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ASX code: INL

Company Announcements Office  
Australian Securities Exchange

27 February 2017

Intec Ltd (ASX: INL) (“Intec” or “the Company”) is pleased to announce that it has exercised its option to acquire the remaining 50% of Science Developments Pty Ltd. (“SciDev”). The consideration paid for the exercise of the SciDev option amounted to \$900,000 and was comprised of \$660,000 in cash and the issue of 20 million fully paid ordinary shares at a deemed issued price of \$0.012 per share (amounting to \$240,000). These shares will be issued solely to Paul Pembroke, the Technical Director of SciDev., who will maintain an on-going role within SciDev. An Appendix 3B for the issue of these shares is attached to this announcement.

The calculation for the consideration payable for the exercise of the option was based on an agreed formula related to the profitability of SciDev for the half-year ended 31 December 2016, with certain agreed adjustments. In addition, payments totalling approximately \$265,000 were made to extinguish certain SciDev related finance facilities.

Intec’s funding for the transaction was raised via a Placement of \$1.5 million completed during the period December 2016 through February 2017 and a Share Purchase Plan completed in January 2017 that raised \$0.6 million. The Placement and the Share Purchase Plan were undertaken at a share issue price of \$0.012. Remaining funds following the payments described above will be principally used to provide working capital for the growth of SciDev’s business.

In relation to ASX Listing Rule 11.1.1, the Company advises as follows:

1. The likely effect of the exercise of the SciDev option, and the net effect of the capital raisings described above, on the Company total assets: It is expected that there will be an increase of approximately 50% in the Company’s total assets.
2. The likely effect of the exercise of the SciDev option, and the net effect of the capital raisings described above, on the Company’s total equity: It is expected that there will be an increase of approximately 80% in the Company’s total equity.
3. Likely effect of the exercise of the SciDev option on annual revenue and annual profit before tax and extraordinary items: Likely effect will be dependent upon future trading conditions but is expected to be positive.

SciDev was established in 2001 to commercialise technologies developed in wastewater treatment chemicals that are applicable across a broad range of industry sectors. Near-term revenue and profit growth is expected to come from the rollout of the OptiFlox® System, a real-time, cloud-based, automated coagulant dosing system initially targeted for use in coal preparation plants, of which there are approximately 70 plants in Australia. The system is also applicable to other industries including dairy and sewage.

The first OptiFlox® Mark-2 System was permanently installed at Peabody Energy's Wilpinjong coal mine in December 2016. In terms of product roll-out, SciDev is targeting the installation of 20 systems over the next three years with anticipated chemical sales and licensing revenue of between \$200,000 to \$450,000 per site.

At an Extraordinary General Meeting (EGM) held on 25 January 2017, it was agreed to change the name of the Company to SciDev Ltd. This name change will be effected during March 2017, including the allocation of a new ASX Code.

The Board and Management thanks shareholders for their ongoing support and look forward to updating the market on SciDev's operational progress in the near term.

**Intec Ltd**



**Kieran Rodgers**  
Managing Director

**Released through:** Henry Jordan, Six Degrees Investor Relations +61 431 271 538

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Intec Ltd (ASX: INL)

ABN

25 001 150 849

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |  |
|---|---|--|
| 1 | +Class of +securities issued or to be issued  | Fully paid ordinary shares ( <b>Shares</b> )         |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 20,000,000 Shares                                    |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Shares rank equally with ASX quoted shares coded INL |

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<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Refer 3. above</p>
<p>5 Issue price or consideration</p>	<p>\$0.012 per Share per Res 8 EGM 25/01/2017</p>
<p>6 Purpose of the issue</p> <p>(If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Part consideration to purchase 50% of Science Developments Pty Ltd, refer Res 8 EGM 25/01/2017</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>Not applicable</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>Not applicable</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>Not applicable</p>

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6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not applicable	
6f	Number of +securities issued under an exception in rule 7.2	Not applicable	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Not applicable	
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	24 February 2017	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		494,818,673	Fully paid ordinary shares

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	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	28,000,000 28 November 2019 Options – exercise price \$0.025
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Full participation in any future dividends.

## Part 2 - Pro rata issue

Questions 11 to 33 are not applicable

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of +securities  
(tick one)

(a)  +Securities described in Part 1

(b)  All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

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**Entities that have ticked box 34(a)**

**Additional securities forming a new class of securities**

*Tick to indicate you are providing the information or documents*

- 35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional +securities

**Entities that have ticked box 34(b)**

Questions 38 to 42 are not applicable

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## Quotation Agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:   
.....  
(Managing Director)

Date: 27 February 2017

Print name: Kieran Rodgers

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# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

### Part 1

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	The Company did not seek shareholder approval at its Annual General Meeting under ASX Listing Rule 7.1A.
<p><b>Add</b> the following:</p> <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	
<b>“A”</b>	

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<b>Step 2: Calculate 15% of “A”</b>	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply</b> “A” by 0.15	
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
“C”	
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
“A” x 0.15  <i>Note: number must be same as shown in Step 2</i>	
<b>Subtract</b> “C”  <i>Note: number must be same as shown in Step 3</i>	
<b>Total</b> [“A” x 0.15] – “C”	  <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

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## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	Not Applicable
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
<b>“E”</b>	

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<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	
<b>Subtract “E”</b> <i>Note: number must be same as shown in Step 3</i>	
<b>Total</b> [“A” x 0.10] – “E”	<i>Note: this is the remaining placement capacity under rule 7.1A</i>

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