

ASX ANNOUNCEMENT – 16 November 2012

NEW PHASE OF COPPER-GOLD DRILLING COMMENCES IN NORTH QUEENSLAND

SEVERAL EXCITING NEW TARGETS TO BE TESTED IN THE MT ISA REGION

Key Points

- **Diamond Drilling to commence this week at the Yamamilla Copper-Gold Project targeting dip and strike extensions of recently discovered copper mineralization (e.g. 4m @ 4.6% Cu, 10m @ 2.0% Cu), including a number of strong down-hole electromagnetic conductors**
- **A maiden drilling program to be undertaken at the exciting Dronfield Prospect, targeting a 5km long soil geochemical anomaly that is in part coincident with a well-defined surface electromagnetic conductor.**
- **Soil survey crews have commenced work at the highly prospective Kalman West Prospect with the aim of delineating new target zones for evaluation drilling in 2013.**

Syndicated Metals Limited (ASX: SMD – “Syndicated” or “the Company”) is pleased to announce the commencement of the next phase of exploration at its key Mt Isa Copper-Gold Projects in North Queensland (*Figure 1*). This work program is the first since the Company’s recent capital raising and reflects its confidence in the prospectivity of its projects.

The exploration program includes follow-up diamond drilling at the recently discovered Yamamilla Copper Prospect, where recent drilling returned excellent results including intersections of up to 4m @ 4.6% Cu and 10m @ 2% Cu (*see ASX Announcement – 19 October*), and an initial program of drilling at the Dronfield Prospect, where a 5km long soil geochemical anomaly will be targeted.

Exploration will consist of:

- A 4-6 hole diamond drilling program (300 metres) at the Yamamilla Prospect;
- A 6-10 hole Reverse Circulation (RC) drilling program (1,000 metres) at a number of prospects within the Dronfield tenements; and
- 40 line km of soil sampling at the Kalman West prospect.

The diamond drilling rig was mobilized to the Yamamilla Prospect on Thursday, 15th November 2012, with a Reverse Circulation (RC) rig expected to be mobilized to the Dronfield Prospect in approximately one week’s time.

Locations of drilling and soil geochemical programs are shown on Figures 2 and 3.

Results will be reported as they become available during the program.

Syndicated's Managing Director, Andrew Munckton, said the new phase of drilling and exploration was designed to follow up some of the Company's best exploration targets in the Mt Isa region.

"We were very pleased with the results from Yamamilla, where we believe we have the potential for a large-scale copper system extending over some 2.5km, and we have for some time had very high regard for the potential at Dronfield and Kalman West," Mr Munckton said.

"These programs – which should provide us with strong news flow leading up to Christmas and into next year – also show that we are putting our money where our mouth is, committing to a substantial exploration program hard on the heels of our recent capital raising."

ENDS

For further information:

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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.

Figure 1 – Syndicated Metals' Mount Isa Copper-Gold Projects, showing Northern and Southern Project Hubs

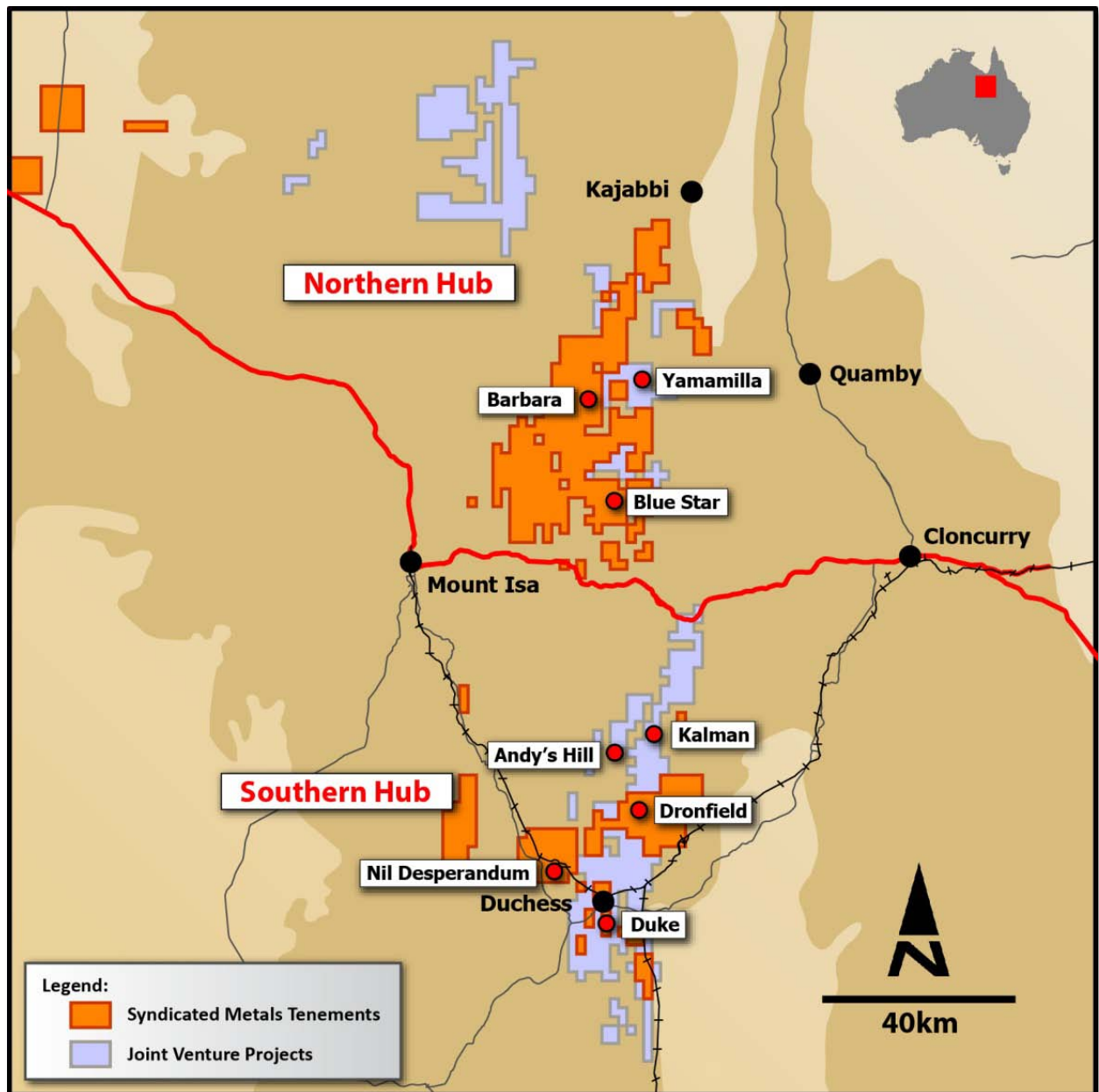


Figure 2 – Yamamilla Project showing priority drilling targets

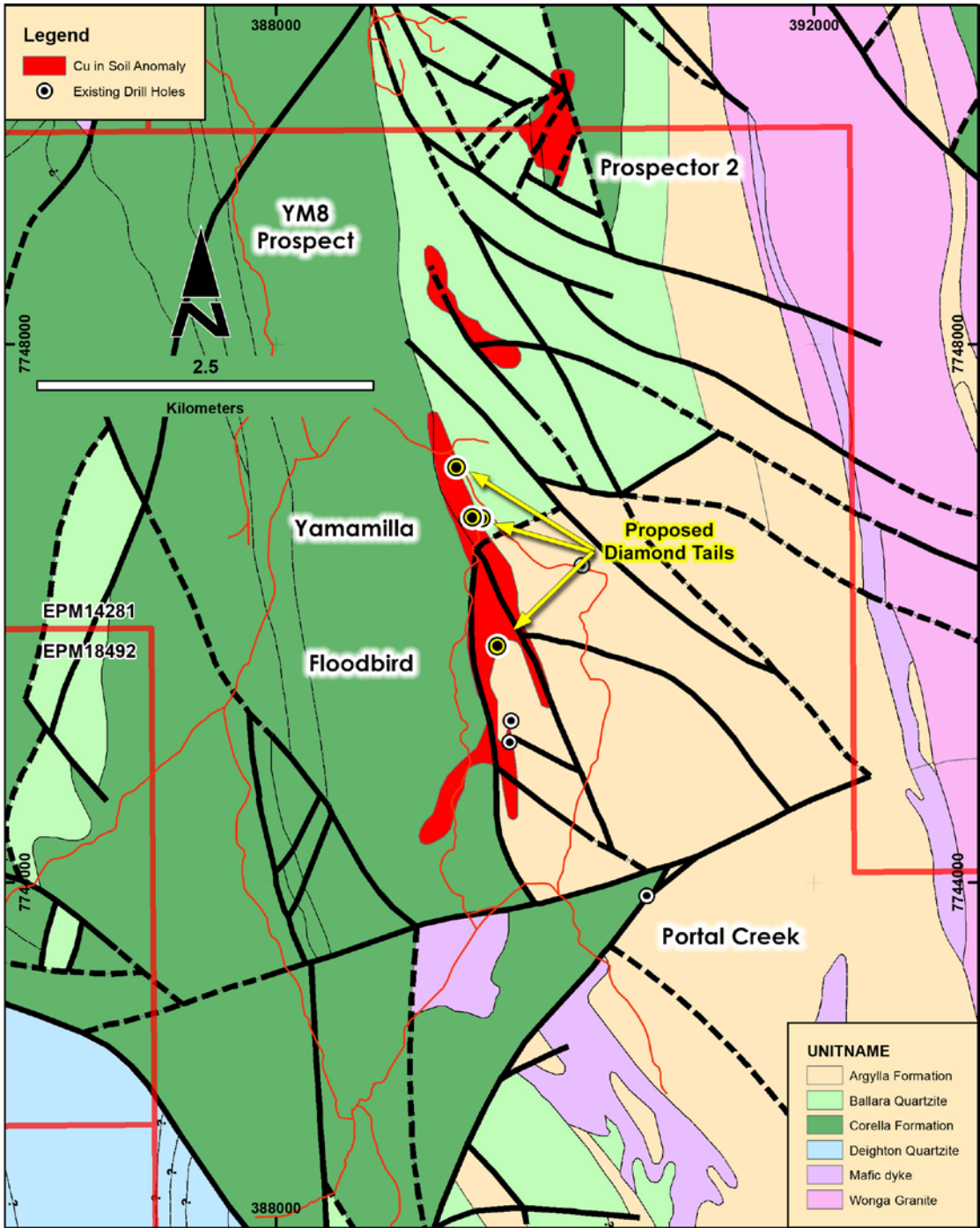


Figure 3 – Dronfield Project showing key drill targets

