

Syndicated Metals Limited

ABN 61 115 768 986

Notice of Annual General Meeting

Notice is hereby given that the 2015 Annual General Meeting of Syndicated Metals Limited ABN 61 115 768 986 (**Company**) will be held at 10am (Perth time) on Thursday 26 November 2015 at The Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia.

The enclosed Explanatory Memorandum accompanies and forms part of this Notice of Annual General Meeting.

Please note terms used in this Notice of Annual General Meeting have the same meaning as set out in the Glossary of the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

AGENDA

Financial Reports

To receive and consider the financial statements of the Company for the year ended 30 June 2015, together with the Directors Report and the Auditor's Report as set out in the Annual Report.

1. Resolution 1 – Non Binding Resolution to adopt Remuneration Report

To consider and, if thought fit, pass the following resolution as a **non-binding resolution**:

"That the Remuneration Report as set out in the Annual Report for the year ended 30 June 2015 be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

The Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution or the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- (b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

If you are purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

2. Resolution 2 – Election of Director – Robert Cooper

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Mr Cooper, who ceases to hold office in accordance with clause 13.5 of the Constitution and, being eligible for election, be elected as a Director."

3. Resolution 3 – Re-election of Director – David Morgan

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Mr Morgan, who retires in accordance with clause 13.2 of the Constitution and, being eligible for re-election, be re-elected as a Director."

4. Resolution 4 – Approval of Issue of Securities Under Performance Rights Plan

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.2, Exception 9 and for all other purposes, Shareholders approve any issue of securities under the Performance Rights Plan, a summary of the rules of which are set out in the Explanatory Memorandum, as an exception to Listing Rule 7.1."

The Company will disregard any votes cast on Resolution 4 by a director of the Company and any person who is an Associate of those persons (except one who is ineligible to participate in any employee incentive scheme of the Company). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. Resolution 5 – Additional 10% Placement Capacity

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, for the purposes of Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of Equity Securities up to 10% of the Company's issued capital (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Memorandum."

The Company will disregard any votes cast on Resolution 5 by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed, and any Associate of those persons. However, the Company need not disregard a vote if the vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or the vote is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

By Order of the Board

Paul Bridson
Company Secretary
1 October 2015

NOTES

These notes form part of the Notice of Annual General Meeting and should be read in conjunction with the accompanying Explanatory Memorandum. Capitalised words and phrases used in this Notice of Annual General Meeting are defined in the Glossary contained in the accompanying Explanatory Memorandum.

How to vote

Shareholders can vote by either:

- Attending the Meeting and voting in person or by attorney or, in the case of corporate shareholders, by appointing a corporate representative to attend and vote; or
- Appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice of Annual General Meeting and by submitting their proxy appointment and voting instructions in person, by post or by facsimile.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and attendance recorded. A properly executed original (or certified copy) of the power of attorney under which an attorney has been authorised to attend and vote at the Meeting must be lodged with the Company's share registry before 10am (Perth time) on 24 November 2015 (48 hours before the commencement of the Meeting). If facsimile transmission is used, the power of attorney must be certified.

Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed unless previously given to the Company's Share Registry.

Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (ie. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may vote, or abstain from voting, as they think fit.
- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.

- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, the Chairman of the meeting will act in the place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the meeting, the secretary or any Director, that do not contain a direction how to vote will be used where possible to support each of the resolutions proposed in this Notice.
- To be effective, proxies must be received by 10am (Perth time) on 24 November 2015. Proxies received after this time will be invalid.
- Proxies may be lodged using any of the following methods:

By Post:

Computershare Investor Services Pty Limited
 GPO Box 242,
 Melbourne, Victoria 3001,
 Australia

By Fax:

(within Australia) 1800 783 447
 (outside Australia) +61 3 9473 2555

Electronically:

Submit proxy voting instructions online at www.investorvote.com.au
 Please refer to the enclosed Proxy Form for more information about submitting proxy voting instructions online.

For intermediary online subscribers only (custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 763 574
 (outside Australia) +61 3 9415 4862

The proxy form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the power of attorney, or the power itself, must be received at the above address, or by facsimile, and by 10am (Perth time) on 24 November 2015. If facsimile transmission is used, the power of attorney must be certified.

Shareholders who are entitled to vote

In accordance with regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the Register of Shareholders as at 4pm (Perth time) 24 November 2015.

SYNDICATED METALS LIMITED

ABN 61 115 768 986

EXPLANATORY MEMORANDUM

INTRODUCTION

This Explanatory Memorandum has been prepared for the information of the shareholders of Syndicated Metals Limited (**Company**), in connection with the business to be conducted at the Annual General Meeting of the Company to be held on Thursday 26 November 2015 at 10am (Perth time) at The Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia 6008.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Shareholders are specifically referred to the Glossary in this Explanatory Memorandum which contains definitions of capitalised terms used in the Notice of Annual General Meeting and this Explanatory Memorandum.

FINANCIAL REPORTS

The first item of the Notice deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2015 together with the Directors' declaration and report in relation to that financial year and the auditor's report on those financial statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the independent audit report;
- the accounting policies adopted by the Company in relation to the preparation of the accounts;
and
- the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

In accordance with section 250R(2) of the Corporations Act the Company is required to present to its shareholders the Remuneration Report as disclosed in the Company's 2015 Annual Report. The Remuneration Report is set out in the Company's 2015 Annual Report and is also available on the Company's website (www.syndicatedmetals.com.au).

The vote on this Resolution is advisory only and does not bind the Directors or the Company.

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at an AGM, and then again at the following AGM (**Following AGM**), the Company will be required to put a resolution to the Following AGM, to approve calling a general meeting (**Spill Resolution**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene a general meeting (**Spill Meeting**) within 90 days of the Following AGM. All of the Directors who were in office when the Directors' Report (as included in the Company's annual financial report for the financial year ended immediately before the Following AGM) was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

The Remuneration Report for the year ended 30 June 2014 did not receive a vote of more than 25% against its adoption at the Company's last annual general meeting held on 8 October 2014. Accordingly, if at least 25% of the votes cast on Resolution 1 are against adoption of the Remuneration Report, it will not result in the Company putting a Spill Resolution to Shareholders. However, a Spill Resolution will be required if the Remuneration Report at the 2016 Annual General Meeting receives a vote of more than 25% against its adoption.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and sets out the details of any equity based compensation.

The Chair of the Meeting will give Shareholders a reasonable opportunity to ask questions about, or make comments on the Remuneration Report.

Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Annual General Meeting. In particular, the directors and other Restricted Voters may not vote on this Resolution and may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair will use any such proxies to vote in favour of the Resolution.

Shareholders are urged to carefully read the proxy form and provide a direction to the proxy on how to vote on this Resolution.

2. RESOLUTION 2 – ELECTION OF ROBERT COOPER AS A DIRECTOR

In September 2013, the Company formed a strategic alliance with CopperChem Limited (**CopperChem**) to develop the Company's Barbara Copper Gold Project located in Queensland (**Barbara Project**).

The Company and CopperChem entered into the following agreements:

- (a) a placement agreement pursuant to which CopperChem agreed to subscribe for 26,100,000 Shares (**Placement Shares**) in the Company at an issue price of \$0.02 per Share (**Placement**)(**Placement Agreement**); and
- (b) a development joint venture agreement pursuant to which the parties agreed to form a joint venture to develop the Barbara Project.

Under the Placement Agreement, following completion of the Placement and for so long as CopperChem and any of its related bodies corporate hold in aggregate not less than 15% of the Shares on issue, CopperChem is entitled to appoint nominee director(s) to the Board as follows:

- (a) a nominee to the Board (**Nominee Director**) where the Board is comprised of 4 or less Directors (including the Nominee Director);
- (b) an additional Nominee Director where the Board is expanded to between 5 and 9 Directors (including the Nominee Director and the additional Nominee Director); and
- (c) an additional Nominee Director where the Board is expanded to between 9 and 12 Directors (including all of the Nominee Directors).

The Placement was completed in September 2013 and CopperChem exercised their right to appoint a Nominee Director on the Board. The initial Nominee, Mr Brendan James resigned from his position with CopperChem in April 2015 and was replaced by Mr Robert Cooper. Subsequently Mr Cooper has replaced Mr James as the CopperChem Nominee on the Syndicated Metals Board.

Clause 13.5 of the Company's Constitution provides that the Directors may at any time appoint a person to be a Director (but not as an alternate Director), either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed holds office only until the next following AGM and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting. Accordingly, Resolution 2 seeks Shareholder approval for the election of Mr Cooper. A brief profile of Mr Cooper is set out below.

Mr Cooper is a mining engineer with more than 23 years' industry experience, having held leadership roles across a diverse range of metalliferous commodities, both in Australia and overseas. He has a broad foundation of operating and technical experience in both underground and open pit operations. His career has been defined by a very strong health and safety improvement focus combined with a track record in delivering successful volume and cost outcomes through improvements in operational efficiency. Mr Cooper has previously held leadership positions with BHP Billiton as General Manager of Leinster Nickel Operations within Nickel West, Project Manager of a BHP Billiton-wide organisation design project, and as Asset President of Ekati Diamonds in Canada. He more recently held positions with Discovery Metals as General Manager Operations in Botswana and as General Manager Development in their Brisbane office.

Mr Cooper is currently the CEO of CopperChem Limited and also Exco Resources Limited both of which are 100% owned subsidiaries of the WH Soul Pattinson Group of companies. As a result of these positions and CopperChem's 30.89% shareholding in the Company, Mr Cooper is considered to be a non-independent director.

The members of the Board (other than Mr Cooper) support the election of Mr Cooper as a director of the Company.

3. RESOLUTION 3 – RE-ELECTION OF DAVID MORGAN AS A DIRECTOR

Clause 13.2 of the Constitution provides that at each AGM of the Company, 1/3 of the Directors (other than alternate Directors and the Managing Director) for the time being, or, if their number is not a multiple of 3, then such number as is appropriate to ensure that no Director other than alternate Directors and the Managing Director holds office for more than 3 years, shall retire from office. The Directors to retire are those who have been in office the longest since their last election. A retiring Director is eligible for re-election.

Pursuant to clause 13.2 of the Constitution, David Morgan, being a Director, retires by rotation and, being eligible, offers himself for re-election as a Director.

Mr Morgan was appointed as Operations Director of the Company in March 2012. On 1 September 2013 Mr Morgan stepped down to perform a Non-Executive Director role due to operational requirements of the Company. He is a mining engineer and mechanical engineer with a 33 year career in the mining industry in Australia and Africa. He has previously held a number of executive development and mine operations roles involving project engineering, maintenance and contract earthmoving for companies such as Rio Tinto Limited, Macmahon Holdings Limited and WMC Resources Limited. He was General Manager Operations for Equigold NL in Queensland where he was responsible for the building, commissioning and management of the Mt Rawdon Gold Mine. Most recently he was General Manager Mining and Metallurgy for Sundance Resources Limited's Mbalam Iron Ore Project in Cameroon where he oversaw the completion of a PFS on a \$3.3 billion Direct Shipping Ore and Itabirite project for that company, including the delivery of 10 years of JORC compliant high grade ore reserves and the establishment of project metallurgical and processing parameters.

As a result of Mr Morgan's previous executive role with the Company within the last three year period, Mr Morgan is considered to be a non-independent director.

The members of the Board (other than Mr Morgan) support the re-election of Mr Morgan as a director of the Company.

4. RESOLUTION 4 – APPROVAL OF ISSUE OF SECURITIES UNDER PERFORMANCE RIGHTS PLAN

In 2012 the Directors considered it desirable to establish an employee incentive scheme pursuant to which employees and Directors may be offered the opportunity to be granted performance rights in order to increase the range of potential incentives available to them and to strengthen links between the Company and its employees and directors. Accordingly, the Directors adopted a performance rights plan (**Old Plan**). The Old Plan was consistent with ASIC Class Order 03/184 (**CO 03/184**) which provides relief from certain provisions of the Corporations Act relating to disclosure, on-sale, licensing and Hawking. The Old Plan was approved by shareholders at a General Meeting of shareholders held on 24 May 2012.

The structure of employee incentive schemes has changed over the years, and CO 03/184 was not covering the new employee incentive schemes that companies wanted to put in place. In addition, in recent years, there has been increasing confusion as to the operation of CO 03/184, in particular who can participate in an employee incentive scheme and what financial products can be offered.

As a result, in October 2014, ASIC issued a new ASIC Class Order 14/1000 (**CO 14/1000**) to replace the old CO 03/184. In light of this, the Directors have resolved to adopt a new performance rights plan (**Performance Rights Plan**) that is consistent with CO 14/1000.

The Performance Rights Plan is designed to provide incentives to the employees and Directors of the Company and to recognise their contribution to the Company's success. Under the Company's current circumstances, the Directors consider that the issue of performance rights to employees and Directors are a cost effective and efficient means for the Company to provide incentive to employees and directors as opposed to alternative forms of incentives such as cash bonuses or increased remuneration.

Performance Rights are rights to acquire Shares subject to satisfaction of specified vesting conditions (**Vesting Conditions**) and payment of the exercise price (if any) in a specified vesting period (**Vesting Period**).

Listing Rule 7.1 broadly provides that a company may issue Equity Securities (such as shares, options or performance rights) up to 15% of its issued capital in any 12 month period without shareholder approval. Listing Rule 7.2 exception 9(b) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme that has been approved by the holders of ordinary securities within 3 years of the date of issue.

Resolution 4 seeks Shareholder approval for the issue of securities under the Performance Rights Plan pursuant to Listing Rule 7.2 exception 9(b). The effect of this is that if Shareholder approval is obtained, the issue of securities under the Performance Rights Plan will be issued as an exception to Listing Rule 7.1. This preserves the Company's ability to issue securities under Listing Rule 7.1 for other purposes, such as capital raising. Prior Shareholder approval will be required before any Director or related party of the Company can participate in the Performance Rights Plan.

In accordance with the requirements of Listing Rule 7.2 exception 9(b), the following information is provided:

- (a) a summary of the Performance Rights Plan is provided below;
- (b) the Performance Rights Plan has not previously been approved by Shareholders. However, as noted above, the Company had in place the Old Plan, which was approved by Shareholders at the Company's annual general meeting held on 8 October 2014. A total of 5,923,704 Performance Rights have been issued under the Old Plan as follows;

Number of Performance Rights	Vesting Conditions	Vesting Period
2,452,473	When the Company's VWAP for 10 trading days exceeds \$0.06675	4 years ending on 21 October 2018
3,471,231	When the Company's VWAP for 10 trading days exceeds \$0.11125	4 years ending on 21 October 2018

- (c) a voting exclusion statement has been included for the purposes of Resolution 4.

Summary of the Performance Rights Plan

- (a) **Eligibility:** The Board may, in its absolute discretion, offer Performance Rights to any of the following persons:
 - (i) a full time or part time employee (including an executive director) or non-executive director of the Company or an associated body corporate (being a body corporate that is a related body corporate of the body, a body corporate that has voting power in the body of not less than 20% or a body corporate in which the body has voting power of not less than 20%) (**Group Company**);
 - (ii) an individual who is or might reasonably be expected to be engaged to work the number of hours that are the pro rata equivalent of 40% or more of a comparable full time position with a Group Company; or
 - (iii) an individual or company with whom a Group Company has entered into a contract for the provision of services under which the individual or a director or their spouse performs work for a Group Company.

A person who the Board invites to participate in the Performance Rights Plan are called "**Eligible Employees**". The Board may permit Performance Rights to be offered to another party nominated by an Eligible Employee (for example, the Eligible Employee's (a) immediate family member; (b) a corporate trustee of a self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*) where the Eligible Employee is a director of the trustee; or (c) a company whose members are no-one other than the Eligible Employee or their immediate family members) (**Nominated Party**).

A "**Participant**" is an Eligible Employee or Nominated Party to whom Performance Rights have been granted.

- (b) Offer: The Board may invite Eligible Employees to participate in the plan by providing a written offer document (**Offer**). The Offer must contain (among other things) the maximum number of Performance Rights that may be applied for, the issue price (if any), the relevant Vesting Conditions and Vesting Period, the dates which the Performance Rights may be exercised (subject to the terms of the Offer and the plan).
- (c) Limits on grant: where an offer is made under the Performance Rights Plan in reliance on CO 14/1000 (or any amendment or replacement of it) the Board must, at the time of making the offer, have reasonable grounds to believe that the total number of Shares which would be issued if the Performance Rights the subject of the offer vested, will not exceed 5% of the total number of Shares on issue when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under the Performance Rights Plan or any other employee incentive scheme covered by the CO 14/1000 or an ASIC exempt arrangement of a similar kind to an employee incentive scheme.

This limit is in accordance with CO 14/1000.

- (d) Transferability: Performance Rights may not be assigned or transferred except by force of law on the death of the Participant or with the approval of the Board.
- (e) Vesting: Performance Rights will vest when the relevant Vesting Conditions are satisfied, waived by the Board or are deemed to have been satisfied under the Performance Rights Plan. The Vesting Conditions are determined prior to the grant of Performance Rights.
- (f) Exercise: A Participant will be entitled to exercise a Performance Right if:
 - (i) any Vesting Conditions have been satisfied or waived; and
 - (ii) it is otherwise capable of exercise in accordance with the terms of the relevant offer and the Performance Rights Plan rules.

A vested Performance Right may be exercised by a Participant at any time until the date 3 years after the Performance Right first becomes exercisable unless another period is specified in the Offer or determined under the plan. Upon exercise of Performance Rights, the Company must issue the underlying Shares within 15 business days.

- (g) Lapse of Performance Right: Unless otherwise specified in the Vesting Conditions or determined otherwise by the Board, a Performance Right lapses on the earlier of:
 - (i) the Board determining that any Vesting Condition attaching to the Performance Right has not been satisfied or is not capable of being satisfied;
 - (ii) the day after the last day the Performance Right may be exercised; and
 - (iii) the Performance Right lapsing under the cessation of employment, change of control or breach, fraud or misconduct provisions of the Performance Rights Plan.
- (h) Cessation of employment: Subject to the ultimate discretion of the Board, if a Participant ceases to be employed due to:
 - (i) resignation, dismissal for cause or poor performance or another circumstance determined by the Board, any Performance Rights held by the Participant shall lapse; and

- (ii) disability, mental illness, redundancy or death, or another reason other than that stated in (i), any unvested Performance Rights held by the Participant shall lapse, but any vested Performance Rights shall continue to be able to be exercised in accordance with its terms.
- (i) Ranking of Shares: Shares issued upon exercise of the Performance Right will rank pari passu in all respects with existing Shares.
- (j) Adjustment of Performance Rights: If, prior to the vesting of a Performance Right, there is a reorganisation of the issued share capital of the Company (including a consolidation, sub-division or reduction of capital or return of capital to shareholders), the number of Shares the subject of the Performance Rights will be adjusted in a manner required by the ASX Listing Rules.
- (k) Breach, fraud or dishonesty: If in the opinion of the Board a Participant acts fraudulently or dishonestly or is in material breach of his or her obligations to the Company or any of its subsidiaries, then the Board may determine that all the Participant's Performance Rights lapse.
- (l) Change of control events: if a Change of Control Event (as defined in the plan, which includes a takeover for the Company which is (or is declared) unconditional, a court approved scheme of arrangement, a merger resulting in the current Shareholders being entitled to 50% or less of the shares of the merged entity, a Group Company agreeing to sell a majority of its business or assets or a determination of the Board that control of the Company has or is likely to change), the Board may in its sole and absolute discretion determine how unvested Performance Rights will be treated, including determine that some or all of the Performance Rights vest or reducing or waiving Vesting Conditions.
- (m) Amendments to terms of exercise of the Performance Rights Plan: the Board may vary the terms of exercise of Performance Rights, and may reduce or waive Vesting Conditions. However, no variation to the terms of exercise of a Performance Right will be made without the consent of the Participant if it would have a material prejudicial effect on them, unless introduced primarily to comply with the law or plan, to correct manifest error or to enable regulatory compliance. The Board may amend the terms of the plan, provided that rights or entitlements granted before the amendment shall not be reduced or adversely affected without the prior written approval of the affected Participant.

5. RESOLUTION 5 – ADDITIONAL 10% PLACEMENT CAPACITY

Background

Listing Rule 7.1A enables eligible entities to seek shareholder approval at an AGM to issue Equity Securities of up to 10% of their issued share capital through placements over the 12 month period following the AGM (**10% Placement Capacity**). The 10% Placement Capacity is in addition to a company's 15% placement capacity under Listing Rule 7.1. A resolution seeking approval for the 10% Placement Capacity must be a **special resolution** of shareholders passed by at least 75% of the votes cast by shareholders entitled to vote.

To be eligible for the 10% Placement Capacity, a company must, at the time of their AGM:

- have a market capitalisation of \$300 million or less; and
- not be included in the S&P/ASX 300 Index.

The Company is eligible to seek Shareholder approval for the 10% Placement Capacity. Resolution 5 seeks a special resolution of Shareholders to approve the issue of Equity Securities under the 10% Placement Capacity over the 12 months following the AGM. The approval of the 10% Placement Capacity provides greater flexibility for the Board to conduct capital raisings through placements in the 12 month period following the Meeting.

Capital markets have recently been in a state of fluctuation and the Directors acknowledge that they may need to act quickly to raise funds when favourable markets emerge. The Company's failure to raise capital, if and when needed, could delay or suspend the Company's business strategy and could have a materially adverse effect on the Company's activities.

It is anticipated that funds raised from the 10% Placement Capacity would be applied towards exploration works associated with the Barbara Copper Project, exploration programs over the Company's Queensland copper-gold projects, general working capital and administrative expenses and the expenses of the offer.

Listing Rule 7.1A

The effect of Resolution 5 will be to permit the Company to issue the Equity Securities under Listing Rule 7.1A during the Additional Placement Period (as defined below) without using the Company's 15% placement capacity under Listing Rule 7.1.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice, the Company has quoted Shares on issue.

Based on the number of shares on issue at the date of this Notice, the Company will have 374,244,100 Shares on issue, and therefore, subject to Shareholder approval being obtained under Resolution 5, 37,424,410 Equity Securities will be permitted to be issued in accordance with Listing Rule 7.1A.

The capacity to issue Equity Securities under the 10% Placement Capacity is in addition to the Company's capacity to issue Equity Securities under Listing Rule 7.1. The number of Equity Securities which the Company may issue or agree to issue under the 10% Placement Capacity is calculated in accordance with the formula set out in Listing Rule 7.1A.2 which is set out below:

$$(A \times D) - E$$

where,

A is the number of shares on issue 12 months before the date of issue or agreement:

- plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid shares that became fully paid in the 12 months;
- plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- less the number of fully paid shares cancelled in the 12 months,

("Variable A").

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rules 7.1 or 7.4.

Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the 10% Placement Capacity is a moving calculation and will be based on the formula set out in Listing Rule 7.1A at the time of issue of the Equity Securities. Shareholders will be kept fully informed of any issue of Equity Securities under the 10% Placement Capacity as the Company will disclose to the market at the time of issue the specific information required by Listing Rule 3.10.5A (such as details of dilution of existing Shareholders) in addition to information required by Listing Rule 7.1A.4, Appendix 3B and any other applicable listing rules. The table further below demonstrates various examples as to the number of Equity Securities that may be issued under the 10% Placement Capacity.

For the reasons set out above, the Directors of the Company unanimously recommend that Shareholders vote to approve Resolution 5.

Additional Information

The following information in relation to the 10% Placement Capacity is provided to Shareholders for the purposes of Listing Rule 7.3A:

- (a) The Equity Securities will be issued at a price not less than 75% of the volume weighted average price of the relevant Equity Securities on the ASX on the 15 Trading Days immediately before:
 - i. the date on which the price at which the Equity Securities are to be issued is agreed; or
 - ii. the issue date if the Equity Securities are not issued within 5 Trading Days of the date on which the issue price is agreed.

- (b) If Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, Shareholders who do not participate (either because they are not invited to participate or because they elect not to participate) in any such placement of Equity Securities will have their existing interest and voting power in the Company diluted. This means that each Share will represent a lower proportion of the ownership and voting power in the Company. In addition, Shareholders should note that there is a risk that:
 - i. the market price for Equity Securities may be significantly lower on the issue date of the Equity Securities under the 10% Placement Capacity than on the date of the Meeting;
 - ii. the Equity Securities issued under the 10% Placement Capacity may be issued at a price that is at a discount to the market price for those Equity Securities on the issue date; and
 - iii. the Equity Securities issued under the 10% Placement Capacity may be issued for non-cash consideration,which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders from the issue of the maximum number of Shares under the 10% Placement Capacity using different variables for the number of ordinary securities for Variable A and the market price of Shares. The table shows:

- (i) examples of where Variable A is 374,244,100 Shares (which is the value of Variable A as at the date of this Notice), and where Variable A has increased by 50% and 100%;

- (ii) examples of where the issue price of Shares is the current market price as at close of trade on 1 October 2015 (**current market price**) and where the issue price is halved and where it is doubled; and
- (iii) the dilution effect will always be 10% if the maximum number of Equity Securities that may be issued under the 10% Placement Capacity are issued.

Variable A	Number of Shares issued and funds raised under the Additional 10% Placement Capacity and dilution effect	Dilution		
		\$0.0115 Issue Price at half the current market price	\$0.023 Issue Price at current market price	\$0.046 Issue Price at double the current market price
Current Variable A 374,244,100 Shares	Shares issued	37,424,410	37,424,410	37,424,410
	Funds raised	\$430,380	\$860,761	\$1,721,522
	Dilution effect	10%	10%	10%
50% increase in current Variable A 561,366,150 Shares	Shares issued	56,136,615	56,136,615	56,136,615
	Funds raised	\$645,571	\$1,291,142	\$2,582,284
	Dilution effect	10%	10%	10%
100% increase in current Variable A 748,488,200 Shares	Shares issued	74,848,820	74,848,820	74,848,820
	Funds raised	\$860,761	\$1,721,522	\$3,443,045
	Dilution effect	10%	10%	10%

Note this table assumes:

- (i) No other Shares are issued before the date of the issue of the Equity Securities (including any Shares which may be issued under Resolution 5). If further Shares are issued and Shareholders do not participate in the issue, their ownership and voting power in the Company will be further diluted;
 - (ii) No Options or Performance Rights are exercised before the date of the issue of the Equity Securities;
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
 - (iv) The issue of Equity Securities under the Additional 10% Placement Capacity consists only of Shares.
- (c) Approval of the 10% Placement Capacity will be valid during the period (**Additional Placement Period**) from the date of the Meeting and will expire on the earlier of:
- (i) the date that is 12 months after the date of the Meeting; and
 - (ii) the date of the approval of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking);

- (d) The Company may issue Equity Securities under the 10% Placement Capacity for cash consideration or non-cash consideration (such as assets or investments). If the Company issues Equity Securities for cash consideration, the Company intends to use funds raised for exploration works associated with the Barbara Copper Project, exploration programs over the Company's Queensland copper-gold projects, general working capital and administrative expenses and the expenses of the offer. If the Company issues Equity Securities for non-cash consideration, it will release to the market a valuation of the non-cash consideration prepared by an independent expert, or by the directors if they determine that they have appropriate expertise to carry out such a valuation. The Company will comply with the disclosure obligations under Listing Rules 7.1A.3 and 3.10.A upon issue of any Equity Securities.
- (e) The identity of the persons to whom Shares will be issued is not yet known and will be determined on a case-by-case basis. As at the date of this Notice, no decision has been made by the Directors in respect of determining the identity of the persons to whom Shares will be issued under the 10% Placement Capacity, save that they will not include related parties (or their Associates) of the Company.

The Company's allocation policy will be significantly influenced by the market conditions at the time of any proposed issue of Equity Securities as well as the Company's situation. The Directors may have regard to factors including but not limited to the following:

- i. what methods of raising funds are available to the Company, including other capital-raising alternatives;
 - ii. the financial situation and solvency of the Company, including the reasons for raising the funds;
 - iii. the effect on control or the acquisition of a substantial interest;
 - iv. market factors leading up to the issue and those reasonably likely to occur during the issue;
 - v. advice from financial advisers;
 - vi. the structure of the issue including the size, price, discount to market and timing; and
 - vii. the Shareholder register, including the spread and the representation of institutional, sophisticated and retail investors, as well as other considerations such as the geographical representation of Shareholders.
- (f) The Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2014 Annual General Meeting. In the 12 months preceding the date of the Meeting, the Company has issued 99,798,427 Equity Securities, which represents 36% of the total number of Equity Securities on issue at the commencement of that 12 month period. Set out in the Schedule is information in relation to each issue of Equity Securities in the 12 months preceding the date of the Meeting.
- (g) A voting exclusion applies to Resolution 5 in accordance with the statement set out in the Notice of Annual General Meeting. The Company has not approached, and has not yet determined to approach, any particular existing security holders or an identifiable class of existing security holders to participate in an offer under the 10% Placement Capacity, and therefore no Shareholder will be excluded from voting on Resolution 5.

GLOSSARY

10% Placement Capacity has the meaning set out on page 13.

Additional Placement Period has the meaning set out on page 16.

AGM means annual general meeting.

Annual Report means the annual report of the Company for the year ended 30 June 2015.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the designated body for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Board means the board of Directors of the Company.

Child Entity has the same meaning given to it in the Listing Rules.

Closely Related Party has the meaning given in the Corporations Act.

Company means Syndicated Metals Limited ABN 61 115 768 986.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Equity Securities has the meaning given to it in the Listing Rules.

Explanatory Memorandum means this explanatory memorandum.

Glossary means the Glossary set out in the Explanatory Memorandum.

Key Management Personnel has the meaning given in the accounting standards.

Listing Rules means the Listing Rules of the ASX.

Meeting means the annual general meeting the subject of the Notice.

Notice means the notice of annual general meeting which accompanies this Explanatory Memorandum.

Option means an option to acquire a Share.

Performance Right means a conditional right to acquire a Share.

Performance Rights Plan has the meaning set out on page 10.

Resolution means a resolution proposed pursuant to the Notice.

Restricted Voter means the Key Management Personnel and their Closely Related Parties as at the date of the Meeting.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means the holder of Shares.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

VWAP means in relation to a particular period, the volume weighted average price of trading in Shares on ASX over that period.

SCHEDULE

EQUITY SECURITIES ISSUED BY THE COMPANY DURING THE 12 MONTHS PRECEDING THE ANNUAL GENERAL MEETING

Date	Type of Equity Securities	Number issued	Summary of Terms	Allottees	Issue Price and discount to market price (if any)	Consideration
20/04/2015	Fully paid ordinary Shares	99,798,427	Entitlement Offer	All shareholders as at record date were eligible to participate	<p>\$0.02.</p> <p>The issue price represented a 19.08% discount to the 10 day VWAP on the date of announcement of the entitlement offer, and a 0% discount to the market price on the date of issue.</p>	<p>\$1,995,969</p> <p>As at the date of this Notice, approximately \$1.32 million of the funds raised has been spent on exploration activities in relation to the Barbara Copper-Gold Project, exploration activities over the Company's 100% owned Queensland copper-gold projects, general working capital and administrative expenses and the expenses of the offer. The Company intends to spend the balance of funds raised on exploration activities and general working capital and administrative expenses.</p>

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 763 574
(outside Australia) +61 3 9415 4862

┌ 000001 000 SMD
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

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Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 10:00am (Perth time) Tuesday, 24 November 2015**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Syndicated Metals Limited hereby appoint

the Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Syndicated Metals Limited to be held at The Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia on Thursday, 26 November 2015 at 10:00am (Perth time) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 4 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 4 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Non Binding Resolution to adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Election of Director – Robert Cooper	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-election of Director – David Morgan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Approval of Issue of Securities Under Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /

SMD

999999A

Computershare +