

14 December 2015

[insert Ineligible Shareholder name]  
[insert Ineligible Shareholder address]

Dear Shareholder

**NON-RENOUCEABLE ENTITLEMENT OFFER**

We write to you as a holder of Syndicated Metals Limited (ACN 115 768 986) (**Company**) fully paid ordinary shares (**Shares**) as at today's date with a registered address outside of Australia and New Zealand (**Excluded Foreign Holders**).

On 7 December 2015, the Company announced that it would be conducting a non-renounceable entitlement offer of up to approximately 66,707,350 Shares on the basis of one (1) Share for every six (6) Shares held at 5.00pm (WST) on 17 December 2015 (**Record Date**) at an issue price of 0.5 cents per Share and 33,353,675 unlisted options each to acquire one (1) Share having an exercise price of 1.2 cents and expiring on 8 February 2018 (**Options**) on the basis of one (1) free attaching Option for every two (2) Shares subscribed for (**Entitlement**) to raise approximately \$333,537 (before expenses) (**Entitlement Offer**).

The Entitlement Offer is not underwritten. Shareholders who subscribe for their Entitlement in full will have the ability to apply to participate in the shortfall, if any, by subscribing for additional Shares and Options, on the terms set out in the Prospectus.

The Entitlement Offer will be made to all registered shareholders on the Record Date and who reside in Australia and New Zealand.

The Entitlement Offer is made pursuant to a prospectus lodged with the Australian Securities and Investments Commission on 10 December 2015 (**Prospectus**) and released to the Australian Securities Exchange (**ASX**) on the same date. A copy of the Prospectus is available on the Company's website at [www.syndicatedmetals.com.au](http://www.syndicatedmetals.com.au) or on the ASX website (company announcements section, ASX code: SMD) at [www.asx.com.au](http://www.asx.com.au).

The Company has determined, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules, that it is unreasonable to extend the Entitlement Offer to those shareholders that are Excluded Foreign Holders. The Company has taken into consideration the size of the shareholdings held by the Excluded Foreign Holders and the costs of complying with the legal requirements and the requirements of the regulatory authorities relating to Excluded Foreign Holders. Accordingly, the Company is unable to extend to you the opportunity to participate in the Entitlement Offer.

Thank you for your ongoing support of the Company. Should you have any queries please contact the Company on +61 8 9380 9440.

Yours faithfully  
**SYNDICATED METALS LIMITED**



Paul Bridson  
Company Secretary