

ASX ANNOUNCEMENT – 17 March 2015

SYNDICATED ANNOUNCES FULLY UNDERWRITTEN ENTITLEMENTS ISSUE TO RAISE \$1.996M TO GROW COPPER-GOLD INVENTORY

*Funds to underpin multi-pronged exploration program to expand Barbara JV Project,
define new satellite resources and test 100%-owned targets*

Overview

- Syndicated to undertake a 4-for-11 non-renounceable Entitlements Issue at 2.0 cents per Share to existing eligible shareholders to raise approximately \$1.996M before costs.
- Existing shareholders who take up their entitlements in full may apply for additional Shares in excess of their entitlements.
- Pitt Capital Partners Limited, a 100%-owned subsidiary of Washington H. Soul Pattinson and Company Limited, has agreed to underwrite the Entitlements Issue. CopperChem Limited is also a 100%-owned subsidiary of Washington H. Soul Pattinson and Company Limited. Pitt Capital Partners Limited has indicated it will seek to procure commitments for the entire shortfall from sub-underwriters, namely CopperChem Limited and/or Washington H. Soul Pattinson and Company Limited.
- Proceeds from the Entitlements Issue will be used to fund a multi-pronged exploration program in North Queensland designed to grow the Company's copper-gold resources. Drilling programs will be undertaken at both the Barbara Copper-Gold Joint Venture Project with CopperChem as well as at a series of new copper-gold targets on 100%-owned ground.
- These programs, which will commence in April 2015, will continue in parallel with ongoing work being conducted by CopperChem as part of the expanded Barbara Feasibility Study encompassing the enhanced development approach announced earlier this year.

Syndicated Metals Limited (ASX: SMD) ("Company") is pleased to announce that it is offering existing eligible shareholders the opportunity to participate in a non-renounceable entitlement offer on the basis of **four** (4) fully-paid ordinary shares ("Shares") for every **eleven** (11) Shares held on the record date at an issue price of **2.0 cents** per Share ("Entitlements Issue") to raise up to **\$1,995,968** before costs.

The funds raised will primarily be used to underpin a major new phase of exploration across the Company's North Queensland copper-gold projects including exploration activity at Syndicated's Barbara Copper-Gold Joint Venture Project. This multi-pronged exploration initiative is designed to expand the Company's JORC resource inventory, extend the life of the Barbara Copper-Gold Joint

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Venture Project and identify new growth opportunities with the potential to enhance the Company's North Queensland copper business.

The 2015 exploration program will comprise one of the most comprehensive exploration initiatives seen across the Company's broader North Queensland tenement holding, and will include drilling targeting both immediate near-mine opportunities as well as the establishment of new resources via exploration on 100%-owned tenements.

This work, which will commence in April 2015, will be undertaken in parallel with ongoing work being conducted by CopperChem to incorporate a number of recently identified enhancements to the Barbara Copper-Gold Joint Venture Project as part of the expanded Feasibility Study announced earlier this year.

The new development approach at the Barbara Copper-Gold Joint Venture Project – which is based on a proposal to undertake on-site processing using a low-cost transportable facility – is expected to unlock a range of significant benefits for the Barbara Project, particularly in the all-important areas of operating costs, treatment, refining and selling charges for copper concentrate produced and project capital expenditure.

These improvements would, in turn, translate into enhanced economic and financial returns from the mining and processing of the Barbara deposit.

Entitlements Issue

Under the Entitlements Issue, the Company will offer approximately 99.79 million Shares to shareholders with a registered address in Australia and New Zealand on the record date of 23 March 2015, on a 4-for-11 basis, at an issue price of 2.0 cents per Share.

Shareholders who apply for their full entitlement may also apply for additional Shares in excess of their entitlements.

Pitt Capital Partners Limited, a 100%-owned subsidiary of Washington H. Soul Pattinson and Company Limited has agreed to underwrite the Entitlements Issue. CopperChem Limited is also a 100% owned entity of Washington H. Soul Pattinson & Company Limited. Pitt Capital Partners Limited has indicated it will seek to procure commitments for the entire shortfall from sub-underwriters, namely CopperChem Limited and/or Washington H. Soul Pattinson and Company Limited.

The Entitlements Issue will be undertaken pursuant to section 708AA of the Corporations Act and an offer document will be sent to eligible shareholders in accordance with the indicative timetable set out below.

Use of Proceeds

The funds raised from the Entitlements Issue will be applied to the following activities:

- Drilling targeting the Barbara Deeps Project, including initial testing of a significant new EM conductor identified at depth below Mid Lode, between South and North Lodes;
- Follow-up drilling at the Lillymay satellite deposit to expand the recently announced maiden JORC resource;
- Drilling at other satellite deposits within the Barbara Joint Venture tenure;

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- Drilling at 100% owned regional targets, including Bluestar, within the Mt Remarkable Project;
- Targeted, regional copper-gold exploration programs over the Company's 100%-owned tenements within the Southern Hub project, where a number of new exploration targets have been identified;
- General working capital and administrative expenses; and
- The expenses of the Entitlements Issue.

Indicative Timetable

An indicative timetable for the Entitlements Issue is set out below:

Release of Issue Document, Entitlements Issue Appendix 3B & Section 708AA Notice to ASX	17 March 2015
Letter to Shareholders	18 March 2015
"Ex" Date	19 March 2015
Record Date	5.00pm (WST) 23 March 2015
Despatch Issue Document and Entitlement and Acceptance Form to Eligible Shareholders	26 March 2015
Issue Opening Date	26 March 2015
Issue Closing Date	13 April 2015
Securities quoted on a deferred settlement basis	14 April 2015
ASX notified of under subscriptions	16 April 2015
Issue of New Shares under Entitlements Issue	20 April 2015
Normal ASX trading for New Shares commences	21 April 2015

These dates are indicative only. The Directors reserve the right to amend this timetable subject to the ASX Listing Rules and the Corporations Act.

Management Comment

Syndicated's Managing Director, Mr Andrew Munckton, said the new phase of drilling at the Barbara Project is designed to support the expanded Barbara Feasibility Study by driving an increase in resources at the defined prospects and targeting new discoveries to expand the Company's growth pipeline. This work on the Barbara JV project is being co-funded with CopperChem Limited.

"We are testing some exciting targets at Barbara, including the strong EM conductor beneath Mid Lode which is possibly the strongest exploration target we have ever seen in the region. The upcoming exploration programs are designed to expand our maiden resource at Lillymay and establish 1-2 other satellite resources on the Barbara JV tenements.

"We will also be conducting exploration drilling programs over the advanced targets in our 100% owned Mt Remarkable project and preliminary exploration at the recently acquired Tick Hill Project,

which contains established gold resources and offers excellent exploration opportunities that complement our Southern Hub tenements.

“This will be one of the most comprehensive exploration programs ever undertaken in this region, and it is designed to extend existing deposits, substantially expand our satellite resource inventory and potentially unlock new discoveries which could add significant value for our shareholders,” he said.

“It will also generate healthy news-flow throughout the year, commencing within the next few weeks, which will complement our ongoing development activities with CopperChem.”

“With the backing and support of our strong, long term, technically capable partner in CopperChem, the Company is in an excellent position to move forward and realise value from its copper-gold assets in North Queensland while building a solid foundation to become a copper producer in the near future.”

ENDS

For further information:

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Competent Person's Statement

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Andrew Munckton who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Munckton is a full-time employee of Syndicated Metals Limited and consents to the inclusion in the report of the Exploration Targets and Exploration Results in the form and context in which they appear.

Exploration Targets

This report comments on and discusses Syndicated Metals Limited's exploration in terms of target size and type. The information relating to Exploration Targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. The potential quantity and quality of material discussed as Exploration Targets is conceptual in nature since there has been insufficient work completed to define them as Mineral Resources or Ore Reserves. It is uncertain if further exploration work will result in the determination of a Mineral Resource or Ore Reserve.

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