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Superior and Sustainable Metals Production

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Intec Metals Recycling Project Update

At a meeting of the Directors of Intec Ltd (ASX code: INL) held last Friday 19 September 2008, the Board has reached in-principle agreement with a key third party in a deal that is expected to be a major boost for the Intec Metals Recycling Project, the first commercial-scale application of the patented Australian Intec Process technology.

While the nature of the deal remains confidential pending the formalisation of a legally binding Agreement before 31 October 2008, Intec is confident that the deal offers numerous important advantages for the Project.

The deal would pave the way for a significant upgrade to the Intec Metals Recycling Project. Taking multiple mineral concentrate and industrial waste feedstocks, the upgraded Project is now expected to produce high-purity copper and lead metal products via electrowinning, as well as high-grade zinc sulphide and important silver, gold and indium by-product credits.

As a further major financing advantage, the deal is expected to yield significant capital savings for the upgraded Intec Metals Recycling Project (subject to independent engineering studies by GHD and ACSI) and with a shortened timeline to commencement.

The upgraded Intec Metals Recycling Project will retain all of the Intec Process's multiple environmental advantages: particularly the absence of liquid effluents or gaseous emissions; the stable solid residues (potentially suitable for reuse); the low temperature of operation; and the avoidance of the use of cyanide for the leaching of gold into solution.

Intec has received and provided to the third party a number of letters of support from potential financiers, project participants and other project stakeholders, with more expected.

Following signing of the formal Agreement before 31 October 2008, it is intended that financing for the full Intec Metals Recycling Project will be finalised by the end of the first quarter of 2009.

Yours faithfully
Intec Ltd

Philip R. Wood

Philip R Wood
Managing Director and Chief Executive Officer