Metals Project as a site for the co-treatment of EAF dust and the resultant recovery as pure metal of the significant quantities of zinc contained in this material. The discussions have resulted in it

providing Intec with a Letter of Understanding (released to the ASX on 26 October 2004) in relation to the Hellyer Project whereby Smorgon Steel has confirmed its interest in continuing discussions with Intec for a potential participation in the development and commercialisation of the Hellyer Project.

On 28 October 2004, Barrick Gold (the world's third largest gold producer) completed a highly successful 5-week campaign treating its refractory gold material at the Intec Gold Process (IGP) pilot plant. The IGP has now shown itself to be economically very competitive and environmentally attractive. Comprehensive pilot plant, laboratory testwork and desktop studies on the IGP were therefore undertaken during the quarter by a range of companies and these continue.

Use of funds

The funds raised will be used for the completion, over an approximate fifteen month period, of a demonstration plant, bankable feasibility study for, and financing of, a full-scale Intec processing facility at the Company's wholly owned Hellyer Mine Site in Tasmania. The broad heads of expenditure of the total A\$15 million cost of this process is as follows:

Demonstration plant capital cost:	A\$4.65 million
Demonstration plant operating cost:	A\$2.60 million
Bankable feasibility study:	A\$2.00 million
Care and maintenance costs:	A\$1.00 million
Working capital:	A\$4.00 million
Capital raising costs:	A\$0.75 million
Total:	A\$15.00 million

The previously announced A\$15 million amount of the capital raising has been reduced to A\$12 million following advanced discussions with a corporate party to secure an additional A\$3 million of funding through a mechanism that is likely to be non-dilutive to INL shareholders and will not involve a debt instrument.

How to participate

If you would like to participate in the Plan, please read the attached 'Terms of the Intec Ltd Share Purchase Plan' document carefully and return your completed Application Form, together with your cheque or credit card details representing the purchase price for the number of shares applied for. A reply-paid envelope is enclosed for your convenience. If you are paying by credit card, you may either fax (fax number +612-9279-0664) or mail your completed Application Form. Your Application Form must be received or the envelope postmarked on or before the closing date of 30 November 2004.

Please note that the maximum investment per shareholder is A\$5,000 (representing 72,464 shares at a purchase price of 6.9 Acents per share). The minimum number that can be applied for is 7,247 shares at a total cost of A\$500. Shareholders may apply for the number of shares between the maximum and the minimum as set out on the attached Application Form.

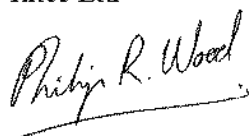
Before deciding whether to accept the offer, please consider the price at which the Company's shares have been trading on the ASX and your own financial position.

The shares subscribed for will be issued, and quotation of the shares on ASX applied for, on or before 14 December 2004.

Directors believe the Plan provides all shareholders with an excellent opportunity to buy additional shares in the Company at the relatively low price of 6.9 Acents. We look forward to your participation in an exciting time for the Company and its Hellyer Project.

Yours sincerely

Intec Ltd



Philip R Wood

Managing Director & Chief Executive Officer

A full copy of the Terms of the Intec Share Purchase Plan is available in PDF format on the Company's website. If you have any questions on the Plan, please call Registries Limited on +612-9290-9600 or the Company's office on +612-9351-6741.

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Terms of the Intec Ltd Share Purchase Plan

1. Definitions

In this Plan, unless the context otherwise indicates:

Application Form means an application form for Shares pursuant to the Plan;

ASX means Australian Stock Exchange Limited;

Board means the Board of Directors of Intec;

Closing Date means a date determined by the Board for the closing of an Offer under the Plan;

Company or Intec means Intec Ltd ABN 25 001 150 849;

Eligible Members means members of the Company eligible to participate in the Offer as determined under Clause 2;

Offer means a non-renounceable offer of ordinary fully paid shares in the Company to Eligible Members under the Plan;

Plan means the Intec Ltd Share Purchase Plan approved by the Board from time to time;

Purchase Price means a price as determined by the Board in accordance with the Plan;

Record date means a date determined by the Board in accordance with the Plan; and

Shares means fully paid ordinary shares in the Company.

2. Eligibility to Participate

2.1 Those members of the Company who will be eligible to apply for Shares under the Offer (the Eligible Members) are those who, subject to clause 2.2, are recorded in the Company's register of members at 5.00 pm on the Record Date.

2.2 Where a member is expressly noted on the Company's register of members as a trustee or nominee on account of another person (Beneficiary), the Beneficiary will be deemed to be the Eligible Member and an acceptance of the Offer and subsequent issue of Shares will be deemed to be made by or to the Beneficiary.

2.3 An Offer does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.

2.4 Eligible Members may apply for up to a maximum of five thousand Australian dollars (A\$5,000) worth of Shares and a minimum of five hundred Australian dollars (A\$500) worth of Shares in any consecutive twelve (12) month period. This maximum amount applies even if an Eligible Member receives more than one Offer or receives the Offer as a joint holder of shares. If an Offer is received by a member who is expressly noted on the Company's register of members as a trustee or nominee on account of a Beneficiary, then any Shares issued in relation to that Offer will not be included in calculating the maximum number of shares that may be applied for by that member, but will be included in calculating the maximum number of Shares that can be applied for by the Beneficiary.

2.5 Offers made under the Plan are not renounceable. This means that members cannot transfer their right to purchase Shares under this Offer to another person.

3. Purchase Price

3.1 The Purchase Price is a price as determined by the Board in accordance with the Plan.

- 3.2 By accepting an Offer and applying for Shares under the Plan, each Eligible Member acknowledges that the Shares are a speculative investment and the price of the Shares quoted on ASX may change between the date of the Offer and the date of issue of the Shares and that the value of Shares received under the Plan may rise or fall accordingly.

4. Terms of Issue of Shares

- 4.1 The Board reserves the right to refuse an application if it considers that the applicant is not an Eligible Member or has not otherwise complied with the terms of the Plan or for any other reason. If an application is refused, the application monies received will be refunded without interest.
- 4.2 The maximum number of Shares to be issued under the Plan is a function of the number of shareholders at the date of any Offer. The Company reserves the right to reduce this maximum amount in respect of any Offer.
- 4.3 The Company reserves the right to issue fewer Shares than an Eligible Member applied for under the Plan (or none at all) at its sole discretion. Excess application monies will be refunded without interest.
- 4.4 Subject to clause 4.1, Shares issued under the Plan will normally be issued within 14 days of the Closing Date.
- 4.5 Shares allotted under the Plan will rank equally in all respects with all other fully paid ordinary shares in the Company on the date of issue.
- 4.6 The Company will apply to ASX for quotation of the Shares issued under the Plan within 14 days of the Closing Date.

5. General

- 5.1 The Plan will be administered by the Board or a committee of the Board that will have absolute discretion to:
- a) determine appropriate procedures for administration of the Plan;
 - b) resolve conclusively all questions of fact or interpretation arising in connection with the Plan; and
 - c) delegate to any one or more persons, for such a period and on such conditions as they may determine, the exercise of their powers or discretions under the Plan.
- 5.2 The Plan may be suspended, terminated or amended at any time by the Board.
- 5.3 The Plan is governed by and construed in accordance with the laws for the time being in force in the State of New South Wales.

6. Declaration and Acknowledgement

- 6.1 By completing and forwarding the Application Form, each member:
- a) Acknowledges that it has read and understood the terms and conditions of the Plan;
 - b) Certifies that (except where Shares are held as trustee or nominee on account of a beneficiary which is expressly noted on the Company's register of members) the aggregate of the application price for:
 - i the shares or interests the subject of the Application Form; and
 - ii any other shares or interests in the class applied for by, or on behalf of, the shareholder under the Plan or any similar plan operated by the Company in the 12 months prior to the offer,does not exceed A\$5,000; and
 - c) Certifies that (where shares are held as trustee or nominee on account of a beneficiary which is expressly noted on the Company's register of members (Beneficiary)) the aggregate of the application price for:
 - i the shares or interests the subject of the Application Form; and
 - ii any other shares or interests in the class applied for by, or on behalf of, the Beneficiary under the Plan or any similar plan in the 12 months prior to the offer,does not exceed A\$5,000.

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Website: www.intec.com.au

Name 1
Name 2
Name 3
Name 4
Name 5
Name 6

Barcode

SHARE PURCHASE PLAN APPLICATION FORM

Plan to allow existing Intec Ltd shareholders to purchase up to 72,464 shares at 6.9 Acents each (up to A\$5,000), payable in full on acceptance of this offer

I/We, the abovenamed being registered as ordinary shareholder(s) in the Company do hereby apply for the number of fully paid shares stated below at an issue price of 6.9 Acents per share issued in accordance with the Intec Ltd Share Purchase Plan (the Plan) and the Constitution of the Company.

- The minimum number of shares you can apply for is 7,247, which will cost you A\$500
- The maximum number of shares you can apply for is 72,464, which will cost you A\$5,000
- You can purchase shares between the minimum and maximum as follows:

Please tick ✓ the appropriate box on the right:

72,464 shares	for a cost of	A\$5,000
43,479 shares	for a cost of	A\$3,000
14,493 shares	for a cost of	A\$1,000
7,247 shares	for a cost of	A\$500

☐
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I/We enclose my/our cheque or submit my/our credit card details for the amount indicated above.

CHEQUE/DRAFT DETAILS

DRAWER	BANK	BRANCH	CHEQUE AMOUNT – A\$

CREDIT CARD DETAILS – VISA OR MASTERCARD ONLY

Mastercard ☐

Visa ☐

(tick ✓ appropriate box)

NAME ON CARD	CARD NUMBER	EXPIRY DATE	SIGNATURE
		/	

CONTACT DETAILS – should we need to contact you regarding this form

Contact Name	Business Tel	Home Tel / Mobile Tel	E-mail Address:

RETURN OF THIS FORM WITH YOUR CHEQUE OR CREDIT CARD DETAILS FOR PAYMENT WILL CONSTITUTE YOUR APPLICATION FOR SHARES UNDER THE TERMS OF THE PLAN

INSTRUCTIONS ON HOW TO COMPLETE THIS FORM ARE ON THE REVERSE SIDE OF THIS PAGE

ACCEPTANCES must be received or postmarked by 30 November 2004

Intec Ltd

ABN 25 001 150 849

INSTRUCTIONS TO APPLICANTS

Please read these instructions carefully

PAYMENT

Payment must be made in Australian currency only. Cheques should be made payable to "Intec Ltd" and crossed "Not Negotiable". Sufficient cleared funds should be held in your account, as your application will be rejected if your cheque is dishonoured. If paying by credit card please sign the signature box next to your credit card details. Receipts for payment will not be issued. Payment in cash will not be accepted.

HOW TO LODGE YOUR APPLICATION

The completed form should be forwarded with your payment to the postal address on the enclosed reply-paid envelope or by hand delivery to the address set out below and must reach that address or be postmarked by 30 November 2004.

By mail

Intec Ltd
C/- Registries Limited
PO Box R67
Royal Exchange
Sydney NSW 1223

Or by hand delivery

Intec Ltd
C/- Registries Limited
Level 2
28 Margaret Street
Sydney NSW 2000

Or by fax

(Credit card payments only)
Registries Limited
Fax no. +612-9279-0664

Registries Limited: Telephone no: +612-9290-9600
Fax no: +612-9279-0664

**IF YOU ARE UNSURE HOW TO COMPLETE THIS APPLICATION FORM PLEASE CONTACT
REGISTRIES LIMITED (details above) OR INTEC LTD ON**

TEL: +612-9351-6741 OR FAX: +612-9351-7180 OR EMAIL: mail@intec.com.au

IMPORTANT NOTE: In accepting your Entitlements you represent and warrant that (unless otherwise agreed with the Company) you are not in any jurisdiction other than Australia or New Zealand or, if so, you are aware of your eligibility to participate in the Offer.

If you have any questions, please contact Registries Limited for assistance. Tel +612 9290-9600.

CHANGES TO ADDRESS OR NAMES SUPPORTED BY YOUR SIGNATURE

If your name and address is not exactly as shown overleaf, please provide details below. Your sponsoring broker should be notified for amendments to holdings on the CHESS subregister.

CHANGE OF ADDRESS DETAILS

SIGNATURE(S) REQUIRED IF CHANGE OF DETAILS

Details

Signature(s)

YOUR PRIVACY

The information provided by you on this Application Form will be used by Registries Limited and Intec for processing this application and registering your shareholding in Intec and for no other purpose.

If you would like to receive Intec announcements by email please tick ✓ the box below and provide your email address.

☐

Email address: