

ASX ANNOUNCEMENT – 19 October 2012

MORE STRONG COPPER INTERSECTIONS AT YAMAMILLA-FLOODBIRD

Fresh intersections of up to 4.6% Cu within broader mineralised zones

Key Points

- More encouraging results received from recently completed wide-spaced reconnaissance drilling at Yamamilla-Floodbird Project, North Queensland, including:
 - 4m @ 4.6% Cu within a broader intersection of 10m @ 2.0% Cu in YMRC005;
 - 1m @ 4.4% Cu within a broader intersection of 6m @ 1.0% Cu in YMRC008, and
 - 1m @ 2.3% Cu within a broader intersection of 62m @ 0.24% Cu in YMRC011.
- New results, together with recently announced intersections such as 4m @ 1.3% Cu and 13m @ 1.1% Cu, confirm the presence of multiple zones of high-grade copper mineralisation occurring over a 2.5km strike length.
- The intersections feature a central core of high-grade copper sulphide mineralisation within broader IOCG alteration zones.
- Drilling intersections correspond with modelled airborne EM and down-hole EM plates with further drilling and down-hole EM planned, elevating Yamamilla as a priority focus for ongoing exploration.

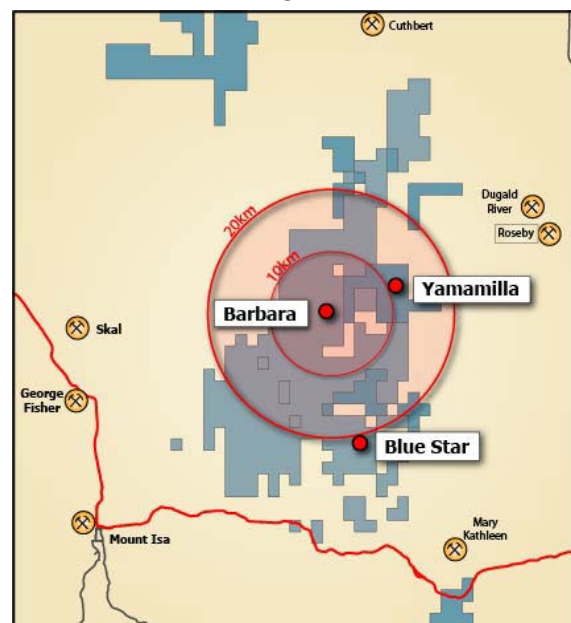
INTRODUCTION

Syndicated Metals Limited (ASX: SMD – “Syndicated” or “the Company”) is pleased to advise that it has received further encouraging results from recently completed drilling at the **Yamamilla Copper-Gold Project** in North Queensland.

Drilling has now intersected **several zones of high-grade copper**, within broader widths of IOCG-style copper-gold sulphide mineralisation, over a **2.5km strike length** at Yamamilla, highlighting the potential of the project to host a large-scale copper system.

The Yamamilla Project is located within the northern part of the Company’s Mount Isa Project, approximately 60km from Mt Isa and 10km north-east of the Company’s advanced Barbara Copper-Gold Project (*see map of area*).

MAP OF AREA



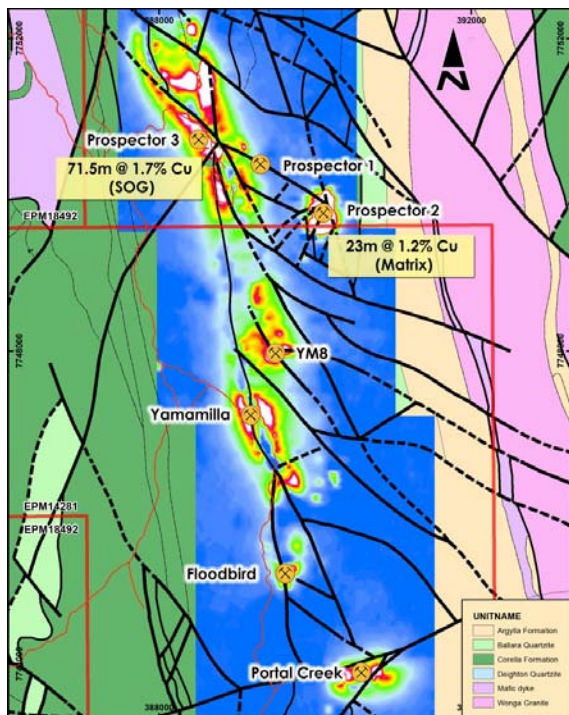


Figure 1 – VTEM Anomalism over the Yamamilla-Portal Creek-Prospector 3 Trend

The Yamamilla Project is located on EPM14281, which forms part of the Mt Isa Other Metals Joint Venture with **Deep Yellow Limited**. Syndicated is earning 80% ownership of the Joint Venture and minerals other than uranium by spending \$800,000 over 3 years.

The Yamamilla Project covers the southern part of a larger mineralised system that extends for over 10km and is host to both high-grade shear zone related mineralisation and interpreted Iron Oxide Copper Gold (“IOCG”) mineralisation (Figure 1).

The controlling mineralising feature within Syndicated’s Project is the Yamamilla Shear Zone, as demonstrated by a series of strong copper-in-soil and associated VTEM anomalies (Figures 1 and 2).

EXPLORATION RESULTS

Syndicated has completed 10 Reverse Circulation (RC) drill holes at the Yamamilla Project as part of its Spring 2012 drilling campaign in North Queensland.

Six of the holes intersected mineralisation in the predicted location based on structural geology and geophysical modelling at locations spaced approximately 2km apart. Two holes failed to reach target due to difficult drilling conditions and will be continued with diamond drilling.

Three of the holes aimed at the Floodbird target, located 1500m south of Yamamilla, intersected significant widths of IOCG-style disseminated copper-gold mineralisation, with a best intersection of **7m @ 1.76% copper**. Broader zones of alteration and mineralisation up to 62m @ 0.24% Cu which ended in mineralisation were also intersected. All drill intersections are summarised in Appendix 1.

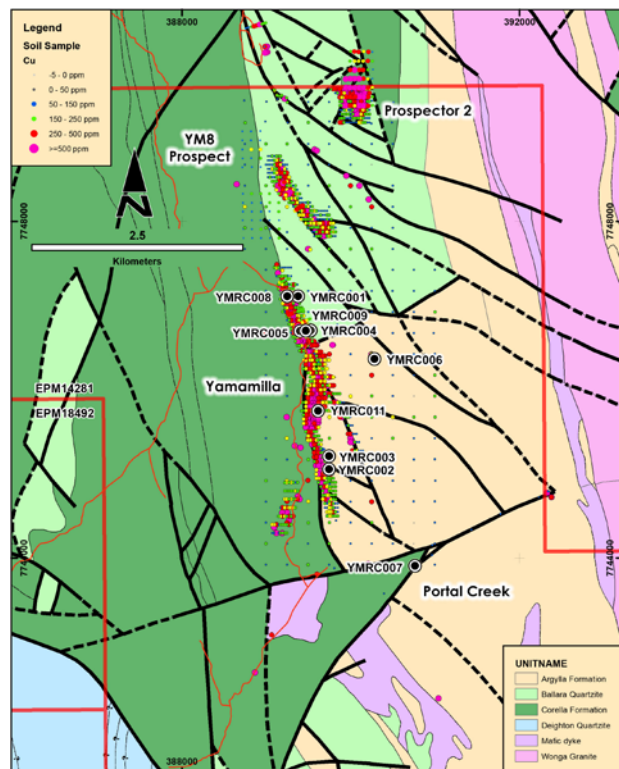


Figure 2

At the **Yamamilla Prospect** results include:

- **YMRC005: 10m @ 1.99% Cu, including 4m @ 4.57% Cu from 46m;**
- **YMRC008: 6m @ 0.97% Cu including 1m @ 4.44% Cu from 110m.**

The mineralised intersections consist of stringer copper sulphides (chalcopyrite) with lesser amounts of blebby copper sulphides.

It is significant that there appears to be a direct relationship between the high-grade mineralised intervals and the soil geochemistry and VTEM plates. This is illustrated in Figures 3 and 4 below.

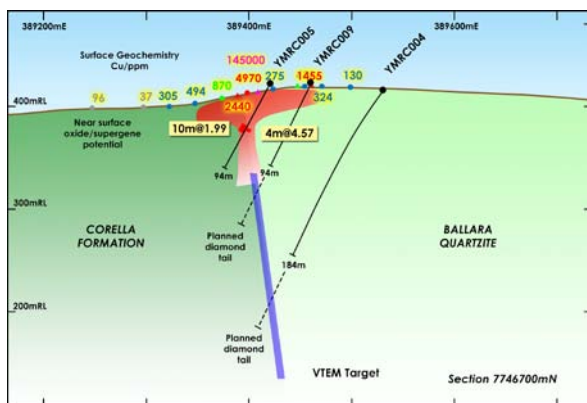


Figure 3

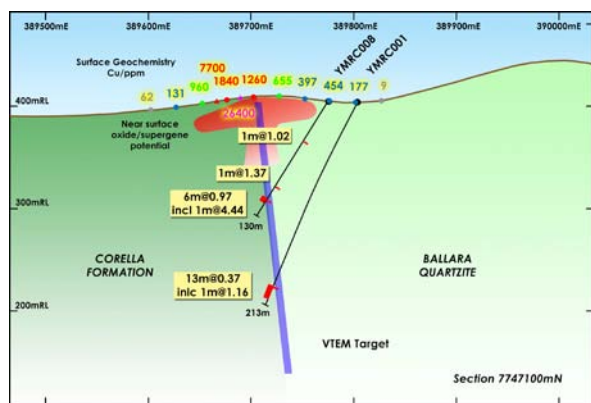


Figure 4

At the **Floodbird Prospect** results include:

- **YMRC002: 35m @ 0.33% Cu including 4m @ 1.27% Cu from 39 metres.**
- **YMRC011: 62m @ 0.24% Cu, including 1m @ 2.34% Cu from 144 metres.**

In contrast to the Yamamilla Prospect, the mineralised intersections at the Floodbird Prospect consist of disseminated sulphide (chalcopyrite) mineralisation that has apparent IOCG-style alteration assemblages. The relationship between the copper mineralisation, soil geochemistry and VTEM plate at Floodbird is illustrated in Figures 5 and 6.

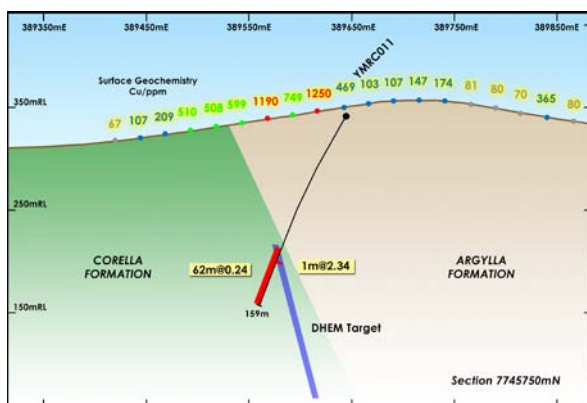


Figure 5

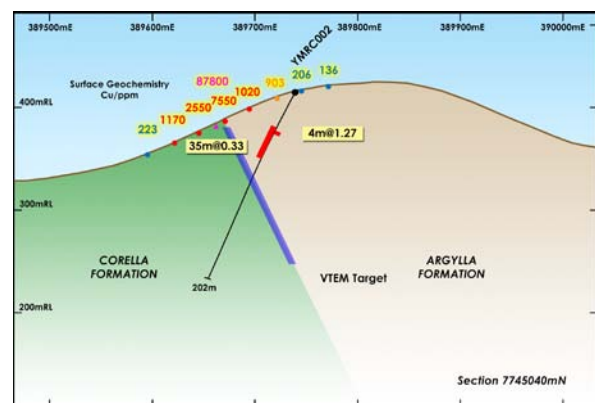


Figure 6

The position of the intersections in all six holes demonstrates that the VTEM and DHEM anomaly is caused by copper-gold sulphide mineralisation at the contact of the Argylla-Corella Formation at Floodbird and the contract of the Ballara-Corella Formation at Yamamilla. The relationship of the

drilling to the VTEM plates, soil anomalies and to historical workings is shown in long section in Figure 7.

The results of the initial drilling at the Yamamilla and Floodbird Prospects are very encouraging and enhance the potential of the area to host both a high-grade, vein-style copper deposit at Yamamilla and a potentially larger but generally lower grade IOCG-style deposit as illustrated in the Floodbird drilling.

The two prospects are defined by a 2.5km long copper-in-soil anomaly which is underlain by a series of EM plates.

Drilling has demonstrated two styles of copper mineralisation coincident with the modelled position of the EM plates. Importantly, the drilling has shown the high-grade copper mineralisation, which sits on the geological contact-EM plate position, can be traced down-dip to a depth of at least 150 metres.

The EM plate at the Yamamilla Prospect (7746700mN) can be modelled to extend to approximately 500 metres below surface opening the possibility that there is a significant down-dip continuity to higher-grade, vein-style copper mineralisation.

Down-hole EM surveys on drilling completed to date as well as further drilling in the northern and central sections of the trend is planned to further define the down-dip continuity of the high-grade copper mineralisation, with particular emphasis on diamond drilling to extend to depth holes that failed to reach their target depth with the RC rig.

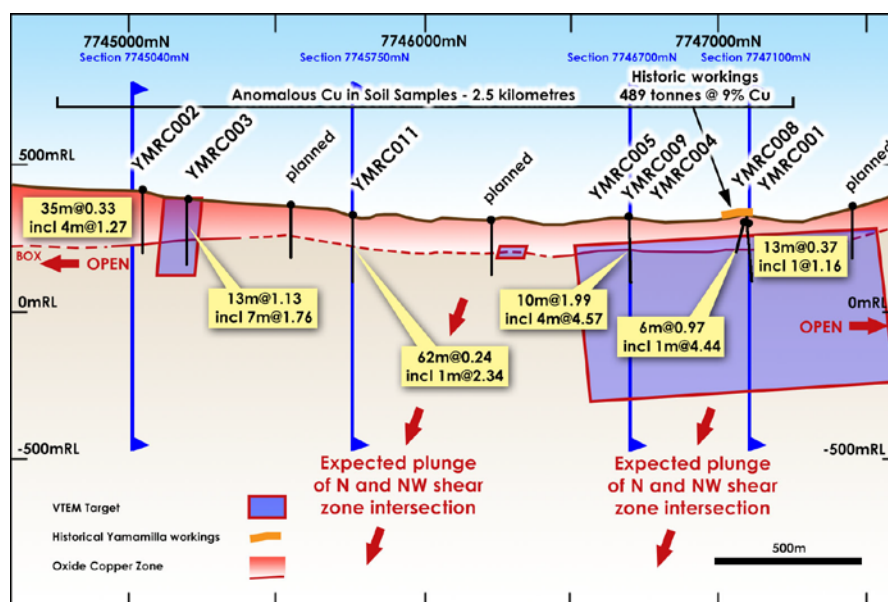


Figure 7

OTHER TARGETS

The drill hole location diagram (Figure 2) and VTEM anomalism diagram (Figure 1) illustrates a series of conductive bodies and copper-in-soil geochemical targets which were targeted with RC drill holes YMRC006 and YMRC007. These holes failed to intersect significant mineralisation and, accordingly, both prospects have been downgraded.

Syndicated's Managing Director, Mr Andrew Munckton, said the results from the maiden drilling at Yamamilla were very encouraging, indicating the presence of a potentially significant mineralised system extending over a strike length of at least 2.5km.

“Drilling has intersected both high-grade, vein-style and disseminated IOCG-style copper mineralisation, providing further evidence that the Yamamilla-Floodbird Project has potential to host significant copper mineralisation. This has reinforced the initial results reported last month and confirmed that Yamamilla represents a priority target within our North Queensland portfolio for follow-up exploration.”

ENDS

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Competent Person’s Statement

The information in this report that relates to Exploration Results and Mineral Resources 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 Competent Person as defined in the 2004 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 Results and Mineral Resources in the form and context in which they appear.

APPENDIX 1

| Hole ID | Easting | Northing | Dip | Azimuth | From (m) | To (m) | Intercept | Cu% | Au ppm |
|---------|---------|----------|-----|-------------------------------------|----------------------------------------|----------------------------------------|------------------------------|----------------------------------------------|--------------------------------------|
| NGRC005 | 379355 | 7742669 | -60 | 090 | | | | NSR | |
| YMRC001 | 389370 | 7747097 | -60 | 090 incl | 193 193 | 206 194 | 13 1 | 0.37 1.16 | |
| YMRC002 | 389740 | 7745041 | -60 | 090 incl | 39 42 112 131 | 74 46 134 133 | 35 4 22 2 | 0.33 1.27 0.24 0.57 | |
| YMRC003 | 389748 | 7745199 | -60 | 090 incl incl incl | 119 119 138 138 177 186 | 132 126 142 139 189 187 | 13 7 4 1 12 1 | 1.13 1.76 0.51 1.23 0.36 1.11 | 0.16 0.26 0.19 0.33 0.14 |
| YMRC004 | 389531 | 7746703 | -60 | 090 | DID NOT REACH TARGET | | | NSR | |
| YMRC005 | 389420 | 7746697 | -60 | 090 incl | 46 48 | 56 52 | 10 4 | 1.99 4.57 | |
| YMRC006 | 390276 | 7746353 | -60 | 090 | | | | NSR | |
| YMRC007 | 390757 | 7743899 | -60 | 090 | | | | NSR | |
| YMRC008 | 389342 | 7747081 | -60 | 090 incl incl incl | 41 42 93 95 110 111 | 56 43 96 96 116 112 | 15 1 3 1 6 1 | 0.37 1.02 0.61 1.37 0.97 4.44 | 0.10 |
| YMRC009 | 389461 | 7746711 | -60 | 090 | DID NOT REACH TARGET | | | NSR | |
| YMRC011 | 389647 | 7745756 | -60 | 090 incl | 69 144 157 | 70 206 158 | 1 62 1 | 2.47 0.24 2.34 | 0.15 0.19 |

Note: Intersections are reported at a 0.1% Cu cut-off grade. Higher grade vein-style intersections are reported above a 1.0% Cu cut off.

All assays are by acid digest/ICP.

Gold assays are by 30g fire assay.