

ASX ANNOUNCEMENT - 16 September 2013**SYNDICATED CONSOLIDATES NORTH QUEENSLAND PORTFOLIO*****RATIONALISATION OF SOUTHERN HUB TENEMENT OWNERSHIP REDUCES HOLDING COSTS AND SUPPORTS STRATEGIC FOCUS ON EXPLORATION AND DEVELOPMENT OF BARBARA CU-AU PROJECT*****Highlights**

- **Syndicated agrees to sell 49% interest in Pelican JV (EPM 13870) to a subsidiary of Santana Minerals, for \$100,000 cash.**
- **Syndicated retains a 2% NSR on future metal production from EPM 13870.**
- **Reduces Syndicated's expenditure commitments on non-core tenements and increases its focus on 100%-owned projects.**
- **Rationalisation is consistent with SMD's strategic focus on the 50/50 joint venture with Copperchem (see separate ASX announcement today) to explore and develop the flagship Barbara Copper-Gold Project.**

Syndicated Metals Limited (ASX: SMD) advises that it has agreed to sell its 49% interest in the Pelican Joint Venture (tenement EPM 13870), part of its Southern Project Hub in the Mt Isa-Cloncurry district of north-east Queensland, to a subsidiary of Santana Minerals Limited (ASX: SMI), for \$100,000 in cash. Syndicated retains the existing 2% Net Smelter Royalty (NSR) on all future metal production from EPM 13870 which will be owned 100% by Santana.

The sale of Syndicated's interest in EPM 13870 brings to an end the Company's involvement with the Pelican Joint Venture and all previous Joint Venture arrangements with Mt Dockerell. Through the NSR, Syndicated will retain exposure to future upside from a potential mine development on the tenement.

The Sale of EPM 13870 reduces Syndicated's future expenditure commitment within the Southern Hub tenure by approximately \$200,000 a year and reduces the landholding within the Southern Hub Project by 229km² to 472km².

The Southern Hub tenements are shown in Figure 1 attached, including the area subject to this agreement, the existing holding of the associated company Mt Dockerell and the area being retained 100% by Syndicated.

This continues the process of sensible rationalisation of Syndicated’s tenement holding in the Mt Isa-Cloncurry region and is consistent with its focus on the Northern Hub Project and specifically its recently announced Exploration and Development Joint Venture with Copperchem covering the Barbara Project. A separate announcement regarding this landmark agreement with Copperchem was released earlier today.

ENDS

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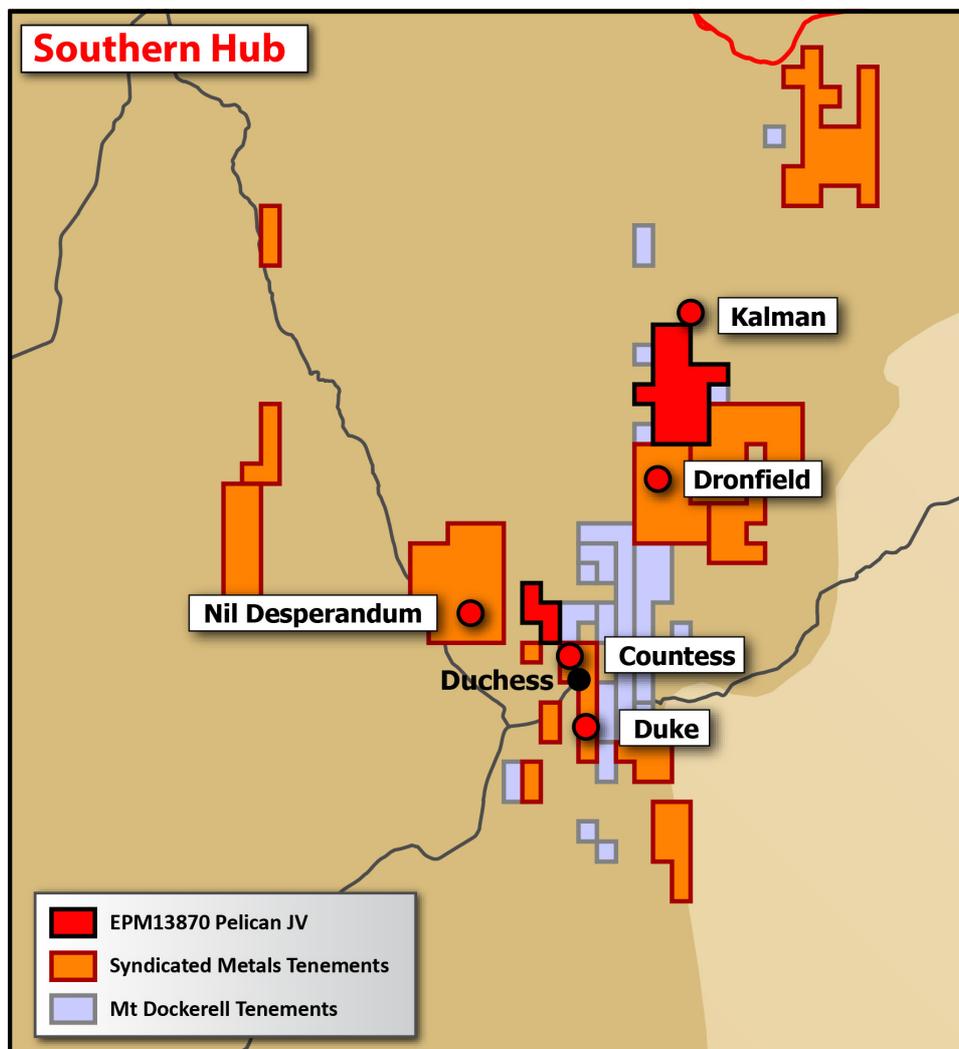


Figure 1 - Southern Hub tenements showing EPM 13870, the Mt Dockerell Tenements and Syndicated's 100%-owned ground.