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Manager Announcements  
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## **SYNDICATED ANNOUNCES 60% INCREASE IN CONTAINED COPPER AT BARBARA COPPER-GOLD DEPOSIT**

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### **HIGHLIGHTS**

- Indicated and Inferred Mineral Resource for **Barbara copper-gold deposit substantially increased to 5.33 million tonnes @ 1.4% Cu, 0.1g/t Au and 2.5g/t Ag (at 0.5% Cu cut-off);**
  - Contained metal **increased by 60%** from previous estimates **to 76,000 tonnes of copper, 25,000 ounces of gold and 430,000 ounces of silver;**
  - Indicated and Inferred Mineral Resource at a 1% Cu cut-off is estimated at **2.6 million tonnes at 2.1% Cu and 0.2g/t Au containing an estimated 56,000 tonnes of copper and 17,000 ounces of gold.**
  - Syndicated plans major drilling program for 2011 to follow up on exploration success at Green Zone and Blue Star in order to convert known mineralisation into further JORC resources;
  - Multiple additional targets, including Bloodwood, identified at Mount Remarkable to be drill tested in 2011 program;
  - Mount Remarkable emerging as an exciting new copper-gold mine development opportunity with excellent potential for new discoveries to support a long life operation;
  - Pit optimisation updates and preliminary scoping study work now underway;
  - Only a small percentage of Syndicated's total Mount Remarkable project area evaluated so far.
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**Syndicated Metals Limited (ASX:SMD) (“Syndicated”)** is pleased to announce completion of a substantial upgrade of the previous Mineral Resource estimates for its Barbara copper-gold deposit contained within the broader Mount Remarkable project area in the Mount Isa region of Northwest Queensland. (Refer to Table 1).

**Table 1: Barbara Deposit Mineral Resource Tabulation**

(Both tonnage and grade values have been rounded; therefore the table may contain rounding errors)

| Resources By Classification - Copper Zone - 0.5% Cu cut-off |                  |            |            |            |            |            |               |               |                |              |               |
|---|------------------|------------|------------|------------|------------|------------|---------------|---------------|----------------|--------------|---------------|
| Category  | Tonnes           | Cu %       | Au g/t     | Ag g/t     | Co ppm     | *Cueq%     | Cu t          | Au ozs        | Ag ozs         | Co t         | *CuEq t       |
| Indicated   | 3,778,000        | 1.6        | 0.2        | 2.7        | 265        | 1.8        | 59,000        | 18,000        | 328,000        | 1,000        | 68,000        |
| Inferred  | 1,552,000        | 1.1        | 0.1        | 2.0        | 272        | 1.3        | 17,000        | 6,000         | 102,000        | 400          | 20,000        |
| <b>Total</b>  | <b>5,331,000</b> | <b>1.4</b> | <b>0.1</b> | <b>2.5</b> | <b>267</b> | <b>1.7</b> | <b>76,000</b> | <b>25,000</b> | <b>430,000</b> | <b>1,400</b> | <b>89,000</b> |

| Resources By Classification - Copper Zone - 1% Cu cut-off |                  |            |            |            |            |            |               |               |                |            |               |
|---|------------------|------------|------------|------------|------------|------------|---------------|---------------|----------------|------------|---------------|
| Category  | Tonnes           | Cu %       | Au g/t     | Ag g/t     | Co ppm     | *Cueq%     | Cu t          | Au ozs        | Ag ozs         | Co t       | *CuEq t       |
| Indicated   | 1,913,000        | 2.4        | 0.2        | 4.1        | 366        | 2.7        | 45,000        | 14,000        | 249,000        | 700        | 52,000        |
| Inferred  | 686,000          | 1.5        | 0.2        | 2.9        | 297        | 1.8        | 10,000        | 4,000         | 64,000         | 200        | 12,000        |
| <b>Total</b>  | <b>2,598,000</b> | <b>2.1</b> | <b>0.2</b> | <b>3.7</b> | <b>348</b> | <b>2.5</b> | <b>56,000</b> | <b>17,000</b> | <b>312,000</b> | <b>900</b> | <b>64,000</b> |

**\* - 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 and cobalt. The copper metal equivalent calculation is based on a copper price of \$US8,340/t, gold price of \$US1,300/oz, silver price of \$US23.66/oz and a cobalt price of \$US21/lb. 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 at this stage of the projects development.

Syndicated’s Managing Director, Mr Russell Davis said the Barbara deposit was now clearly shaping up as an exciting new mine development opportunity.

“The substantial resource upgrade achieved through our 2010 drilling program has demonstrated the potential of the Barbara deposits with a number of similar targets including recent discoveries at Green Zone and Blue Star slated for further drilling early in 2011 to add to our resource inventory,” he said.

“We intend to continue to rapidly define additional open pittable sulphide copper-gold mineralisation at Mount Remarkable during 2011 as well as pursuing our extensive regional exploration program to ensure continuity of our pipeline of drilling targets. At the same time we will commence scoping study work which will help us to better evaluate the development options for Barbara.”

**About the Barbara Copper Deposit**

The Barbara deposit is located approximately 50 kilometres northeast of Mount Isa and is easily accessible via the main Barkly Highway and the Lake Julius Road. The deposit occurs within a shear zone termed the Barbara Fault. Gossanous outcrops occur along the fault over a one kilometre strike extent. Mineralisation dips towards the southeast at between 60 and 70 degrees and within this envelope a number of shoots are developed which plunge steeply to the southwest.

The copper sulphide mineralisation at Barbara starts close to surface and is up to 45 metres in thickness and consists of massive sulphide through to stringer veins within an alteration zone of biotite, tourmaline

and quartz. The weathering profile is relatively shallow with depths averaging around 15 metres. Approximately 2% of the resource has been classified as either oxide or transitional material.

Preliminary metallurgical studies have indicated that the sulphide copper mineralisation at Barbara is amenable to conventional flotation and extraction processes with acceptable recovery of copper to concentrate and concentrate grade being achieved.

The near surface copper mineralisation could be amenable to shallow, low-cost open pit mining with the higher grade material below the limits of an open pit potentially recoverable by underground mining methods.

### **Barbara Mineral Resource Estimate**

International mining consulting group Runge Limited was contracted to provide the upgraded resource estimate for the Barbara South and North Deposits. As part of the estimation process Runge independently audited the site data collection procedures, data base management, geological interpretation, quality assurance (and control) methodologies and laboratory procedures.

Deposit modelling was guided by the natural features of the mineralisation. The overall deposit envelope is defined by an outer copper grade of 0.5 percent. This boundary was used to define a low grade domain. A second modelling domain was created based on the massive and semi-massive hanging wall mineralisation. This zone is reported as a “high grade domain”.

Modelling was conducted using ordinary kriging with a check model run in parallel using the inverse distance squared method.

The upgraded resource is reported at cut-offs of 0.5% and 1% by JORC category (Table 1) and by tenement - EPM 15564 (100% Syndicated) and EPM 16112 (51% Syndicated / 49% Mount Isa Metals Limited). (Refer to Table 2.)

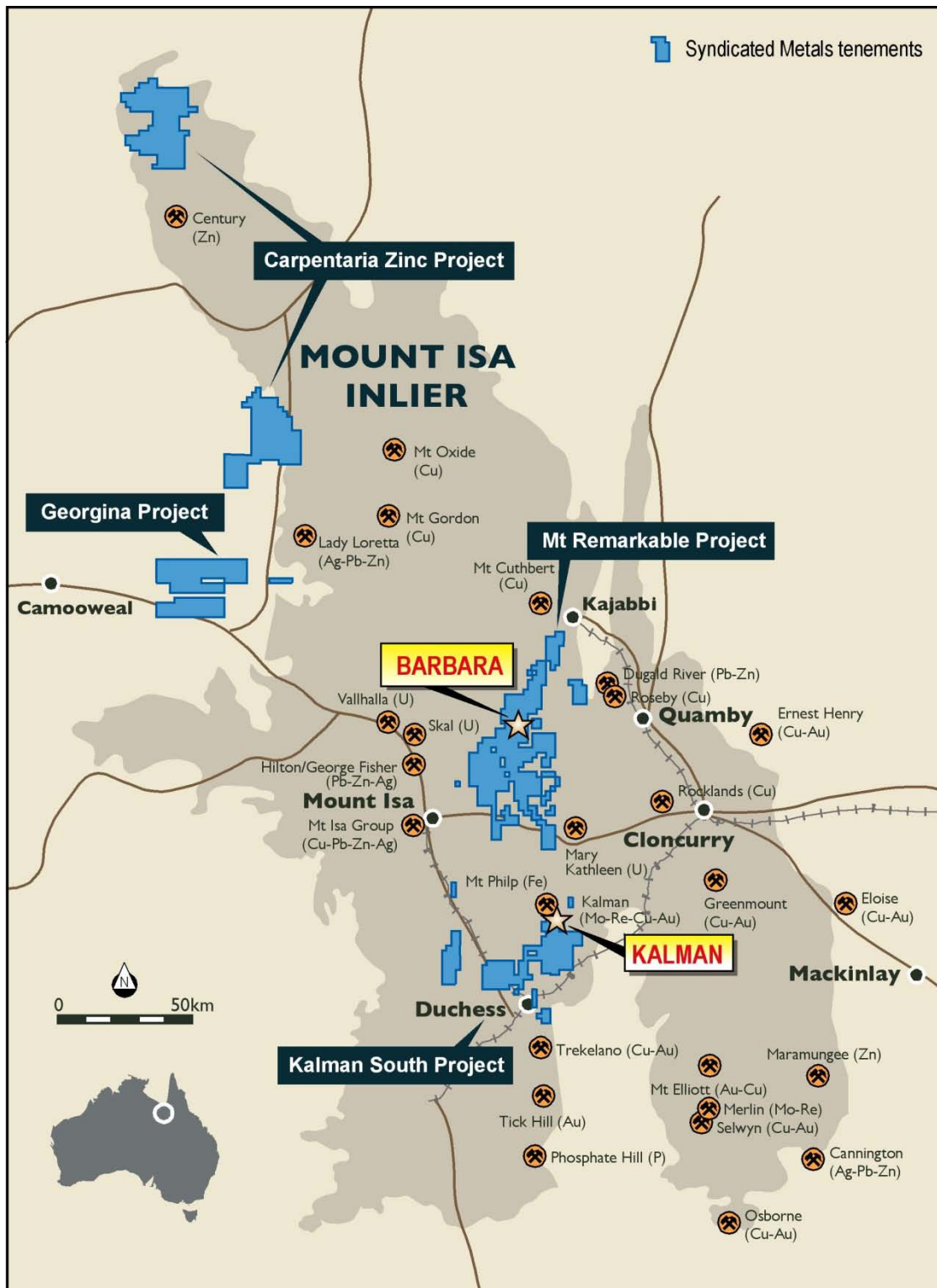
**Table 2: Barbara Deposit Mineral Resource Tabulation – Based on Tenement**

(Both tonnage and grade values have been rounded; therefore the table may contain rounding errors)

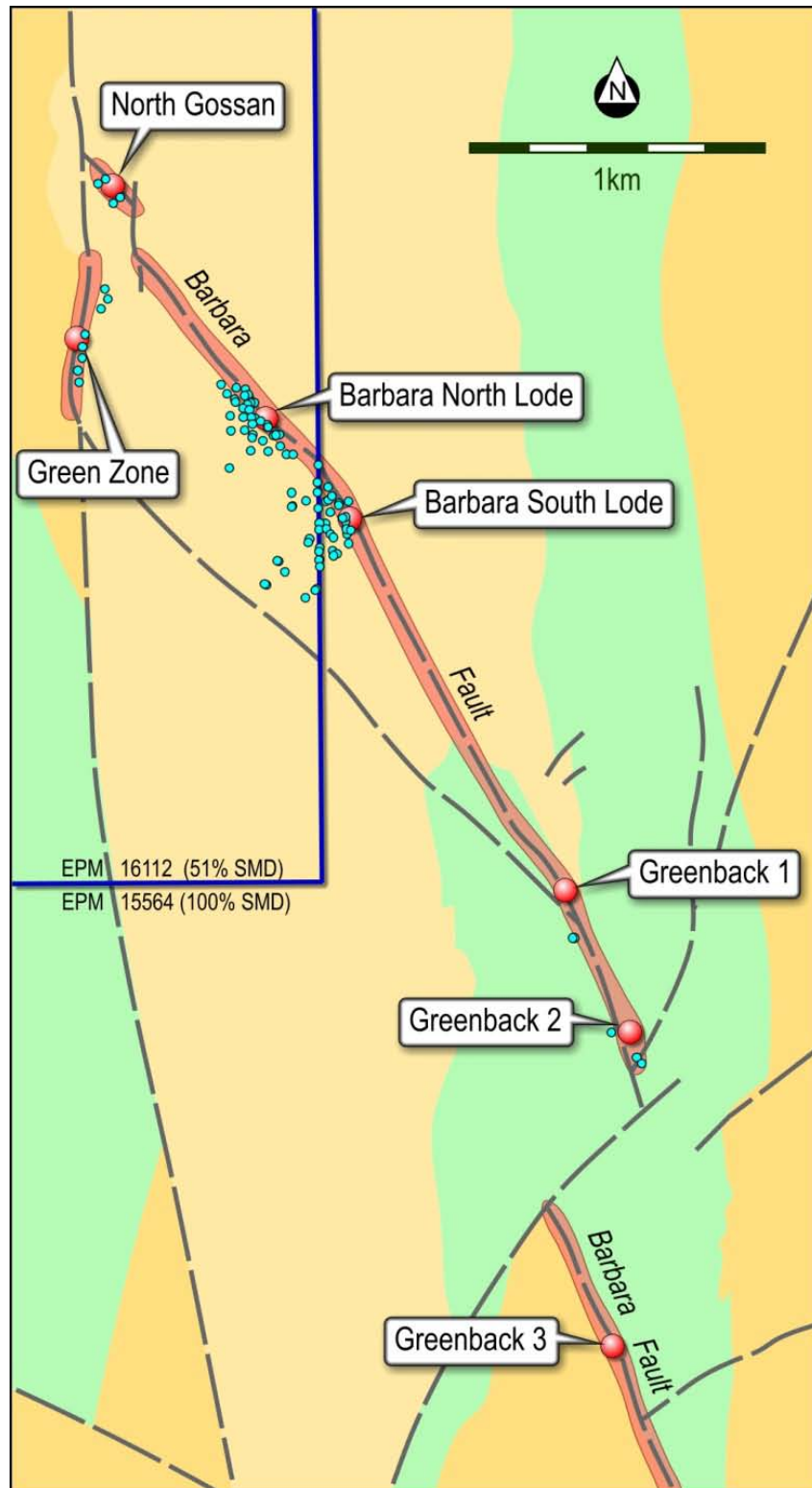
| Resources by Tenement - Copper Zone - 0.5% Cu cut-off |                 |                  |            |            |            |            |            |               |               |                |              |               |
|---|-----------------|------------------|------------|------------|------------|------------|------------|---------------|---------------|----------------|--------------|---------------|
| Tenement  | Category        | Tonnes           | Cu %       | Au g/t     | Ag g/t     | Co ppm     | *CuEq%     | Cu t          | Au ozs        | Ag ozs         | Co t         | *CuEq t       |
| EPM15564  | Indicated       | 2,977,000        | 1.6        | 0.2        | 2.7        | 270        | 1.8        |               |               |                |              |               |
|   | Inferred        | 362,000          | 1.3        | 0.1        | 2.4        | 296        | 1.5        |               |               |                |              |               |
|   | <b>EPM15564</b> | <b>3,339,000</b> | <b>1.6</b> | <b>0.2</b> | <b>2.7</b> | <b>272</b> | <b>1.8</b> | <b>52,000</b> | <b>16,000</b> | <b>286,000</b> | <b>900</b>   | <b>61,000</b> |
| EPM16112  | Indicated       | 801,000          | 1.4        | 0.1        | 2.7        | 247        | 1.7        |               |               |                |              |               |
|   | Inferred        | 1,191,000        | 1.0        | 0.1        | 1.9        | 265        | 1.2        |               |               |                |              |               |
|   | <b>EPM16112</b> | <b>1,992,000</b> | <b>1.2</b> | <b>0.1</b> | <b>2.2</b> | <b>258</b> | <b>1.4</b> | <b>24,000</b> | <b>8,000</b>  | <b>143,000</b> | <b>500</b>   | <b>28,000</b> |
|   | <b>Total</b>    | <b>5,331,000</b> | <b>1.4</b> | <b>0.1</b> | <b>2.5</b> | <b>267</b> | <b>1.7</b> | <b>76,000</b> | <b>25,000</b> | <b>430,000</b> | <b>1,400</b> | <b>89,000</b> |

| Resources by Tenement - Copper Zone - 1% Cu cut-off |                 |                  |            |            |            |            |            |               |               |                |            |               |
|---|-----------------|------------------|------------|------------|------------|------------|------------|---------------|---------------|----------------|------------|---------------|
| Tenement  | Category        | Tonnes           | Cu %       | Au g/t     | Ag g/t     | Co ppm     | *CuEq%     | Cu t          | Au ozs        | Ag ozs         | Co t       | *CuEq t       |
| EPM15564  | Indicated       | 1,524,000        | 2.4        | 0.2        | 4.1        | 382        | 2.8        |               |               |                |            |               |
|   | Inferred        | 181,000          | 1.8        | 0.1        | 3.6        | 348        | 2.1        |               |               |                |            |               |
|   | <b>EPM15564</b> | <b>1,705,000</b> | <b>2.3</b> | <b>0.2</b> | <b>4.0</b> | <b>379</b> | <b>2.7</b> | <b>40,000</b> | <b>12,000</b> | <b>221,000</b> | <b>600</b> | <b>46,000</b> |
| EPM16112  | Indicated       | 388,000          | 2.2        | 0.2        | 3.9        | 300        | 2.5        |               |               |                |            |               |
|   | Inferred        | 505,000          | 1.4        | 0.2        | 2.6        | 279        | 1.7        |               |               |                |            |               |
|   | <b>EPM16112</b> | <b>893,000</b>   | <b>1.8</b> | <b>0.2</b> | <b>3.2</b> | <b>288</b> | <b>2.0</b> | <b>16,000</b> | <b>5,000</b>  | <b>92,000</b>  | <b>300</b> | <b>18,000</b> |
|   | <b>Total</b>    | <b>2,598,000</b> | <b>2.1</b> | <b>0.2</b> | <b>3.7</b> | <b>348</b> | <b>2.5</b> | <b>56,000</b> | <b>17,000</b> | <b>312,000</b> | <b>900</b> | <b>64,000</b> |

(\*See Table 1 comments)

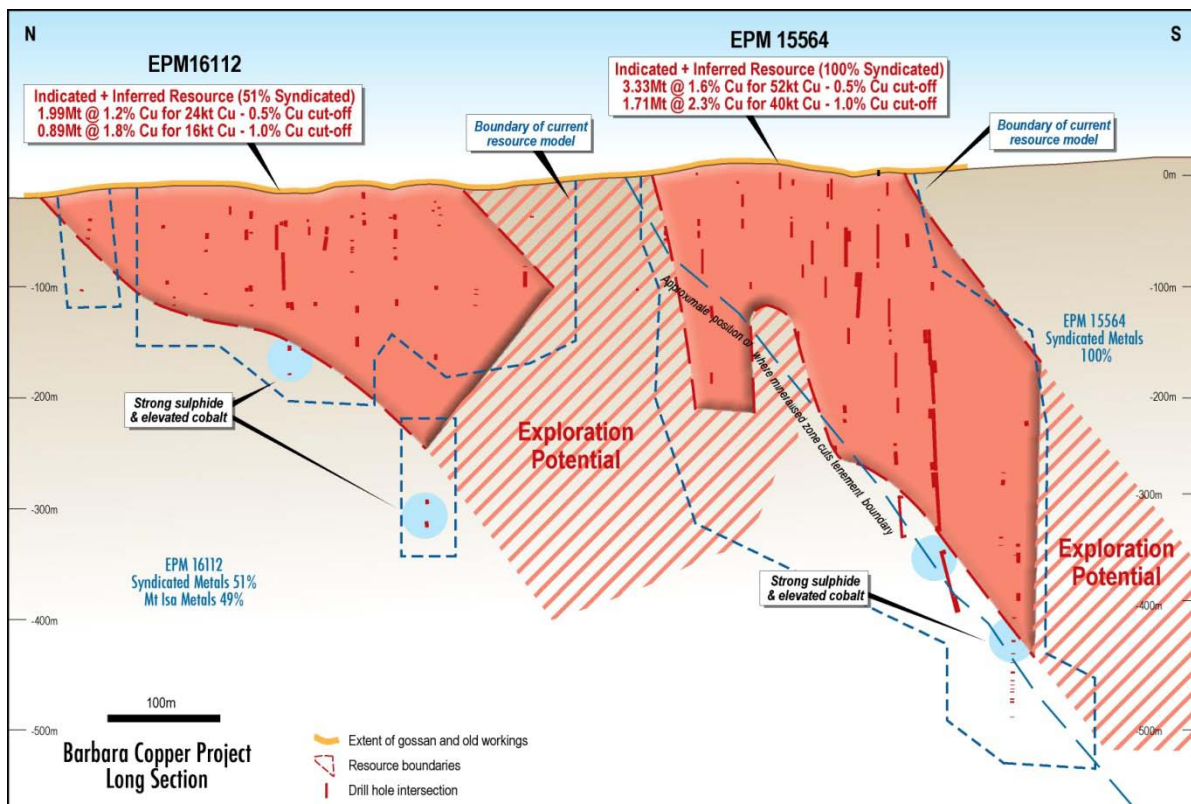


**Figure 1: Location Plan**

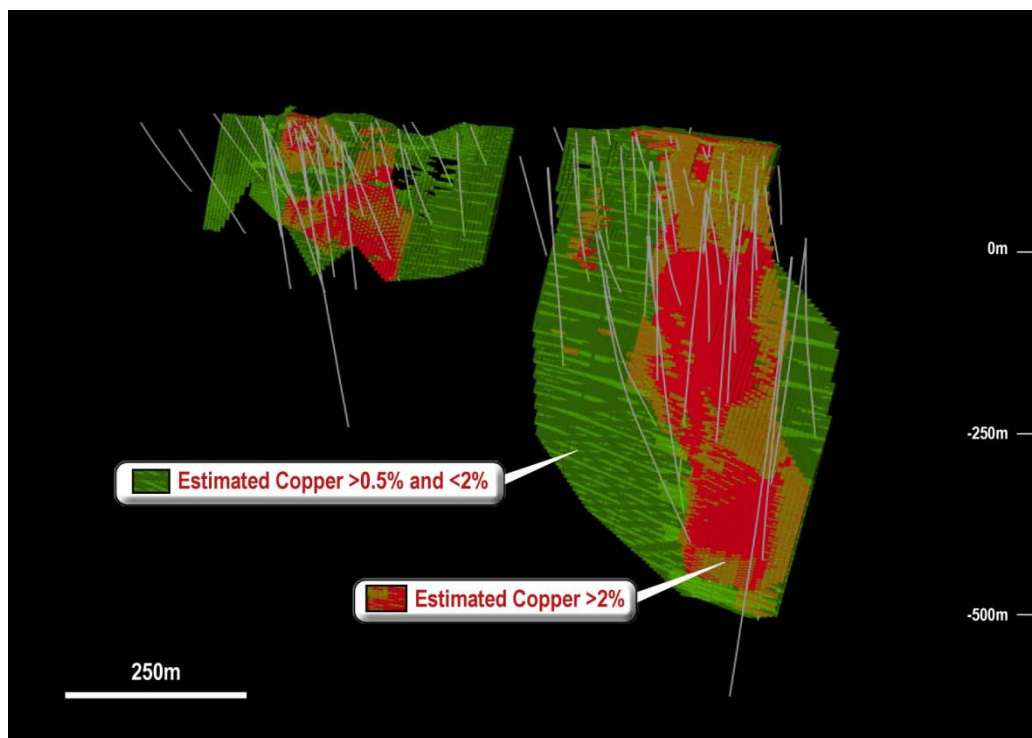


**Figure 2: Barbara Project Plan**





**Figure 3: Barbara Long Section**



**Figure 4: Barbara Resource Block Model**

## **COMPANY BACKGROUND**

Syndicated is focused on the discovery and development of base metal deposits, principally in the mineral-rich Mount Isa region in Northwest Queensland.

Syndicated listed on the ASX in December 2007 and has since generated a significant metal resource inventory in the Mount Isa region comprising its interests in the Barbara (copper-gold) and Kalman South (molybdenum-rhenium-copper-gold) deposits.

The Mount Remarkable Project (including the Barbara copper deposit) comprises a group of mostly contiguous tenements covering over 1100 square kilometres. The project tenements are located about 60 kilometres northeast of Mount Isa within close proximity to existing infrastructure and are considered prospective for copper-gold and sediment hosted lead-zinc-silver style mineralisation. Historical uranium prospects are also present within the tenements.

Syndicated holds an interest in EPM13870 forming part of the Kalman molybdenum-copper-gold-rhenium deposit, where Syndicated is free carried to completion of a final feasibility study. An updated resource estimate was announced in September 2008 for the Kalman South project and scoping study work on the entire Kalman deposit is currently being undertaken by the joint venture partner.

In addition Syndicated has a 100% interest in the Exmouth project in Western Australia which is considered prospective for silver, base metals and uranium as well as phosphate.

Korea Zinc Company Ltd, through its Australian subsidiaries holds a 14.9% interest in Syndicated.

For further information on the Company view our website at [www.syndicatedmetals.com.au](http://www.syndicatedmetals.com.au) or contact:

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## **COMPETENT PERSONS' STATEMENTS**

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Russell Davis and Mr Mark Whittle who are Members of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who have 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 and Mr Whittle are full-time employees of Syndicated Metals Limited and consent to the inclusion in the report of the Exploration Results and Mineral Resources in the form and context in which they appear.

The data quoted in this release that relates to the Mineral Resources for the Barbara group of deposits is based on information evaluated by Mr Robert Williams who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience which is 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 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Williams is a full time employee of Runge Consultants and consents to the inclusion in the release of the Mineral Resource statements in the form and context in which they appear.