

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT – 30 July 2018

JUNE 2018 QUARTERLY ACTIVITIES REPORT

Highlights

Gold Exploration – Monument Gold Project, WA (SMD: 100%)

- Highly encouraging results received from 2,100m Reverse Circulation drilling program.
- Drilling further defined a high-grade zone of Banded Iron Formation (BIF)-hosted gold mineralisation at the Korong Prospect, with significant assays including:
 - 7m @ 13.1g/t from 97m down-hole, including 1m @ 65.5g/t from 97m (MRC036)
 - 4m @ 1.4g/t from 54m down-hole (MRC037)
 - 1m @ 2.6g/t from 49m down-hole and 3m @ 3.1g/t from 104m (MRC039)
 - 5m @ 2.4g/t from 133m down-hole including 2m @ 5.5m from 133m (MRC040)
 - 4m @ 3.2g/t from 48m down-hole (MRC042)
 - 6m @ 1.3g/t from 100m down-hole (MRC044)
- Continuous mineralisation confirmed over +800m of strike at Korong with several lodes identified containing multiple high-grade envelopes.
- Mineralisation remains open in all directions, with strong potential for extensions down-plunge to the north as well as for repeat lodes to the north and south of Korong.
- Mining Plus Pty Ltd engaged to estimate a Maiden JORC 2012 Mineral Resource for the Korong deposit which is expected to be completed shortly.

North Queensland Copper-Gold Projects

- Agreement with Minotaur Exploration (ASX: MEP) to sell its Northern Hub exploration tenements in North Queensland for \$400,000 in cash and shares.
- Agreement with recently-established Australian gold company Carnaby Resources Limited to divest an 82.5% interest in its Southern Hub exploration tenements in North Queensland.
- If the completion conditions are satisfied, Syndicated will receive 4,000,000 Carnaby shares at a deemed issue price of 25c per share at completion, which is expected to represent approximately 4% to 5.6% of Carnaby's total issued share capital.

Corporate

- Highly experienced mining executive David Morgan appointed as Managing Director.
- Cash on hand of \$0.5m at Quarter-end (excluding the funds received from the R&D Tax Incentive Claim and Minotaur), with no corporate debt and no long-term commitments.
- Net funds of \$460,000 received subsequent to Quarter-end from the Company's 2017 Research & Development Tax Incentive claim.

Exploration and Evaluation

Monument Gold Project (WA)

The Monument Gold Project comprises a 215km² tenement package located approximately 55km west of Laverton in the Laverton gold district of WA. The Laverton district hosts numerous multi-million ounce gold mines such as Sunrise Dam (+10Moz), Wallaby (+8Moz), Granny Smith (+2Moz) and Lancefield (+2Moz).

The package comprises eight contiguous tenements (all of which are granted) and 15 applications which lie immediately to the north-west of the 3.3Moz Mount Morgans Gold Project owned by Dacian Gold Limited (ASX: DCN) (see Figure 1).

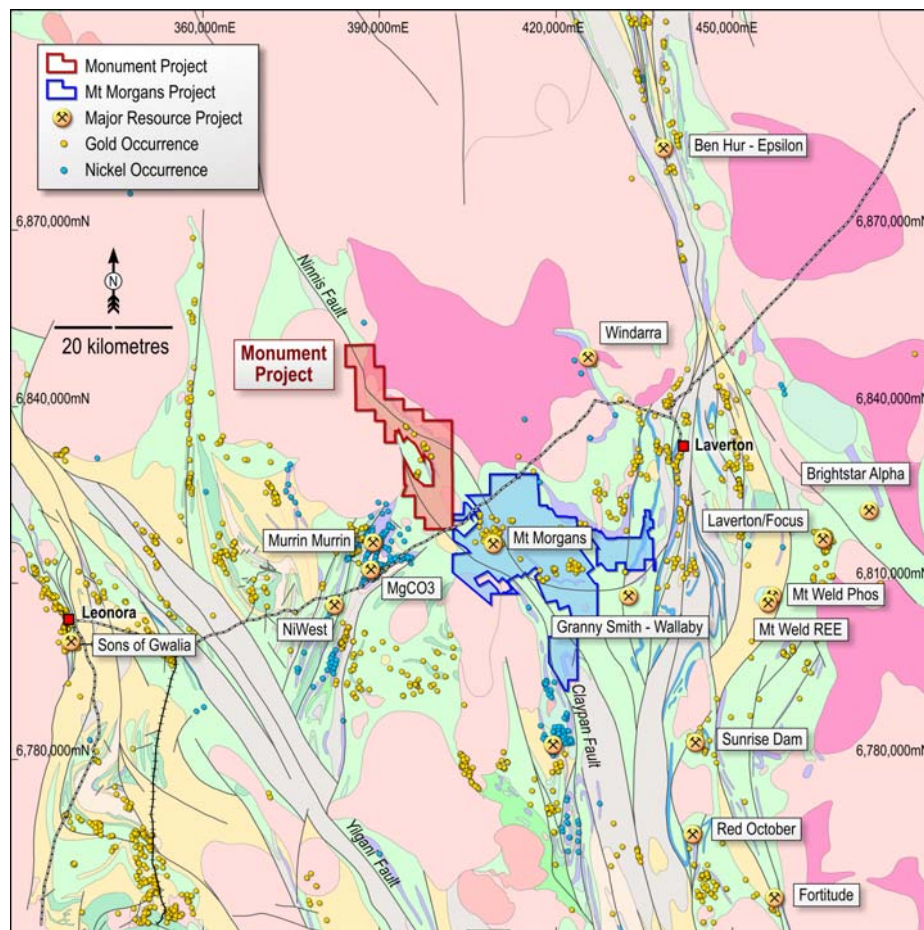


Figure 1 – Location of the Monument Gold Project showing regional geology and nearby mining operations

Exploration Overview

During the Quarter, the Company completed a Reverse Circulation drilling program at the Monument Project.

The program was designed with two key objectives:

- To in-fill and extend the strong gold mineralisation intersected by Syndicated in 2016 at the centrally located Korong prospect, in order to underpin a maiden JORC compliant Mineral Resource estimate for this deposit; and
- To further evaluate the encouraging lines of aircore drilling completed last year as part of a broader regional exploration push and to obtain samples to further understand the geological systems at the Monument Project. Drilling was focused at Korong South and the Old Copper prospects, to evaluate the potential for new discoveries.

RC Drilling Program

The Reverse Circulation drilling program at the Monument Project comprised 19 holes for 2,100m of drilling (refer to ASX announcement dated 7 June 2018 for details of the drilling program).

A total of 10 holes for 1,160m were drilled to strategically in-fill and extend the mineralised zone at the Korong deposit, with sufficient holes budgeted to allow Syndicated to complete a maiden Mineral Resource estimate for the deposit.

In addition, nine holes for 940m were drilled to follow-up two encouraging lines of aircore drilling completed as part of the regional drilling program late last year (refer to ASX announcement dated 18 December 2017). This drilling tested the following areas:

- Korong South – where significant aircore intersections of 4m @ 1.55g/t Au, 4m @ 1.02g/t Au and 2m @ 1.43g/t Au bottom-of-hole were returned in the oxidised zone. RC drilling targeted these east-dipping, Korong-style mineralised intersections within the fresh rock zone. The RC drilling intersected BIF-style mineralisation and confirmed the existence of continuous mineralisation over an 800m strike extent surrounding Korong. The mineralisation consists of a number of lodes and contains a number of discrete higher-grade gold domains; and
- Old Copper – where shallow aircore intersections of 12m @ 0.39g/t Au and 8m @ 1.06g/t Au were returned over an 800m long zone. Deeper RC drilling targeted the down-dip extension of the mineralisation. Assay results are pending.

This program of drilling has confirmed Syndicated's view that the Korong Prospect hosts a significant zone of shallowly dipping, near-surface gold mineralisation that now warrants the estimation of a maiden Mineral Resource.

The gold mineralisation at Korong has now been delineated over a strike length of 800m and a down- dip extent of ~200m with average intersection widths of 5m. Multiple shoots of higher-grade mineralisation are evident within the envelope, which also plunge to the north (Figure 2). Significant potential exists with further drilling to expand this large mineralised system.

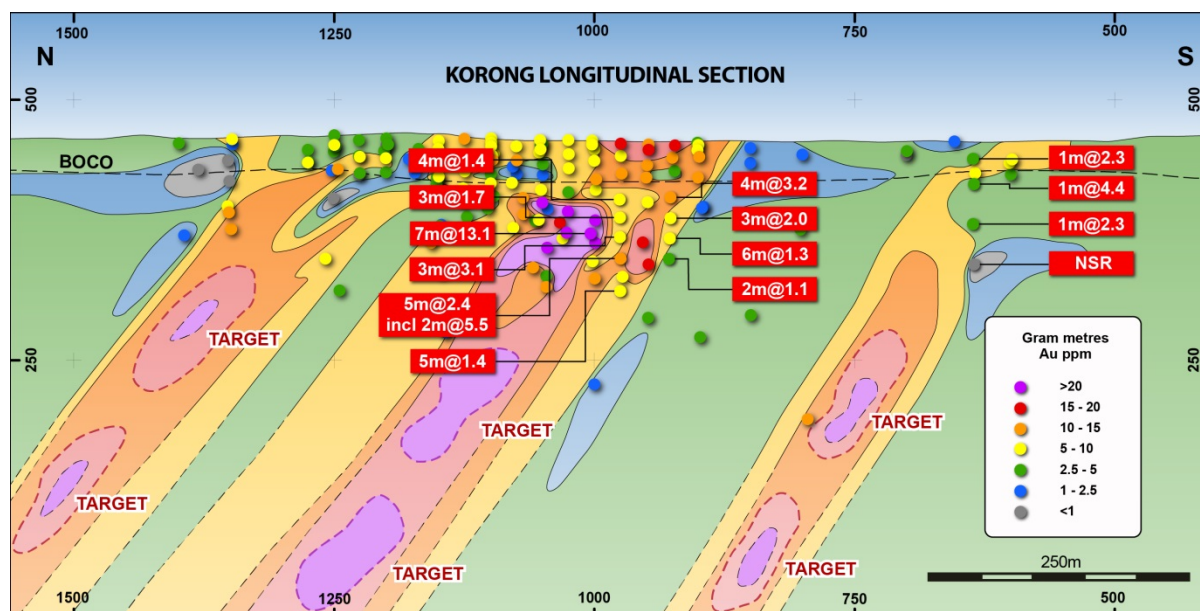


Figure 2 – Korong Longitudinal Section with interpreted gold lodes

The Company is currently completing work on a maiden Mineral Resource estimate for the Monument Gold Project which is expected to be announced in August.

Barbara Copper Project Royalty

In June 2017, Syndicated sold its 50% share of the Barbara Copper Project, located 60km north-east of Mt Isa, to its joint venture partner Round Oak Minerals Pty Ltd (formerly CopperChem Limited) for A\$2.3 million in cash and a 1-2% net smelter return (NSR) production royalty, payable once the Barbara Project moves into production.

Northern Hub / (Mt Remarkable) (Queensland)

The Mt Remarkable Project consists of nine EPM tenements covering 753km² of tenure 50km north-east of Mt Isa in North Queensland.

During the Quarter Syndicated entered into a binding tenement sale agreement with Minotaur Exploration (ASX: MEP) to sell the Northern Hub exploration tenements, comprising nine exploration permits, for a total of \$400,000 in cash and shares.

The agreement continued Syndicated's strategy of crystallising value from its extensive North Queensland exploration portfolio and reducing the ongoing holding costs of these tenements, while maintaining its focus on gold and other new project opportunities in WA.

Key Agreement Terms

The consideration for the sale comprises A\$125,000 in cash, plus fully-paid Minotaur shares to the value of \$275,000 based on the 5-day volume weighted average price (VWAP) at completion.

Completion of the agreement was conditional on the receipt of indicative Ministerial Consent for the transfer of the tenements, the execution of assignment deeds for the various contracts relating to the tenements and the consent of Round Oak Minerals in relation to its ongoing rights on part of two tenements relating to the Barbara Copper Project.

Completion of Agreement and Receipt of Consideration

The agreement conditions were satisfied subsequent to the end of the Quarter (refer ASX Announcement 23 July 2018), with Syndicated now in receipt of \$125,000 in cash and \$275,000 worth of Minotaur shares as consideration from the sale.

Southern Hub / (Fountain Range) (Queensland)

The Fountain Range Project consists of twelve EPM tenements covering approximately 293km² of tenure 100km south-east of Mt Isa in North Queensland.

During the quarter, Syndicated reached agreement with recently established Australian gold company Carnaby Resources Limited (Carnaby) for the sale of an 82.5% interest in the Southern Hub exploration tenements, under an option exercisable by Carnaby on or before 30 June 2018.

Carnaby exercised the option by the required date. Subject to the conditions to completion (as detailed below) being satisfied, the sale of the tenement portfolio is expected to result in Syndicated holding a 4% to 5.6% stake in Carnaby, while retaining a 17.5% free-carried interest in the Southern Hub tenements – giving it exposure to the consolidation of tenure around the Tick Hill Gold Project and future exploration upside in Carnaby's Western Australian and Queensland projects.

Key Agreement Terms

The consideration for the sale is 4,000,000 fully paid ordinary shares in Carnaby at a deemed issue price of 25c per share. The shares are expected to be escrowed for a period of 12 months from the date the shares are issued to Syndicated.

Completion of the sale is conditional upon the satisfaction or waiver of the following conditions precedent within 120 days after signing the agreement:

- (a) Carnaby lodging a Prospectus with the ASIC for the purpose of satisfying the ASX conditions for the Company's admission to the Official List;

- (b) The receipt of written indicative approval under the *Mineral and Energy Resources (Common Provisions) Act 2014 (Qld)* from the relevant Minister to the transfer of the 82.5% interest in the tenements under the agreement on terms acceptable to Syndicated and Carnaby;
- (c) Carnaby receiving conditional approval to be admitted to the Official List of the ASX, on conditions satisfactory to Carnaby; and
- (d) Syndicated obtaining all necessary shareholder and regulatory approvals under the ASX Listing Rules, Corporations Act and applicable laws for the proposed sale, including shareholder approval under ASX Listing Rule 11.4.1.

Following completion, the parties will be deemed to have established a joint venture for the purpose of exploration and development of the tenements on the commercial terms set out in the agreement, under which Syndicated will retain a 17.5% free-carried interest in the Southern Hub tenements up to a Decision to Mine.

The agreement also contains:

- A right for Carnaby to buy out Syndicated's interest in the Southern Hub JV for agreed fair value or independently determined fair value at the Decision to Mine; and
- A small developments clause which allows the Southern Hub JV or Carnaby to develop smaller projects (defined as less than 100,000oz of gold or gold equivalent) without triggering Carnaby's buy-out right over the whole of Syndicated's joint venture interest.

Corporate

Appointment of New Managing Director

In April Syndicated announced that David Morgan had succeeded Andrew Munckton as Managing Director and CEO of the Company. Mr Morgan joined the Company in March 2012 and since that time has performed both executive and non-executive directorship roles with the Company.

Mr Morgan is a highly experienced mining executive with more than 30 years' experience across Australia and Africa. He has previously held numerous senior executive development and mine operations roles involving project engineering, maintenance and contract earthmoving for companies including Rio Tinto, Equigold, Macmahon and WMC Resources.

He was previously General Manager Operations for Equigold in Queensland, where he was responsible for building, commissioning and management of the Mt Rawdon gold mine. He also worked in Cameroon in senior roles with Sundance Resources at the Mbalam Iron Ore Project and was more recently CEO of ASX-listed RNI in 2015-16.

Cash Reserves

As at 30 June 2018, Syndicated had cash reserves of \$499,000, no corporate debt and minimal long-term commitments.

Receipt of Research and Development Tax Incentive Funds

Subsequent to the end of the Quarter, the Company received net funds of \$460,000 from the 2017 Research and Development Tax Incentive claim. Inclusive of the \$125,000 received from Minotaur, as detailed above, these cash inflows increased the Company's cash position to \$960,000.

Shareholder Information

As at 30 June, Syndicated had 635,492,379 fully-paid ordinary shares on issue and approximately 1,140 shareholders. The top 20 shareholders held approximately 55% of the Company's shares. Syndicated also had 13,666,666 unlisted options exercisable at 2.26 cents, 2.34 cents and 3.12 cents and expiring on 30 August 2021 on issue. During the period 5,182,682 performance rights with various vesting conditions and expiry dates were cancelled along with 2,333,334 unlisted options exercisable at 3.12 cents.

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

David Morgan

Managing Director

T: 08 9380 9440

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Peter Langworthy who is a Member of The Australasian Institute of Mining and Metallurgy (MAAusIMM) 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 Langworthy is the Chairman of Syndicated Metals Limited and consents to the inclusion in the report of the Exploration Results in the form and context in which they appear.

Additional Information Required by Listing Rule 5.3.3

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

Northern Hub (Mt Remarkable) – Mt Isa, Qld*	
EPM 14281	Granted
EPM 16197	Granted
EPM 17638	Granted
EPM 17914	Granted
EPM 17947	Granted
EPM 18492	Granted
EPM 19733	Granted
EPM 25824	Granted
EPM 18671	Granted
Southern Hub (Fountain Range) – Mt Isa, Qld	
EPM 9083	Granted
EPM 11013	Granted
EPM 14366	Granted
EPM 14369	Granted
EPM 17637	Granted
EPM 18223	Granted
EPM 18980	Granted
EPM 19008	Granted
EPM 25435	Granted
EPM 25439	Granted
EPM 25853	Granted
EPM 25972	Granted

Monument Gold Project – Laverton, WA	
E39/1846	Granted
E39/1866	Granted
P39/5519	Granted
P39/5520	Granted
P39/5154	Granted
P39/5471	Granted
P39/5456	Granted
P39/5457	Granted

Mining tenements acquired during the Quarter and their location:

Nil.

Mining tenements disposed of during the Quarter and their location:

Nil.

*Note – The sale of the Northern Hub tenements to Minotaur Exploration Ltd. was completed subsequent to the end of the quarter.

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

Farm-in Agreements

Nil.

Farm-out Agreements

In June 2017 the Company and CopperChem Limited terminated the Barbara Copper Project joint venture and the Company's interests in tenements EPM16112 and ML90241 were sold to CopperChem. CopperChem retains exploration rights over portions of tenements EPM19733 and EPM18492. Syndicated retains a production royalty payable on the first 10,000 tonnes of copper-in-concentrate (or ore equivalent) produced by the Barbara Copper Project. The royalty will be payable as follows:

- 1% of the net smelter return (NSR) generated from the sale of concentrate or ore equivalent subject to a minimum invoiced copper price of US\$2.50/lb;
- 2% of the NSR generated from the sale of concentrate or ore equivalent subject to a minimum invoiced copper price of US\$3.00/lb;
- Where no production royalties are payable due to the invoiced price being below US\$2.50/lb, copper sold from the Barbara Copper Project does not count towards the 10,000 tonne production royalty cap.

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

Nil.