

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT – 15 July 2015

JUNE 2015 QUARTERLY ACTIVITIES REPORT

Syndicated raises \$1.996M to underpin major new copper exploration program in North Queensland as significant new exploration targets are identified

Syndicated Metals Limited (“Syndicated”) (ASX: SMD) is focused on building a long-term copper-gold business through the development of its Barbara Project in joint venture with North Queensland copper producer CopperChem Limited, and a program of complementary exploration on its surrounding land-holding in the world-class Mount Isa region of NW Queensland.

Quarter Highlights

- Syndicated raised \$1.996M before costs via a 4-for-11 Entitlements Issue, fully underwritten by Pitt Capital Partners, with the funds to underpin a multi-pronged exploration program designed to further expand the Company’s copper inventory in North Queensland.
- Extensive new regional copper exploration targets delineated from successful soil sampling programs completed at the 100%-owned Mt Remarkable Project.
- A major airborne VTEM survey commenced in late June to refine drilling targets, with drilling commencing in early July 2015, initially testing a potential extension of the Barbara prospect at depth before progressing to the new regional exploration prospects.
- Feasibility Study for the Barbara Copper-Gold Project in joint venture with CopperChem remains on target for completion in Q3 2015.
- Experienced mining executive Robert Cooper, the new CEO of CopperChem, appointed as a Non-Executive Director.

Overview

In April 2015, the Company raised \$1.996 million before costs from its fully underwritten non-renounceable 4-for-11 Entitlements Issue at 2 cents per share. The take-up of 55.19% from shareholders for entitlements and additional new shares was very strong.

The Company’s largest shareholder, CopperChem Limited (a 100%-owned subsidiary of Washington H. Soul Pattinson and Company Limited), subscribed for its entitlements in full. Pitt Capital Partners Limited, also a 100%-owned subsidiary of Washington H. Soul Pattinson and Company Limited, underwrote the Entitlements Issue. As sub-underwriter, CopperChem subscribed for the entire shortfall, totalling \$894,330, increasing its shareholding in the Company to 30.89%.

During the Quarter the Company delineated three significant new regional copper exploration targets from successful soil sampling programs completed at its 100%-owned Mt Remarkable Project in North Queensland. These new targets, known as the Ballara Saddle, Drought Master and Winston Churchill prospects, are located approximately 10-15km south-east of the Barbara Copper Project.

An airborne Versatile Time Electro Magnetics (VTEM) survey over the area commenced in late June to characterise the Electro Magnetic (EM) response of the prospect(s) before finalisation of a drilling program. Drilling is scheduled to commence following analysis of these geophysical programs and will form part of a key regional drilling program over a number of prospects in the region. This drilling program commenced in early July, initially targeting extensions of the Barbara copper deposit at depth.

Elsewhere, the Company continued its programme of regional soil sampling over the 100%-owned Mt Remarkable tenements in the Northern Hub area.

Exploration and Development

Barbara Copper Project – Feasibility Study

Syndicated and its joint venture partner CopperChem reached agreement in January 2015 to proceed with an expanded scope for the Barbara Feasibility Study. The key element of this revised approach is the consideration of on-site processing at Barbara together with increased power and water supply requirements, as well as the provision of a tailings dam to accommodate the processing requirements.

The work completed as part of the Feasibility Study indicates that the Barbara Project is highly leveraged both to improvements in the Australian Dollar copper price as a result of the weakening currency and to increases in the resource inventory available at the project. In particular, extensions to the known resources at depth and lower grade satellite deposits within economic haulage distance have been highlighted as strong “value-add” opportunities if on-site processing can be justified.

The permitting and approvals process for the Barbara open pit operation is well advanced with Landholder access agreements signed and Mining Lease applications under consideration by the regulators.

The updated on-site processing study remains on schedule for delivery in the September Quarter.

Mt Remarkable/Northern Hub Regional Exploration

During the Quarter, the Company delineated two new and extensive regional copper exploration targets from successful soil sampling programs completed at its Mt Remarkable Project in North Queensland (see Figure 1).

The new targets, known as the Ballara Saddle and Drought Master prospects, are located approximately 10km south-east of the Barbara Copper Project and 5km north of the Company’s Blockade Project, which also contains the Blue Star and Trey Bit prospects (see Figure 1).

An airborne VTEM survey over the area commenced in late June to characterise the EM response of the prospect(s) before finalisation of a drilling program. Drilling is scheduled to commence following analysis of these geophysical programs and will form part of a key regional drilling program over a number of prospects in the region.

The overall objective of these multi-pronged regional exploration programs is to delineate additional copper resources within a 15km radius of the Barbara Copper Project. Syndicated believes that its broader regional tenement holding in the Mt Isa-Cloncurry region is highly prospective for additional Barbara-style copper-gold discoveries, as well as larger, Iron Oxide-Copper-Gold (IOCG) style deposits.

Mt Remarkable Soil Sampling Program

The recent exploration program at Mt Remarkable had three key objectives:

- Define areas of elevated copper-in-soil geochemistry in line with the previously interpreted IOCG-style mineralisation defined by Cyprus Gold Australia at Ballara Saddle;
- Define areas of elevated copper-in-soil geochemistry associated with high-grade, shear zone related mineralisation away from the historical Ballara Saddle and Drought Master workings; and
- Define the corridor most likely to host high-grade vein and/or IOCG-style copper mineralisation and characterise it with soil geochemistry and airborne geophysics incorporating the Company’s understanding of the structural controls of mineralisation prevalent in the district.

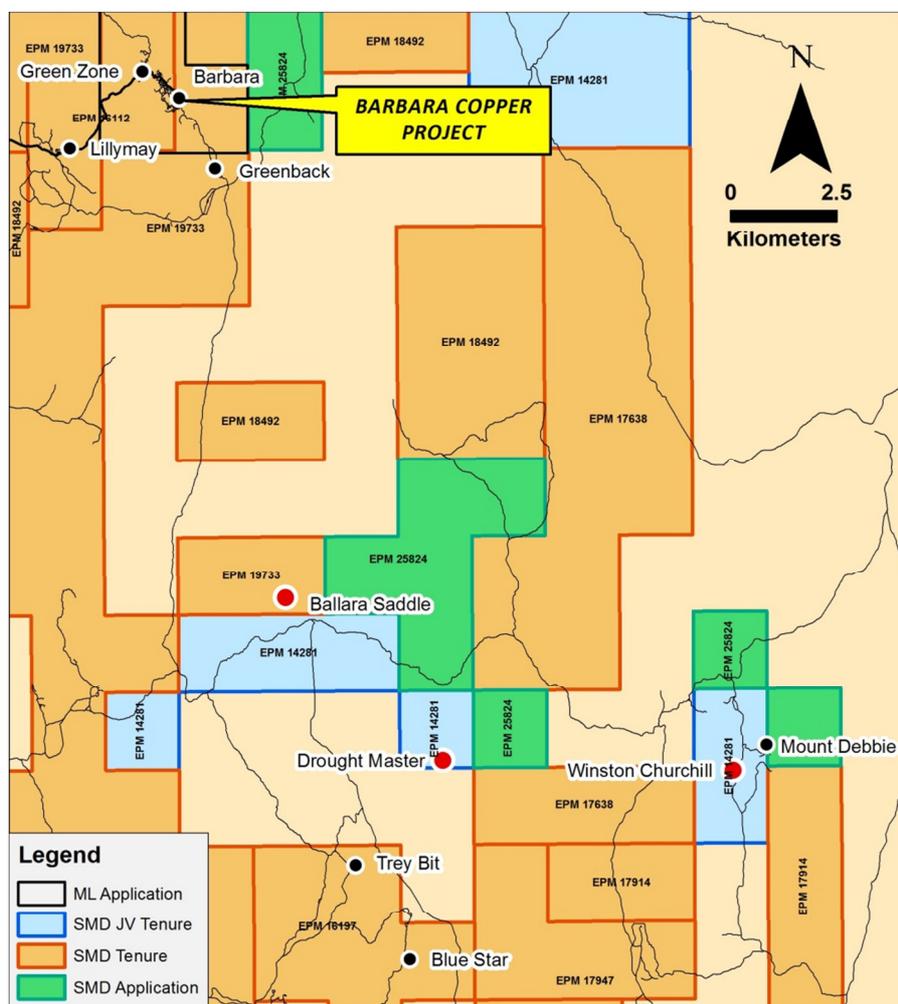


Figure 1 – Project Location Plan

Ballara Saddle

The Ballara Saddle prospect straddles EPM19733 (100% SMD) and EPM14281 (80% SMD) and lies at the juncture of several important structures believed to control mineralisation in the district.

Syndicated has undertaken a comprehensive soil sampling program across the Ballara Saddle and Drought Master tenements on a 400m by 50m grid.

The results, which were determined by portable hand-held XRF after screening soils to minus 0.25 mm, are presented in Figures 2 and 3 below.

Shown over regional geology in Figure 2, the results reveal anomalous values for copper-in-soil over the Ballara Saddle prospect, associated with north-east and north-west trending faults within Ballara Quartzite rocks.

At Drought Master anomalous copper-in-soil results are associated with Wonga Granite rocks in conjunction with north-east trending faults in Magna Lynne Basalt (see Figure 2).

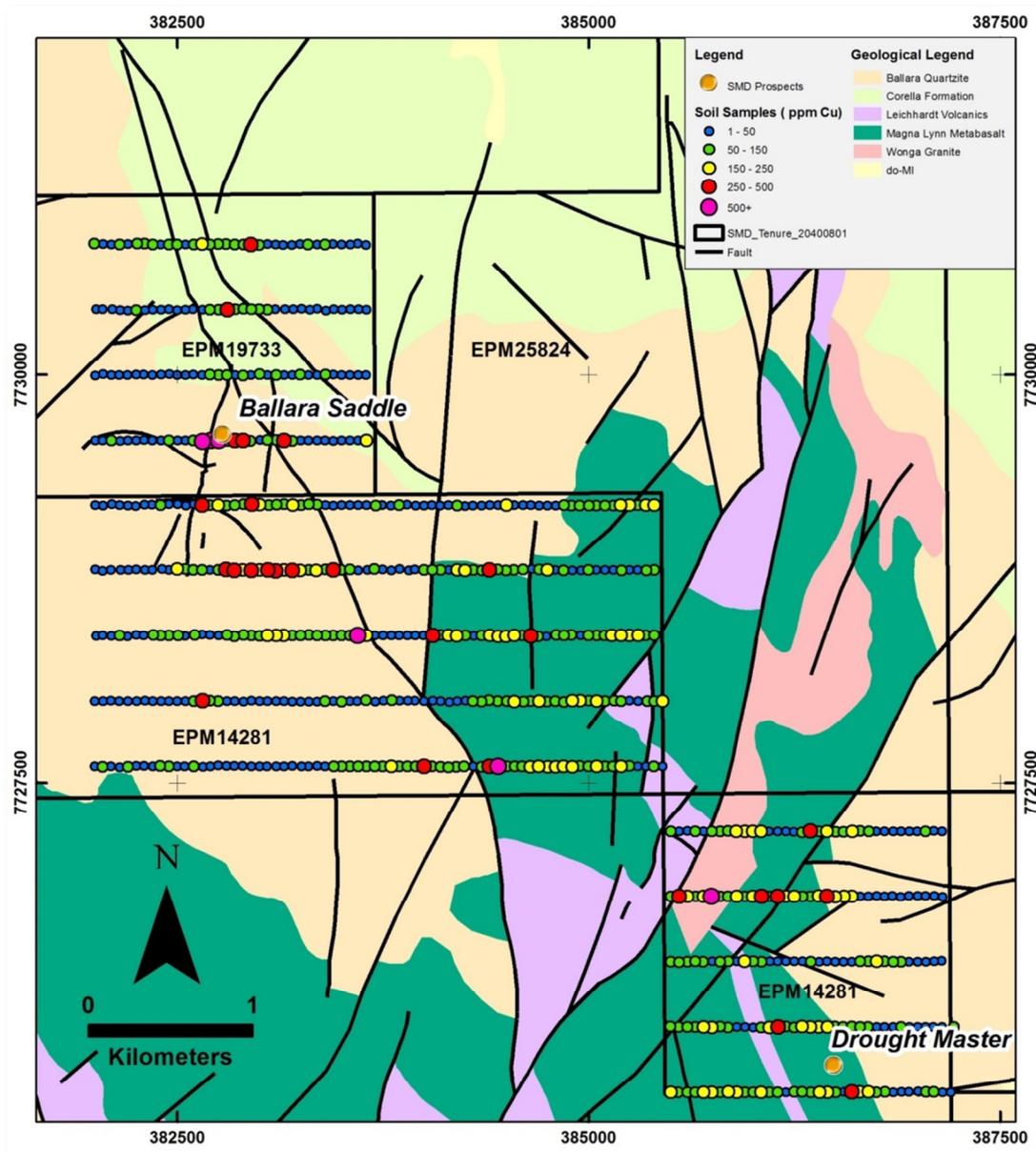


Figure 2 – Ballara Saddle and Drought Master copper-in-soil results over regional geology

Mapping of regional magnetics shows an elevated magnetic response over the Ballara Saddle prospect coincident with the mapped magnetite-biotite-quartz alteration, as illustrated in Figure 3, suggesting an IOCG-style of mineralisation for the prospect. The underlying Ballara Quartzite rocks exhibit a generally subdued magnetic response away from faulted zones.

The Drought Master prospect shows a subdued magnetic response within higher background magnetics associated with the underlying Magna Lynne Basalt rocks (see Figure 3).

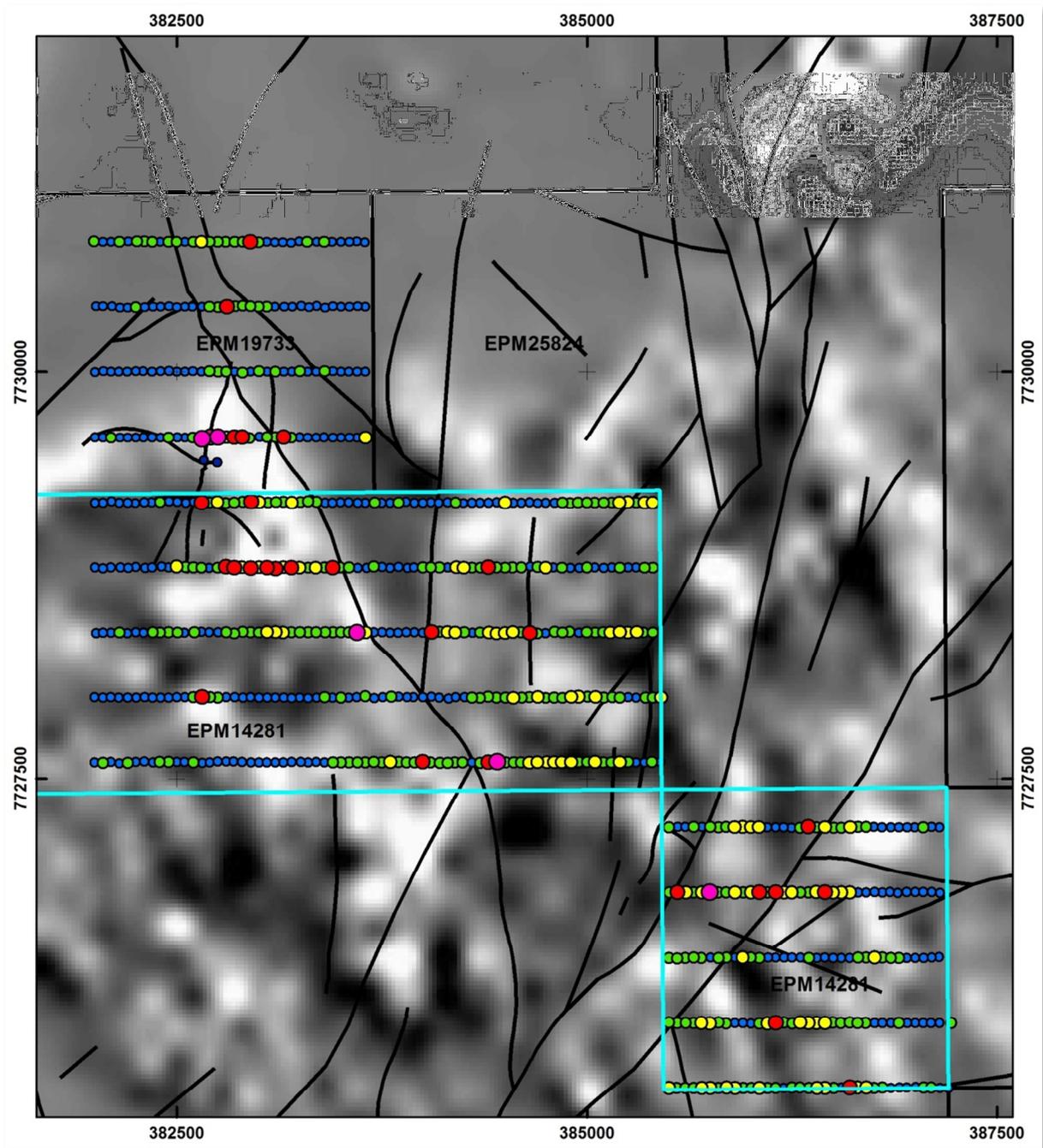


Figure 3 – Ballara Saddle and Drought Master Cu-in-Soil results over regional magnetics

Winston Churchill

In addition to the above exploration targets, the Company delineated another significant copper exploration target at the **Winston Churchill** prospect which is located approximately 15km south-east of the Barbara Copper Project, 5km north east of the Company's Blockade Project and 5km east of the recently identified Ballara Saddle prospect (see Figure 1).

The Winston Churchill target, which was also identified through regional soil sampling programs, will be included in upcoming drilling programs planned to test the recently discovered Ballara Saddle/Drought Master prospects and previously defined Blockade Project targets.

The Winston Churchill prospect lies within EPM14281 (80% SMD) and sits adjacent to an important regional structure believed to control mineralisation locally.

Syndicated has undertaken a comprehensive soil sampling program across the Winston Churchill tenements on a 400m by 50m grid.

The results, which were determined by portable hand-held XRF after screening soils to minus 0.25mm, are presented in Figures 4 and 5 below.

Shown over regional geology in Figure 4, the results reveal anomalous copper-in-soil values over the Winston Churchill prospect, associated with north trending faults within Ballara Quartzite rocks and associated with Wonga Granite intrusive rocks and dolerite dykes.

Mapping of the prospect shows continuation of veining and surface oxide copper north of the previously mined Winston Churchill underground mine.

The historical mine lies within an excised tenement (ML2518) within EPM14281, and sits within the copper-in-soil anomaly which lies along the Winston Churchill Fault, as illustrated in Figure 5. The remainder of the tenement has a generally subdued copper-in-soil response away from faulted zones.

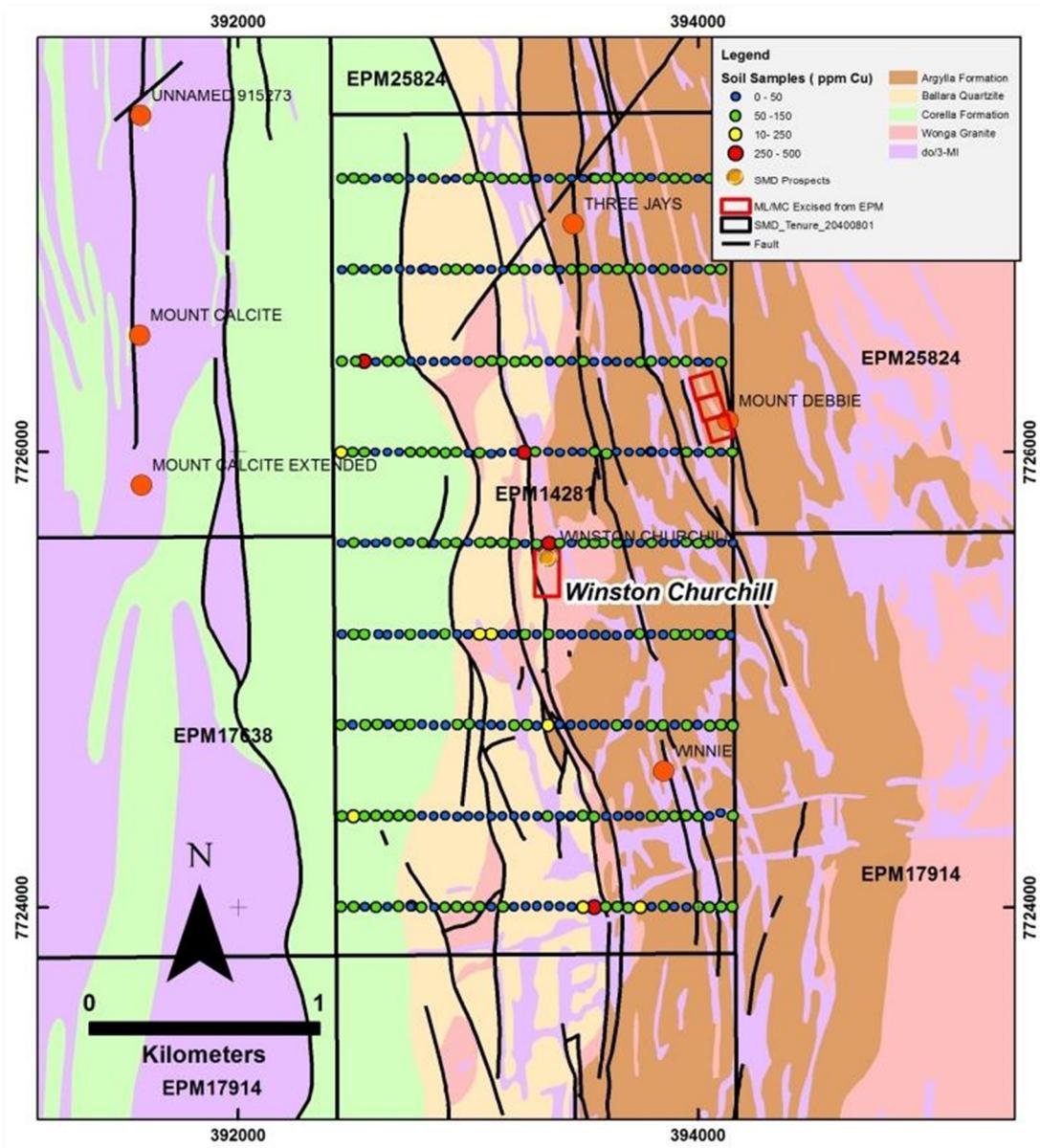


Figure 4 – Winston Churchill copper-in-soil results over regional geology

The tenement exhibits a subdued magnetic response except on the western side of the Winston Churchill Fault north of the historical mine. The magnetic anomaly is associated with Wonga Granite intrusion into Ballara Quartzite rocks.

Previous exploration and historical mining at Winston Churchill resulted in the production of 7,046 tonnes of ore grading 11.2% Cu between 1965 and 1972, after which the historical mine was abandoned.

The previous exploration was confined to an area immediately adjacent to the Winston Churchill historical workings within the Mining Lease.

Underground mining plans and surface expressions of mineralisation are reproduced from open file reports and integrated with the Company’s soil sampling results in Figure 6.

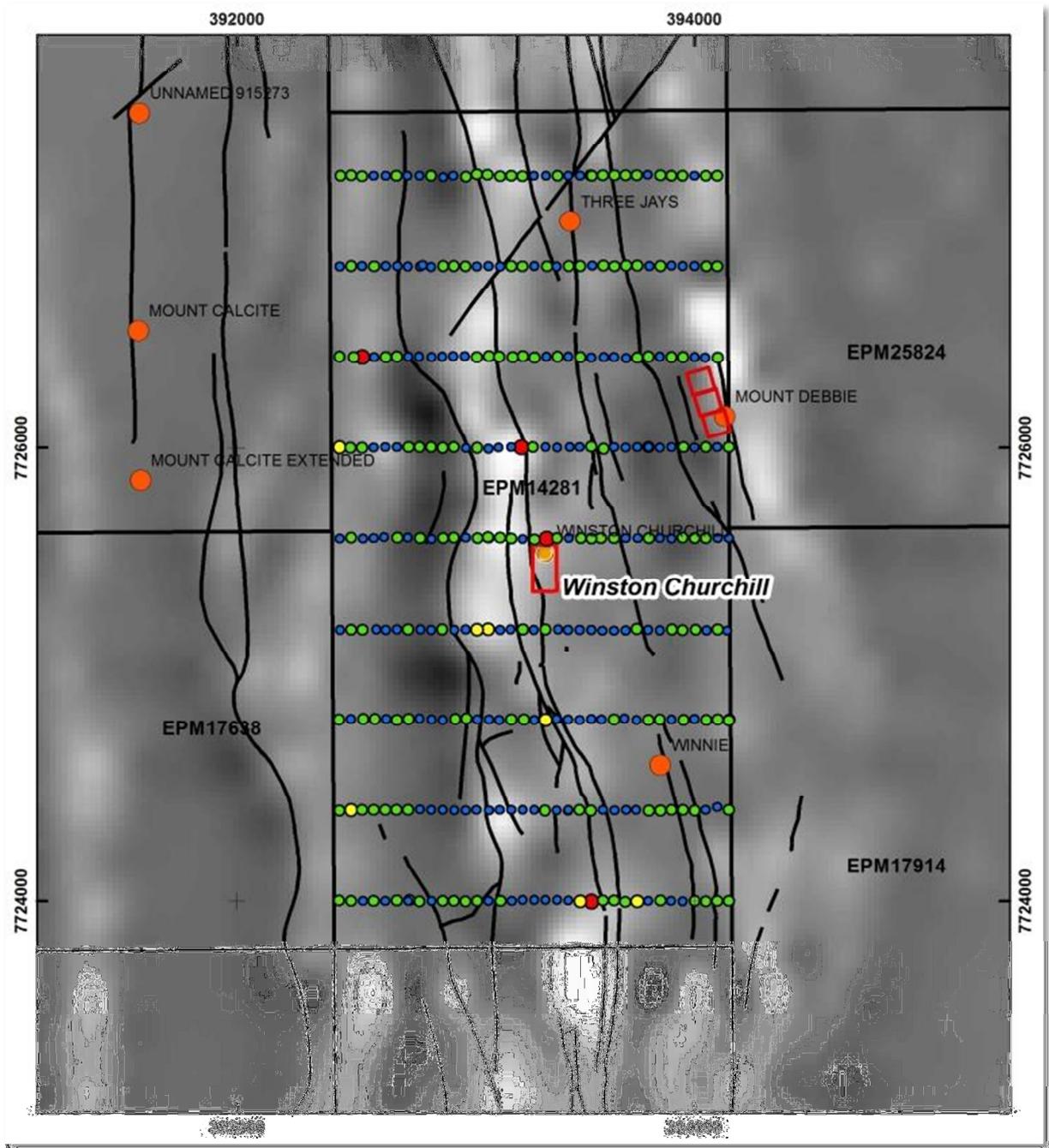


Figure 5 – Winston Churchill Cu-in-Soil results over regional magnetics

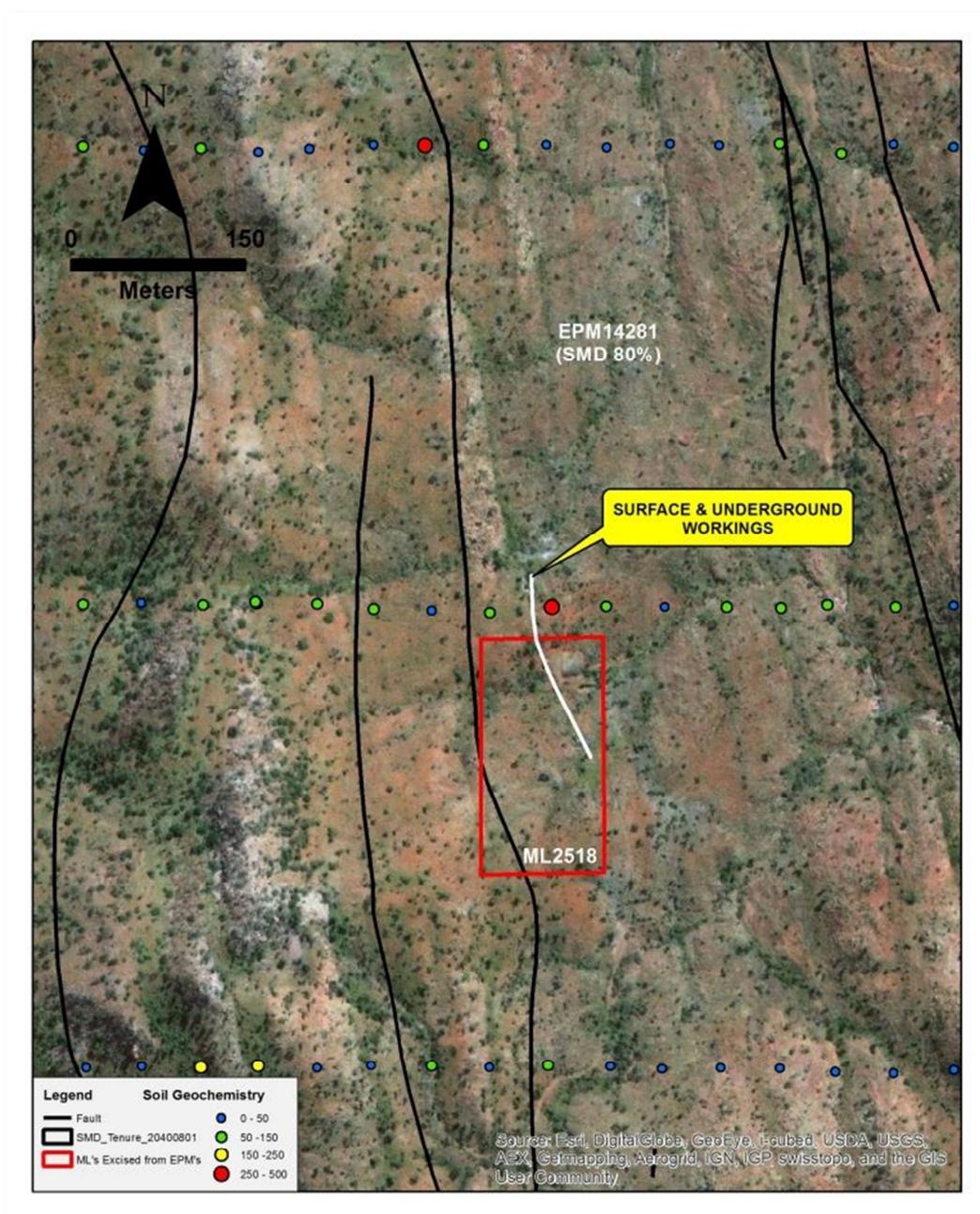


Figure 6 – Geological mapping and copper-in-soil geochemistry over the Winston Churchill historical workings

Fountain Range/Southern Hub Regional Exploration

At its Southern Hub, the Company completed the purchase of the Duchess and Tick Hill exploration tenements from Straits Resources during the Quarter. The Company has integrated the datasets provided by Straits into the regional exploration program planning. The area now owned by the Company within the Southern Hub totals 466 square km and straddles the Pilgrim, Revenue and Duchess Faults which control mineralisation in the district.

The area is being targeted for high-grade copper and gold mineralisation similar to deposits historically mined at Duchess (205Kt @ 12.5% Cu), Tick Hill (705Kt @ 22.5g/t Au) and Trekelano (2.4Mt @ 2.5% Cu and 0.3g/t Au).

In addition, the Company is also targeting large-scale IOCG style mineralisation associated with granite intrusions and the Pilgrim Fault.

Priority projects include the completion of soil sampling over the tenements which cover the Mt Erle Granite (see Figure 7).

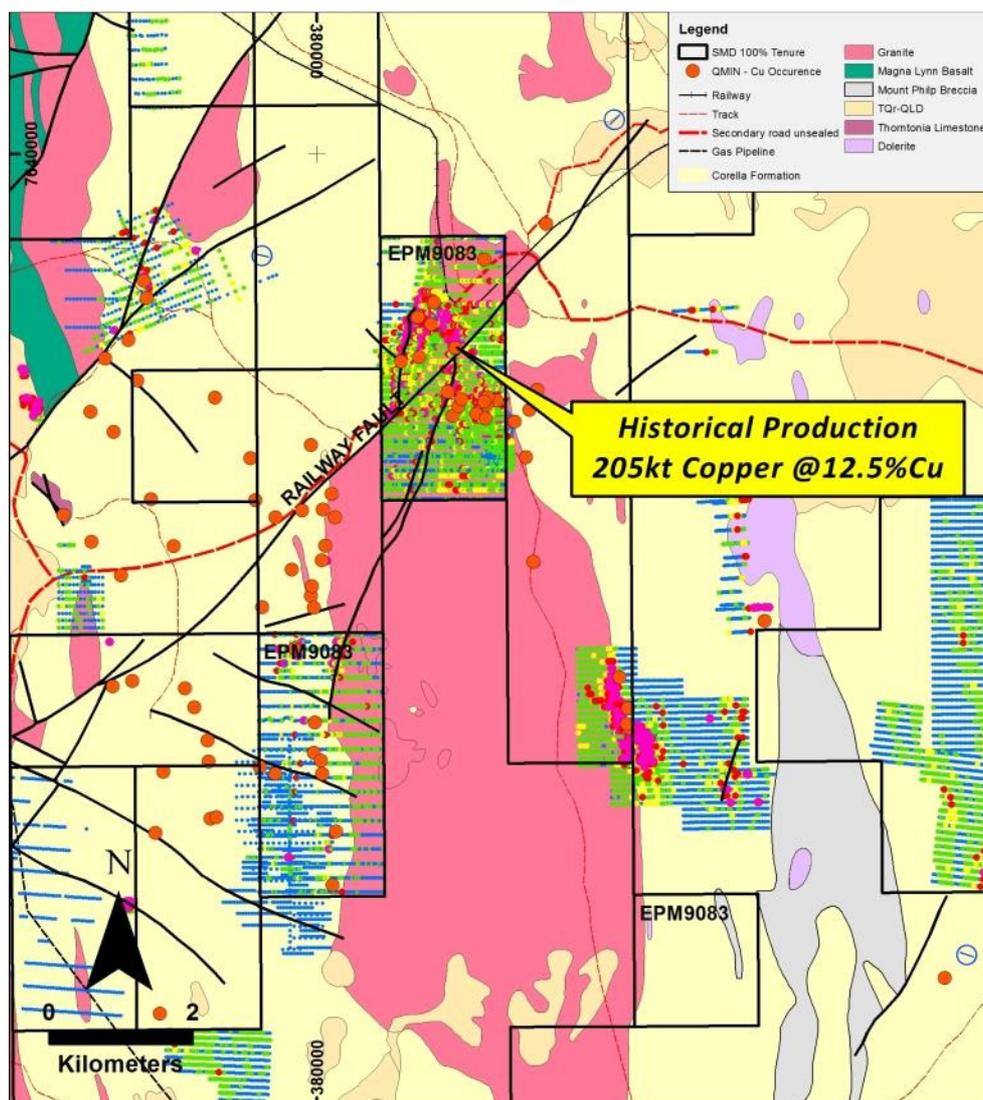


Figure 7 – Southern Hub Duchess soil geochemistry

Corporate

Entitlements Issue

On 16 April 2015 the Company announced the closure of its fully underwritten non-renounceable 4 for 11 Entitlements Issue at 2 cents per share raising \$1.996 million before costs.

The Company received valid applications from existing shareholders totaling \$1,101,638, comprising \$839,974 (41,998,728 new shares) taken up by shareholders pursuant to their entitlements and an additional \$261,664 (13,083,202 new shares) from shareholders applying for additional new shares under the offer.

This represented a take-up of 55.19% from existing shareholders (including additional new shares taken up by existing shareholders).

The Company's largest shareholder, CopperChem Limited (a 100%-owned subsidiary of Washington H. Soul Pattinson and Company Limited), subscribed for its entitlement in full.

Pitt Capital Partners Limited, also a 100%-owned subsidiary of Washington H. Soul Pattinson and Company Limited, underwrote the Entitlements Issue. As sub-underwriter, CopperChem subscribed for the entire shortfall totalling \$894,330 (being 44,716,497 new shares) increasing its shareholding in the Company to 30.89%.

The funds raised are being used to advance the exploration on the Company's 100%-owned tenements at both the Mt Remarkable Project and the Southern Hub Project, as well as its 50% contribution to the resource extension drilling at the Barbara Project as part of the Barbara JV.

Appointment of new Non-Executive Director

On 4 May 2015 the Company announced the appointment of Mr Robert Cooper to the position of Non-Executive Director.

Mr Cooper is Chief Executive Officer of Syndicated's joint venture partner at the Barbara Copper-Gold Project and its major shareholder, North Queensland copper producer CopperChem Limited. He replaced Mr Brendan James who stepped down from the Syndicated Board following his resignation from CopperChem.

Mr Cooper also holds the position of Chief Executive Officer of Exco Resources Limited, which holds a substantial package of copper-gold exploration tenements adjacent to Syndicated's Northern Hub Project, east of Mt Isa. Exco is also a 100%-owned subsidiary of the WH Soul Pattinson Group of companies.

Cash Reserves

As at 30 June 2015, the Company had cash reserves of \$1.706 million. The Company has no corporate debt and minimal long-term commitments.

Financials

Net cash inflows for the June Quarter totalled \$1.029 million, predominantly comprising funds raised from the Entitlements Issue (\$1.996m), exploration and evaluation expenditure (\$0.566m) net of funds received from the Company's Joint Venture partner, CopperChem Limited (\$0.029m) and capital raising and administrative expenses.

Cash outflows for the September 2015 Quarter are expected to total \$0.679 million, inclusive of \$0.460 million of expenditure on exploration field activities (net of expected cash call receipts from CopperChem).

Shareholder Information

As at 30 June, the Company had 374,244,100 fully paid ordinary shares on issue and 713 shareholders. The top 20 shareholders held 63.30% of the Company.

As at the end of the Quarter, the Company had 11,756,757 unlisted options and 19,123,704 performance rights on issue.

For further information on the Company please view our website at: syndicatedmetals.com.au or contact:

Andrew Munckton
Managing Director
T: 08 9380 9440

Competent Person's Statement

The information in this report that relates to Mineral Resources is based on information compiled by Mr Jim Whitelock and Mr Michael Martin. Both Mr Whitelock and Mr Martin are Members of The Australasian Institute of Geoscientists (AIG) and both has 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 a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Whitelock is a full-time employee of Exco Resources Limited a 100% owned subsidiary of CopperChem Limited and Mr Martin is a full time employee of Syndicated Metals Limited. Both Mr Whitelock and Mr Martin consent to the inclusion in the report of the Mineral Resources in the form and context in which they appear.

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Andrew Munckton who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience 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 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Munckton is a full-time employee of Syndicated Metals Limited and consents to the inclusion in the report of the Exploration Targets and Exploration Results in the form and context in which they appear.

Exploration Targets

This report comments on and discusses Syndicated Metals Limited's exploration in terms of target size and type. The information relating to Exploration Targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. The potential quantity and quality of material discussed as Exploration Targets is conceptual in nature since there has been insufficient work completed to define them as Mineral Resources or Ore Reserves. It is uncertain if further exploration work will result in the determination of a Mineral Resource or Ore Reserve.

Additional Information Required by Listing Rule 5.3.3

Mining tenements held at the end of the Quarter and their location:

Mt Isa - Northern Hub (Mt Remarkable)	
EPM 16112	Granted
EPM 16197	Granted
EPM 17638	Granted
EPM 17914	Granted
EPM 17947	Granted
EPM 18492	Granted
EPM 19049	Granted
EPM 19733	Granted
EPM 25824	Application
EPM 25915	Application
Mt Isa - Southern Hub (Fountain Range)	
EPM 14362	Granted
EPM 14366	Granted
EPM 14369	Granted
EPM 17637	Granted
EPM 18078	Granted
EPM 18082	Granted
EPM 18223	Granted
EPM 18671	Granted
EPM 18980	Granted
EPM 19008	Granted
EPM 25435	Granted
EPM 25439	Granted
EPM 25853	Application
EPM 25972	Application

Mining tenements acquired during the Quarter and their location:

EPM 17637 – Mt Isa – Southern Hub (Fountain Range). Application now Granted.

Mining tenements disposed of during the Quarter and their location:

Nil.

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the Quarter:

Farm-in Agreements

Syndicated has an 80% interest in tenements EPM14916, EPM14281 and EPM15070 under the Mt Isa Other Minerals Farm-in and Joint Venture Agreement with Deep Yellow Limited. This interest did not change during the Quarter.

Farm-out Agreements

Syndicated is in Joint Venture with CopperChem Limited over portions of tenements EPM19733 and EPM18492 and all of EPM16112 whereby CopperChem may earn a 50% interest in these tenements by funding and managing a feasibility study over the Barbara Project up to a decision to mine. As at the end of the quarter the feasibility study was ongoing and the relevant interest had not been earned.

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the Quarter:

Nil.