

September 14 2011

KALMAN DRILLING CONFIRMS NEAR SURFACE MINERALISATION

HIGHLIGHTS

- **Significant shallow copper, gold, molybdenum and rhenium results received from first five holes at Kalman confirms open pittable potential of zone;**
- **Significant results include:**
 - **20 metres at 0.82% Cu and 0.59g/t Au from 13 metres in K-116;**
 - **20 metres at 0.82% Cu and 0.30g/t Au from 91 metres including 7 metres at 1.42% Cu and 0.45g/t Au from 97 metres in K-119;**
 - **5 metres at 0.3% Mo and 10.3g/t Re from 81 metres in K-119**
- **Strongly elevated gold values up to 3.05g/t Au encountered;**
- **Further RC drilling to continue throughout 2011.**

Syndicated Metals Limited (**ASX: SMD**) is pleased to announce results from initial drilling at the Kalman Cu-Au-Mo-Re Deposit located in the Mount Isa region of Northwest Queensland.

The drilling is the first carried out by Syndicated as manager of the restructured Kalman Joint Venture with Cerro Resources NL (ASX:CJO) announced in May 2011. Under the new joint venture Syndicated can earn up to an 80% interest in the +700 km² Mount Isa tenement package which includes the Kalman polymetallic deposit.

Together with its Mount Remarkable tenement holdings, the joint venture gives Syndicated control of one of the largest and prospective landholdings in the region.

Syndicated's full drilling program planned for 2011 at Kalman comprises 5,000 metres of RC and diamond drilling to define shallow open-pittable copper-gold and molybdenum-rhenium mineralisation in the upper parts of the deposit followed by deeper drilling to improve the definition of the underlying high grade core of the Kalman deposit.

Previous work at Kalman concentrated largely on the deeper parts of the deposit. However, limited shallow drilling along the 1000 metre long surface expression of the deposit intersected significant copper and gold intercepts including 25 metres at 1.5% Cu and 0.25g/t Au from 38 metres, 20 metres at 1.1% Cu and 0.9g/t Au from 22 metres and 13 metres at 1.2% Cu and 0.7g/t Au from 46 metres depth.

BOARD OF DIRECTORS

Martin Pyle

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Russell Davis

Managing Director

Bruce McCullagh

Non-Executive Director

Jan Hope

Non-Executive Director

Ki Deok (KD) Park

Non-Executive Director

CORPORATE

ABN 61 115 768 986

Market Capitalisation (12.9.2011)

\$14 million (at 13.5 per share)

Issued Capital (1.9.2011)

104.25 million ordinary shares

21.5 million unlisted options

6.95 million listed 20c options

Cash (30.6.2011): \$3.24 million

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ASX CODE

SMD



A number of deeper high grade copper-gold intercepts also remain untested in the up-dip near surface portion of the deposit.

Assay results for the first 5 holes of a Stage 1 - 25 hole program are shown in Table 1. The holes which are located at the northern end of the deposit returned a number of broad intersections of both copper-gold along with intervals of high grade molybdenum-rhenium mineralization.

Commenting on the drilling, Syndicated's Managing Director, Mr Russell Davis said: "These results are very encouraging particularly as the holes drilled to date are only in the very northern section of the deposit.

All of these zones are continuous with deeper intersections and confirm that the copper and molybdenum mineralization extends to surface. The strongly elevated gold values with a number of +1g/t Au intervals are also considered very encouraging.'

The results validate our confidence in the near surface potential at Kalman and we look forward to being able to push ahead with testing the remainder of the zone."

Competent Person's Statements

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Russell Davis 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 they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Davis is a full-time employee of Syndicated Metals Limited and consents to the inclusion in the report of the Exploration Results and Mineral Resources in the form and context in which they appear

Company Background

Syndicated is focused on the discovery and development of base metal deposits within its prospective project areas in the mineral-rich Mount Isa region in Northwest Queensland.

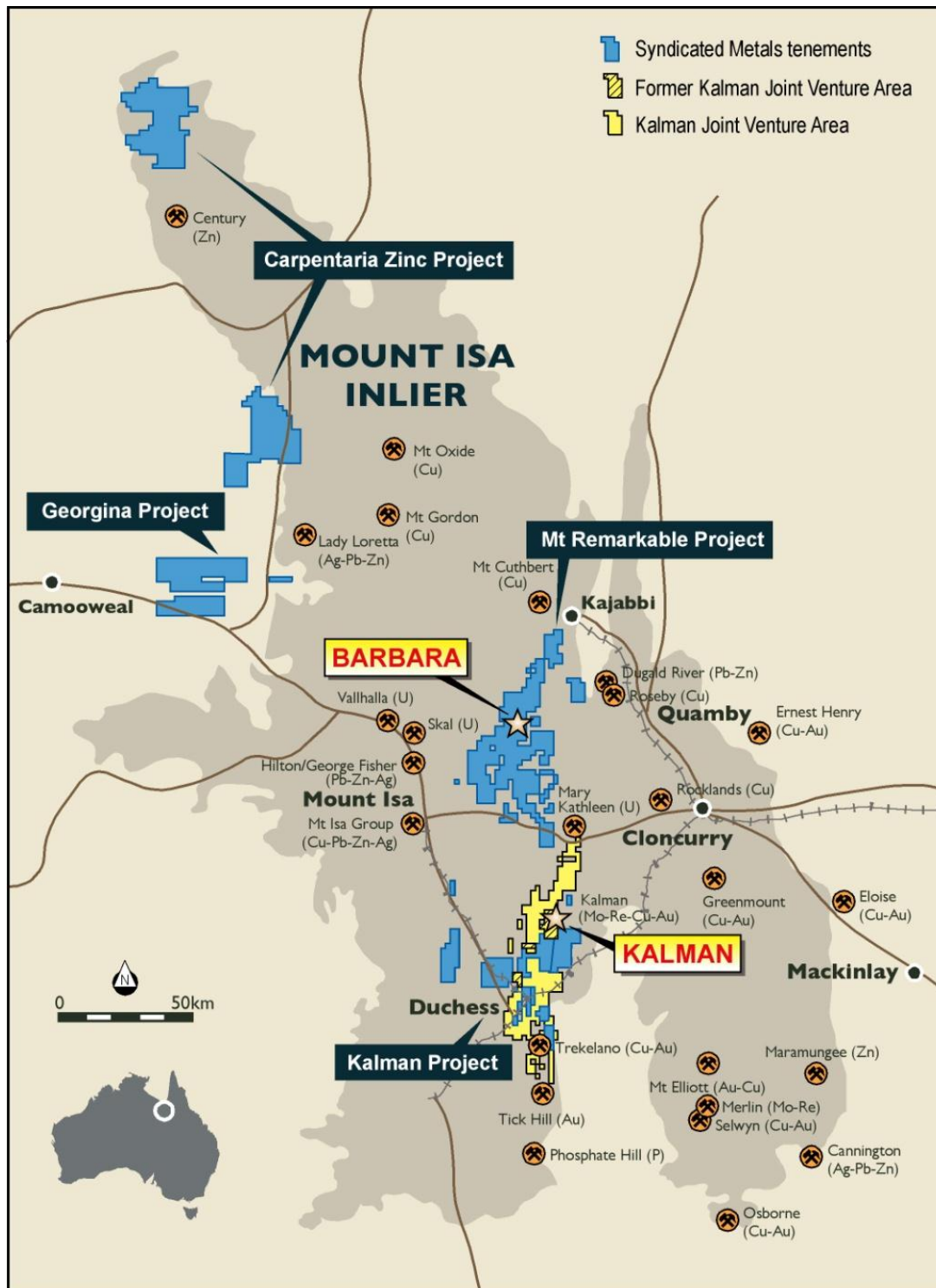
Syndicated is building a significant metal resource inventory in the Mount Isa region with its interests in the Barbara (copper-gold) and Kalman South (molybdenum-rhenium-copper-gold) deposits, both within 60 kilometres of existing infrastructure at the Mount Isa mining centre.

Korea Zinc Company Ltd, through its Australian subsidiaries holds a 13% interest in Syndicated.

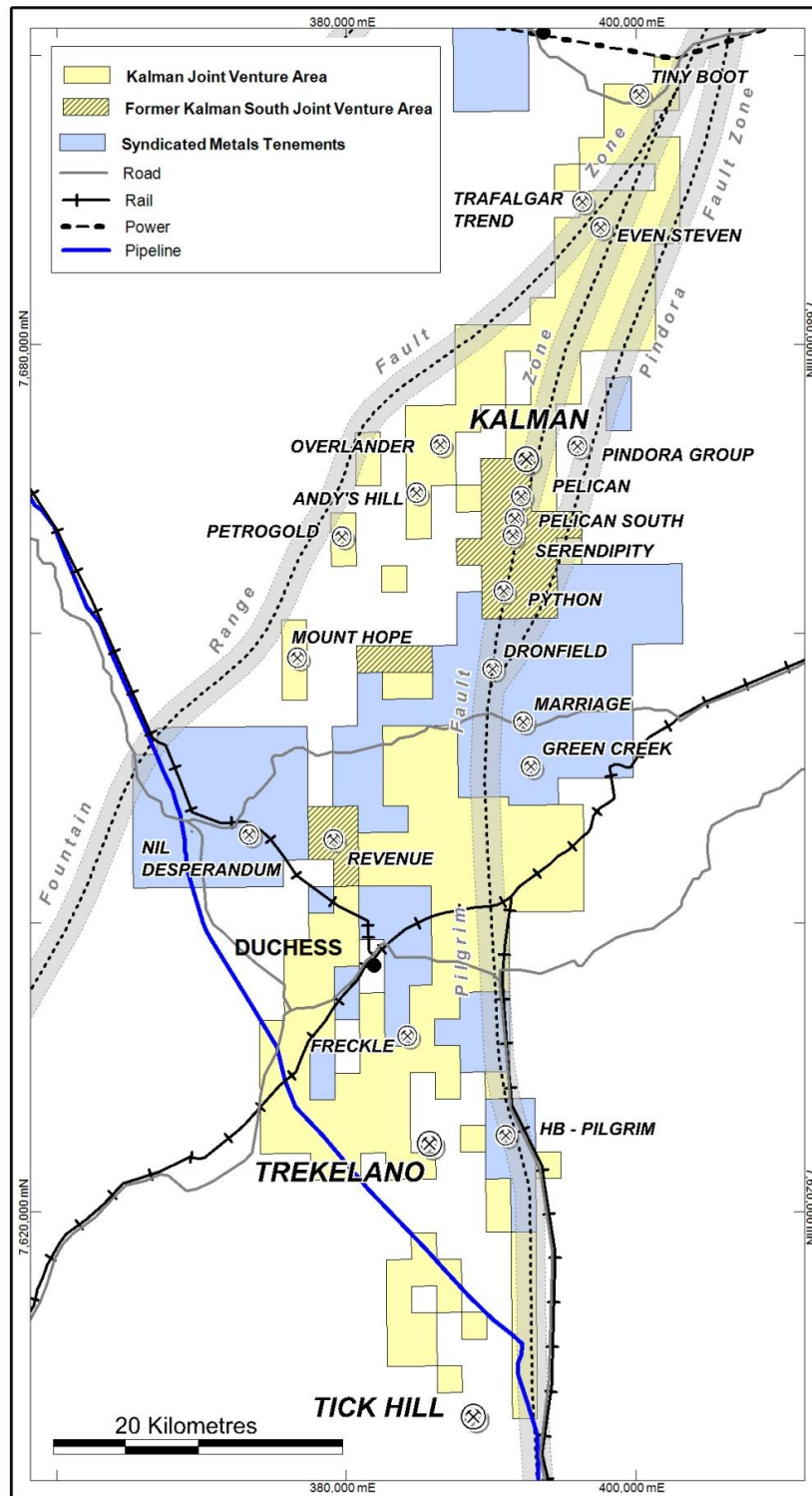
For further information on the Company view our website at www.syndicatedmetals.com.au or contact:

Russell Davis
Managing Director
T: 0419 195 087

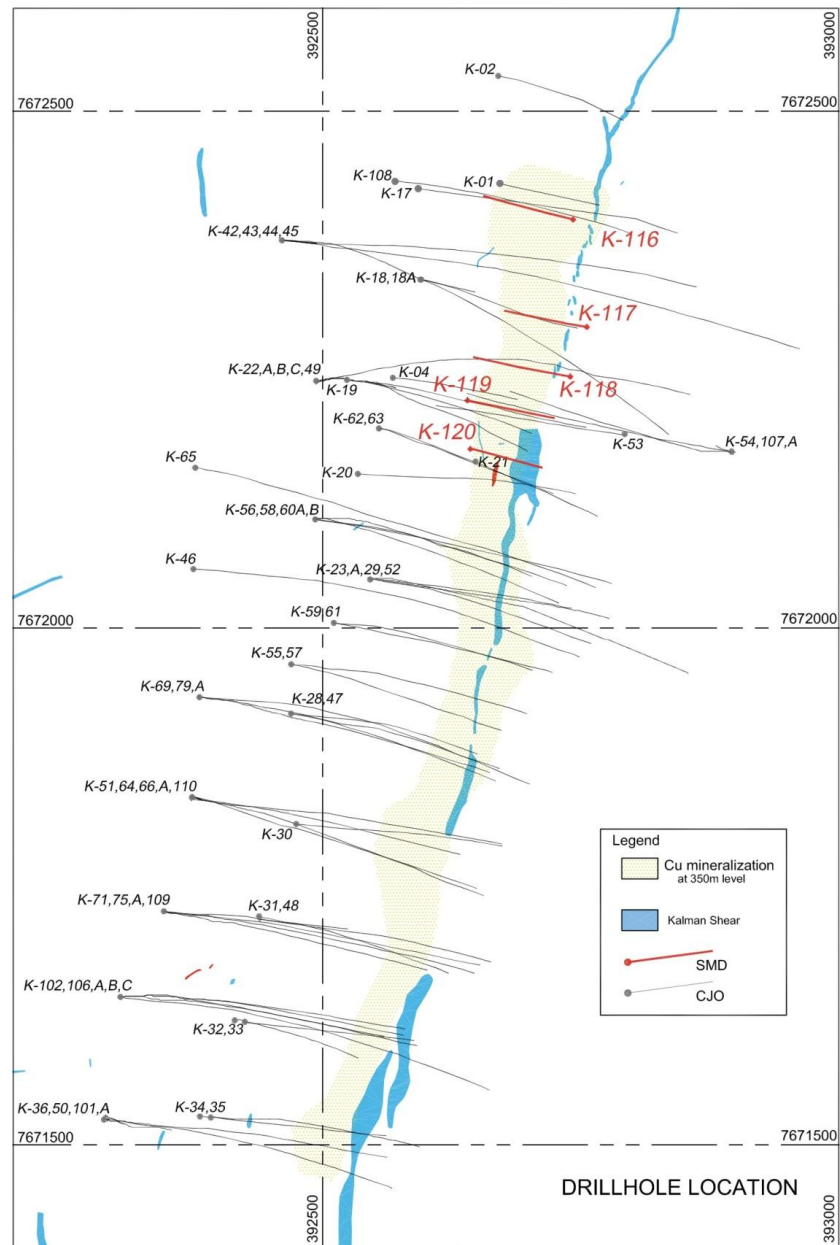
Martin Pyle
Chairman
T: 0429 999 552



Project Locations



Kalman Project Area



Hole	Drill Type	Easting	Northing	RL	Azimuth (GDA54)	Dip	Total Depth
K-116	RC	392742	7672395	420	282	55	149
K-117	RC	392756	7672291	393	282	51	127
K-118	RC	392740	7672243	390	282	51	150
K-119	RC	392643	7672173	394	102	60	125
K-120	RC	392640	7672220	399	102	57	172

Kalman Drill Hole Locations

Table 1: Kalman Drilling Results – K-116 to K-120

Hole Number	From m	To m	Length m	Cu %	Au g/t	Ag g/t	Mo ppm	Re g/t	Cueq* %
K-116	13	33	20	0.82	0.59	0.9	11		1.20
including	15	18	3	1.66	0.51	0.8	29		2.07
and	26	29	3	0.80	1.76	2.4	11		1.82
and	44	46	2	0.54	0.43	0.3	23		0.83
and	60	64	4	0.64	0.88	0.6	12		1.17
and	75	76	1	0.06	0.03	2.1	3280	9.8	2.07
and	84	86	2	0.58	0.41	0.8	12		0.84
K-117	13	15	2	0.77	0.07	0.2	95		0.99
and	17	40	23	0.50	0.18	1.0	724	2.5	1.06
including	26	30	4	0.61	0.38	1.3	730	1.4	1.24
and	35	40	5	0.26	0.11	2.4	2334	9.3	1.61
and	43	45	2	0.58	0.11	0.7	48		0.70
and	61	63	2	0.55	0.36	0.6	20		0.79
and	66	68	2	0.11	0.05	0.2	1744	2.5	1.04
and	91	99	8	0.51	0.35	0.3	26		0.74
and	104	106	2	0.55	0.23	0.3	25		0.71
K-118	3	16	13	0.52	0.21	0.6	30		0.69
and	28	44	16	0.60	0.28	0.8	191	1.3	0.92
and	41	47	6	0.33	0.04	3.5	465	3.5	0.75
and	84	90	6	0.55	0.04	0.4	89	0.3	0.67
K-119	47	55	8	0.88	0.63	0.3	28		1.26
including	47	50	3	0.95	1.39	0.3	56		1.77
and	81	88	7	0.52	0.49	3.3	2211	7.8	2.09
including	81	86	5	0.14	0.06	4.0	2974	10.3	1.85
including	86	88	2	1.63	1.53	1.4	303	1.7	2.70
and	91	111	20	0.82	0.30	0.9	24		1.03
including	97	104	7	1.42	0.45	1.5	20		1.73
and	121	123	2	0.94	0.03	0.7	17		1.01
and	126	130	4	0.91	0.55	1.0	26		1.34
K-120	31	33	2	0.11	0.02	0.7	2784	5.8	1.44
and	44	51	7	0.55	0.21	1.3	171	0.6	0.84
and	53	63	10	0.30	0.02	2.3	1012	3.2	0.93
and	93	97	4	1.06	0.17	3.1	7		1.22

*** - Note on the use of copper equivalent grades.**

The estimate summary table above shows a copper equivalent grade. The equivalent grade is based on copper, gold, silver, molybdenum and rhenium. The copper metal equivalent calculation is based on a copper price of \$US8,800/t, gold price of \$US1,500/oz, silver price of \$US35/oz, a molybdenum price of \$US33,000/t and a rhenium price of \$US3000/kg. Grade and price units are converted to percent and tonnes respectively. The sum product is calculated and then divided by the copper price to arrive at a copper equivalent grade. It is the opinion of Syndicated Metals that the metals included in the equivalent calculation have a reasonable potential to be recovered although definitive metallurgical testwork has only been conducted on copper and molybdenum at this stage of the project's development.