

Syndicated Metals Limited

ABN 61 115 768 986

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Syndicated Metals Limited ABN 61 115 768 986 ("**Company**") will be held on Thursday 25 November 2010 at 10.30 am (Perth time) at the Vic Hotel, 226 Hay Street, Subiaco, Western Australia.

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

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

AGENDA

Financial Report for the Year Ended 30 June 2010

To receive and consider the financial statements of the Company for the year ended 30 June 2010, together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

Resolution 1 – Adoption of Remuneration Report

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

"That the Remuneration Report as set out in the Annual Report for the year ended 30 June 2010 be adopted."

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

Resolution 2 – Re-election of Director – Bruce McCullagh

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

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

Resolution 3 – Election of Director – Ki Deok Park

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

“That, Mr Ki Deok Park, a Director appointed by the Board since the date of the last Annual General Meeting, who ceases to hold office in accordance with clause 13.5 of the Constitution and, being eligible, offers himself for election, be elected a Director of the Company.”

Resolution 4 – Election of Director – Martin Pyle

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

“That, Mr Martin Pyle, a Director appointed by the Board since the date of the last Annual General Meeting, who ceases to hold office in accordance with clause 13.5 of the Constitution and, being eligible, offers himself for election, be elected a Director of the Company.”

Resolution 5 – Ratification of issue of 600,000 Options

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

“That for the purpose of Listing Rule 7.4 and for all other purposes, the Company ratify the issue of 600,000 Options (each having an exercise price of 25 cents and an expiry date of 30 November 2014) to employees of the Company on the terms and conditions as set out in the Explanatory Memorandum.”

The Company will disregard any votes cast on Resolution 5 by any person who participated in the issue the subject of Resolution 5 and any person associated with 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.

Resolution 6 – Proposed issue of Shares to ASARCO Exploration Company Inc

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

“That, for the purpose of Listing Rule 7.1 and for all other purposes, the Company approves the allotment and issue of up to 476,891 Shares for no consideration to ASARCO Exploration Company Inc on the terms and conditions set out in the Explanatory Memorandum.”

The Company will disregard any votes cast on Resolution 6 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 person associated with 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.

Resolution 7 – Proposed issue of Shares to Altona Mining Limited

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

“That, for the purpose of Listing Rule 7.1 and for all other purposes, the Company approves the allotment and issue of up to 1,500,000 Shares for no consideration to Altona Mining Limited on the terms and conditions set out in the Explanatory Memorandum.”

The Company will disregard any votes cast on Resolution 7 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 person associated with 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



B R McCullagh
Director and Company Secretary
20 October 2010

NOTES

These notes form part of the Notice of Annual General Meeting. The Notice of Annual General Meeting 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, by person, in 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. Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the meeting.

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 (i.e. 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 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 lodged by 10.30 am (Perth time) on 23 November 2010. Proxies lodged after this time will be invalid.

- Proxies may be lodged using any of the following methods:
 - by returning a completed proxy form in person to Level 1, 68 Hay Street, Subiaco WA 6008; or
 - by post to GPO Box 2810, Perth WA 6000; or
 - by faxing a completed proxy form to (08) 9380 9449.

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 by the Company at the above address, or by facsimile, and by 10.30 am (Perth time) on 23 November 2010. 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 Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 5 pm (Perth time) on 23 November 2010.

PROXY FORM
SYNDICATED METALS LIMITED
ABN 61 115 768 986

The Company Secretary
Syndicated Metals Limited
Level 1, 68 Hay Street
SUBIACO WA 6008

Appointment of Proxy

I/We.....

of.....

being a shareholder /shareholders of Syndicated Metals Limited hereby appoint



The Chairman of the
Meeting
(mark with an "X")

OR

Write here the name/s of the person you are
appointing if this person is someone other than the
Chairman of the Meeting.

Write here the name of the person you are appointing as a
second proxy (if any).

or failing him/her (if no proxy is specified above), the Chairman of the meeting, as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting to be held at 10:30 am (Perth time) at the Vic Hotel, 226 Hay Street, Subiaco, Western Australia, on 25 November 2010 and at any adjournment of that meeting.

This proxy is to be used in respect of _____% of the ordinary shares I/we hold.

The Chairman intends to vote 100% of all open proxies in favour of each resolution.

RESOLUTION	For	Against	Abstain *
1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Director – Bruce McCullagh	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Election of Director – Ki Deok Park	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Election of Director – Martin Pyle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Ratification of issue of 600,000 Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Proposed Issue of Shares to ASARCO Exploration Company Inc	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Proposed Issue of Shares to Altona Mining Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Executed in accordance with section 127 of the Corporations Act:

Individual or Shareholder 1

Sole Director & Sole Company Secretary

Joint Shareholder 2

Director

Joint Shareholder 3

Director/ Company Secretary

Dated this _____ day of _____ 2010

Contact Name

Contact Business Telephone / Mobile

INSTRUCTIONS FOR COMPLETING PROXY FORM

1. Completion of a proxy form will not prevent individual Shareholders from attending the Annual General Meeting in person if they wish. Where a Shareholder completes and lodges a valid proxy form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Annual General Meeting.
2. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes.
3. A proxy need not be a Shareholder of the Company.
4. If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.
5. 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.
6. If a representative of a company shareholder is to attend the Meeting, a properly executed original (or certified copy) of the appropriate "Certificate of Appointment of Corporate Representative" should be produced for admission to the Meeting.
7. If a representative as Power of Attorney of a Shareholder is to attend the meeting, a properly executed original (or originally certified copy) of an appropriate Power of Attorney should be produced for admission to the Annual General Meeting.

8. **Signing Instructions**

You must sign this form as follows in the spaces provided:

- | | |
|---------------------------|---|
| Individual: | Where the holding is in one name, the holder must sign. |
| Joint Holding: | Where the holding is in more than one name, all of the shareholders should sign. |
| Power of Attorney: | If you are signing under a Power of Attorney, you must lodge an original or certified photocopy of the appropriate Power of Attorney with your completed Proxy Form. |
| 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 indicate the office held by signing in the appropriate place. |

9. **Lodgement of a Proxy**

This Proxy Form (and any power of attorney under which it is signed) must be received at the address below not later than 10.30 am (Perth time) on 23 November 2010 (48 hours before the commencement of the Meeting).

Any Proxy Form received after that time will not be valid for the scheduled Meeting.

- | | |
|-------------------------|--|
| Hand deliveries: | Level 1, 68 Hay Street, Subiaco, WA 6008 |
| Postal address: | GPO Box 2810, Perth, WA 6000 |
| Fax number: | (08) 9380 9449 |

SYNDICATED METALS LIMITED

ABN 61 115 768 968

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 25 November 2010 at 10.30 am (Perth time) at the Vic Hotel, 226 Hay Street, Subiaco, 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.

2010 ANNUAL REPORT

In accordance with the requirements of the Company's Constitution and the Corporations Act, the annual financial report of the Company for the year ended 30 June 2010 together with the Directors' declaration and report in relation to that financial year and the auditor's report on those financial statements will be tabled at the Annual General Meeting. Shareholders will have the opportunity of discussing these documents and making comments and raising queries in relation to these documents and on the business, operations and management of the Company.

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

Representatives from the Company's auditors, Mack & Co, will be present to take Shareholders' questions, and comments, about the conduct of the audit, the preparation and content of the audit report, the accounting policies adopted by the Company in relation to the preparation of accounts and the independence of the auditor in relation to the conduct of the audit.

As you may be aware, changes to legislation mean that companies are no longer required to mail out a printed copy of their annual report to shareholders, except where shareholders have made a specific election to receive a printed copy and notified the Company to that effect. If you haven't already made an election, you can obtain a printed copy by contacting the Company. Alternatively, it is available on the Company's website at www.syndicatedmetals.com.au for you to download or read on screen.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

The Remuneration Report, as disclosed in the Company's Annual Report 2010, is required to be considered in accordance with section 250R(2) of the Corporations Act. The vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Report 2010 and is also available on the Company's website (www.syndicatedmetals.com.au).

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 share based compensation.

RESOLUTION 2 – RE-ELECTION OF BRUCE McCULLAGH AS A DIRECTOR

Clause 13.2 of the Company's Constitution requires that at every Annual General Meeting one third of the Directors (other than alternate directors and the Managing Director) shall retire from office. Bruce McCullagh therefore retires by way of rotation and, being eligible, has offered himself for re-election as a Director.

Mr McCullagh has wide experience in accounting, company secretarial, and management in mineral and petroleum companies in Australia, Libya, the United Arab Emirates and USA. He has also previously been a director with other listed mineral and petroleum companies in Australia.

RESOLUTION 3 – ELECTION OF KI DEOK PARK AS A DIRECTOR

Resolution 3 seeks approval for the election of Mr Ki Deok Park as a Director with effect from the end of the Meeting.

The Company's Constitution requires that where Directors are appointed after an Annual General Meeting of the Company, those Directors only hold office until the following Annual General Meeting and are then eligible for re-election. As Mr Park was appointed as a Director after the 2009 Annual General Meeting of the Company he ceases to hold office and offers himself for election.

Mr Park has significant experience in business development, equity and debt financing, accounting and management in non-ferrous metal industries in Korea and Australia and has held management and accounting roles with both Sun Metals Corporation Pty Ltd since 2000 and Korea Zinc Company Ltd since December 1992. He is currently an executive director and chief financial officer of Sun Metals Corporation zinc refinery Townsville, Queensland. He is also a director of Minocqua Metals Pty Ltd and other Australian subsidiary companies of Korea Zinc Ltd.

RESOLUTION 4 – ELECTION OF MARTIN PYLE AS A DIRECTOR

Resolution 4 seeks approval for the election of Mr Martin Pyle as a Director with effect from the end of the Meeting.

The Company's Constitution requires that where Directors are appointed after an Annual General Meeting of the Company, those Directors only hold office until the following Annual General Meeting and are then eligible for re-election. As Mr Pyle was appointed as a Director after the 2009 Annual General Meeting of the Company he ceases to hold office, and offers himself for election.

Mr Pyle brings over 23 years of mineral industry experience to the Company as a corporate finance executive with reputable Australian broking firms, and as a mining analyst, geologist and resource company director. Mr Pyle currently serves on the boards of publicly listed companies Aurora Minerals Limited, Desert Energy Limited, Eleckra Mines Limited and Midwinter Resources NL.

RESOLUTION 5 – RATIFICATION OF ISSUE OF OPTIONS

On 28 June 2010 the Company issued 600,000 Options, each having an exercise price of 25 cents, and an expiry date of 30 November 2014, to three employees of the Company.

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval, provided the issue did not breach the 15% threshold in Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further securities up to 15% of the issued capital of the company without requiring Shareholder approval.

Pursuant to Resolution 5, the Directors are seeking ratification under Listing Rule 7.4 for the issue of 600,000 Options (each having an exercise price of 25 cents and an expiry date of November 30 2014) that was made on 28 June 2010 in order to restore the right of the Company to issue further securities within the 15% limit during the next 12 months. The issue of the 600,000 Options did not breach Listing Rule 7.1.

The following information in relation to the options is provided to Shareholders for the purpose of Listing Rule 7.5:

- (a) 600,000 Options were allotted and issued;
- (b) the Options were issued for no consideration;
- (c) each Option has an exercise price of 25 cents and an expiry date of 30 November 2014. The terms and conditions of the Options are set out in Annexure A of this Explanatory Memorandum;
- (d) the Options were issued to three employees of the Company, each being an unrelated party of the Company; and
- (e) no funds were raised from the issue of the Options.

RESOLUTION 6 – PROPOSED ISSUE OF SHARES TO ASARCO EXPLORATION COMPANY INC

The Company has reached an agreement with ASARCO Exploration Company Inc, as announced on 13 September 2010, for Syndicated Royalties Pty Ltd, a 100% owned subsidiary of the Company, to acquire the 2% net smelter royalty over EPM13870 (Kalman South), as well as four other tenements held by the Company in the Mount Isa region and one tenement held by the Company near Exmouth in Western Australia.

Listing Rule 7.1 provides that a listed company must not, subject to certain exceptions, issue during any 12 month period any securities if the number of those securities exceeds 15% of the total ordinary securities on issue at the commencement of that 12 month period. One circumstance where an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders in a general meeting.

Accordingly, Resolution 6 seeks Shareholder approval for the issue of a maximum of 476,891 Shares for no consideration. The Shares the subject of Resolution 6 will be held in escrow for 6 months after the date of issue. The effect of Resolution 6 will be to allow Directors to issue the Shares the subject of Resolution 6 without using the Company's annual 15% placement capacity.

The following information is provided to Shareholders with respect to the Shares to be issued pursuant to Resolution 6 for the purposes of Listing Rule 7.3:

- (a) the maximum number of Shares the Company can issue is 476,891;
- (b) the Company will allot and issue the Shares no later than 3 months after the date of the Meeting, unless otherwise extended by way of ASX granting a waiver to the Listing Rules;
- (c) The Shares will be allotted and issued on one date;
- (d) the Shares will be issued for no consideration at a deemed issue price of \$0.16 per Share;
- (e) the Shares will be issued and allotted to ASARCO Exploration Company Inc, being an unrelated party of the Company;
- (f) the Shares will be fully paid ordinary shares in the capital of the Company and which rank equally in all respects with the existing fully paid ordinary shares on issue; and
- (g) the purpose of the issue is to constitute the consideration paid by the Company to acquire the 2% net smelter royalty over EPM13870 (Kalman South), as well as four other tenements held by the Company in the Mount Isa region and one tenement held by the Company near Exmouth in Western Australia.

RESOLUTION 7 – PROPOSED ISSUE OF SHARES TO ALTONA MINING LIMITED

The Company has reached an agreement with Altona Mining Limited, as announced on 23 August 2010, to acquire a 100% interest in four tenements which are considered highly prospective for copper, gold, molybdenum, rhenium, uranium, lead and zinc and significantly enhance the Company's current tenement holdings at its Mount Remarkable and Kalman South project areas near Mount Isa in Queensland. The issue of 500,000 of the 1,500,000 Shares is contingent on the terms of three of the tenements (EPMs 14366, 14545 and 14362) being renewed by the Queensland Mines Department.

Listing Rule 7.1 provides that a listed company must not, subject to certain exceptions, issue during any 12 month period any securities if the number of those securities exceeds 15% of the total ordinary securities on issue at the commencement of that 12 month period. One circumstance where an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders in a general meeting.

Resolution 7 seeks Shareholder approval for the issue of a maximum of 1,500,000 Shares for no consideration. The Shares the subject of Resolution 7 will be held in escrow for 12 months after the date of issue. The effect of Resolution 7 will be to allow Directors to issue the Shares the subject of Resolution 7 without using the Company's annual 15% placement capacity.

The following information is provided to Shareholders with respect to the Shares to be issued pursuant to Resolution 7 for the purposes of Listing Rule 7.3:

- (a) the maximum number of Shares the Company can issue is 1,500,000;
- (b) the Company will allot and issue the Shares no later than 3 months after the date of the Meeting, unless otherwise extended by way of ASX granting a waiver to the Listing Rules;
- (c) The Shares will be allotted and issued on one date;
- (d) the Shares will be issued for no consideration at a deemed issue price of \$0.16 per Share;
- (e) the Shares will be issued and allotted to Altona Mining Limited, being an unrelated party of the Company;
- (f) the Shares will be fully paid ordinary shares in the capital of the Company and which rank equally in all respects with the existing fully paid ordinary shares on issue; and
- (g) the purpose of the issue is to constitute the consideration paid by the Company to acquire four tenements from Altona Mining Limited which are considered highly prospective for copper, gold, molybdenum, rhenium, uranium, lead and zinc.

GLOSSARY

For the purposes of this Explanatory Memorandum, and the accompanying Notice of Annual General Meeting, the following definitions apply:

"**Annual General Meeting**" or "**Meeting**" means the annual general meeting the subject of the Notice.

"**Annual Report**" means the annual report of the Company for the year ended 30 June 2010.

"**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.

"**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).

"**Explanatory Memorandum**" means this explanatory memorandum accompanying the Notice.

"**Director**" means a director of the Company.

"**Listing Rules**" means the Listing Rules of the ASX.

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

"**Option**" means an option to acquire a Share.

"**Resolution**" means a resolution proposed pursuant to the Notice.

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

ANNEXURE A

TERMS AND CONDITIONS OF OPTIONS

1. Each option entitles the holder to subscribe for one ordinary share in Syndicated Metals Limited ACN 115 786 986 ("**Company**").
2. The exercise price of the option is \$0.25 each ("**Exercise Price**").
3. The options will lapse at 5.00pm, Western Standard Time on 30 November 2014 ("**Expiry Date**").
4. There are no participating rights or entitlements inherent in these options and holders of the options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the option.
5. Optionholders have the right to exercise their options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the options.
6. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the options will be re-organised as required by the Listing Rules of the Australian Securities Exchange, but in all other respects the terms of exercise will remain unchanged.
7. The options shall be exercisable at any time on or before the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the optionholder to exercise all or a specified number of options held by them accompanied by an Option Certificate and a cheque made payable to the Company for the subscription monies for the shares. The Notices and cheque must be received by the Company during the Exercise Period. An exercise of only some options shall not affect the rights of the optionholder to the balance of the options held by him or her.
8. The Company shall allot the resultant shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the options.
9. The shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
10. There is no right to change the exercise price of options, nor the number of underlying fully paid ordinary shares over which the options can be exercised, if the Company completes any bonus or pro rata issue.