

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT – 28 October 2016

SEPTEMBER 2016 QUARTERLY ACTIVITIES REPORT

Syndicated repositions in WA gold with acquisition of highly prospective Monument Project and start of maiden drill program

Highlights

- Acquisition of 100% of the Monument Gold Project, located in WA's world-class Laverton region, completed through the purchase of private company Monument Exploration Pty Ltd for a combination of cash, shares and a gold production royalty.
- Maiden exploration program commenced at Monument subsequent to Quarter-end, including a 3,500m RC and diamond drill program.
- Discussions continuing with several potential JV partners for the Mt Remarkable Copper Project in Queensland.
- Share Placement at 2.1 cents per share raised \$1.995M with a further \$110,000 raised subject to shareholder approval.

Overview

During the Quarter, the Company's assessment of potential new gold and base metal resource assets culminated in the acquisition of the Monument Gold Project in the Laverton region of Western Australia.

In August, the Company completed a heavily oversubscribed share placement at 2.1 cents per share raising \$1.995 million. A further \$110,000 was subject to shareholder approval which was obtained at the Company's AGM held on 27 October 2016.

Exploration and Evaluation

Monument Gold Project

During the Quarter, Syndicated acquired the highly prospective Monument Gold Project in WA's Laverton gold province, through the purchase of private company Monument Exploration Pty Ltd ("Monument").

Syndicated acquired Monument for \$50,000 in cash and 23,767,082 fully-paid ordinary Syndicated shares at a price of 0.8415 cents each (\$200,000 total share consideration), which was the 5-day VWAP for Syndicated shares prior to execution of the agreement. The Vendor will also receive a 0.5% gross royalty paid on future gold production of up to 100,000 ounces from the tenements.

The Monument Gold Project comprises a 210km² tenement package located ~55km west of Laverton in the world-class Laverton gold district of WA, which hosts numerous multi-million ounce gold mines such as Sunrise Dam (+10Moz), Wallaby (+8Moz), Granny Smith (+2Moz) and Lancefield (+2Moz).

The package comprises four contiguous tenements (three of which are granted and one of which is pending) which lie immediately to the north-west of the 3.3Moz Mount Morgans Gold Project, currently being explored and developed by Dacian Gold Limited (ASX: DCN) (refer Dacian Gold announcement 25 July 2016) (see Figure 1).

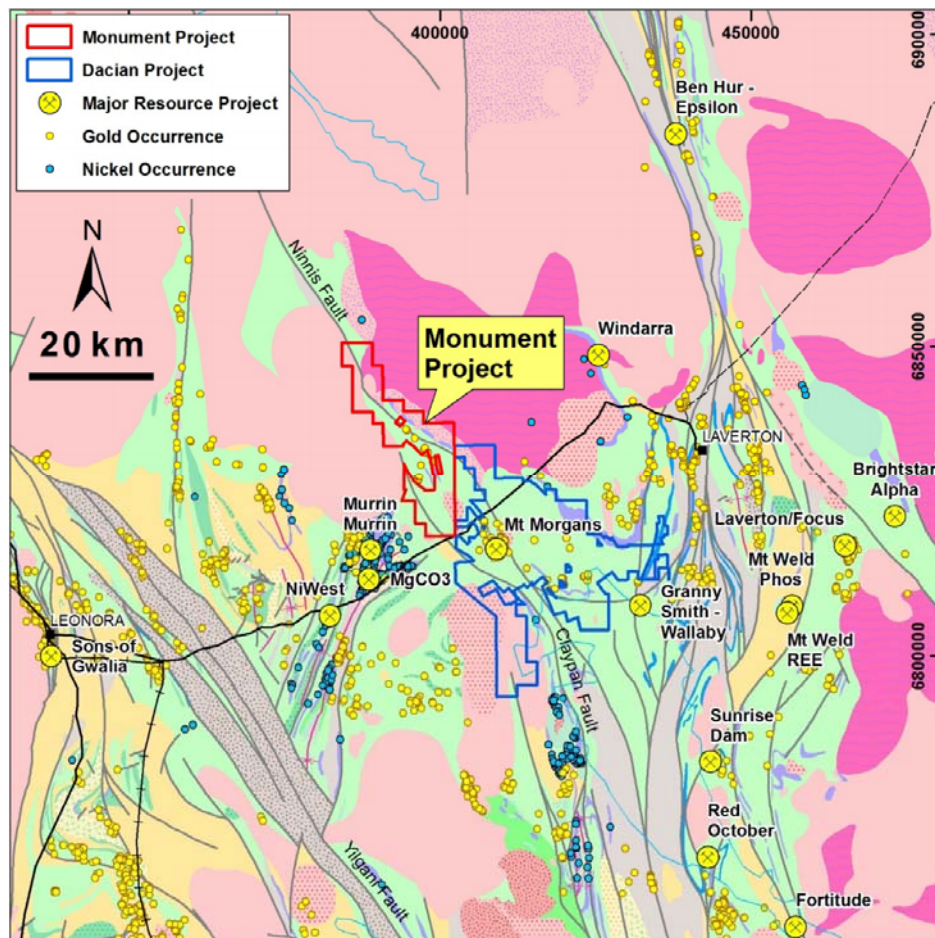


Figure 1 – Location of the Monument Gold Project showing regional geology and nearby mining operations

This area is a well-established mining district with excellent infrastructure and access including the sealed Leonora-to-Laverton road (which runs through the project), a new gas pipeline and sealed airstrips at Laverton and Leonora.

The Monument Gold Project tenements cover an approximate 25km strike length of the Ninnis and Claypan Fault Zones, the two significant regional geological structures which control gold and nickel mineralisation identified further south particularly at the Mount Morgans Gold Project (see Figure 1).

The acquisition provides Syndicated shareholders with exposure to an outstanding gold exploration opportunity in a world-class gold province. The Laverton Tectonic Zone has produced more than 30 million ounces of gold and yielded some of Australia's best known gold mines.

The last concerted phase of exploration on the Monument tenements was undertaken by Carpentaria Exploration and Western Mining Corporation in the late 1980s and early 1990s. Carpentaria Exploration drilled the Waihi and Korong prospects, both of which contain near surface historical gold workings, some dating back to the last century.

The Korong mine produced some 2,875t of ore at an average grade of 35.6g/t Au while the Waihi mine produced 424 tonnes of ore at an average grade of 67.9g/t Au. Most of these workings were abandoned by 1910.

A total of 142 historical drill holes have been recorded on the tenements, most of which were drilled under and immediately along strike of the historical workings at the Waihi and Korong prospects. Drilling rarely penetrated the oxidized zone which in the area ranges from 20m to 80m. The last recorded drill hole was completed in 2003.

Exploration on the adjoining tenements by Dacian has highlighted the importance of the confluence of the Ninnis Fault Zones with the BIF/Ultramafic unit, which hosts the Westralia and Morgans North deposits, in localizing high-grade gold mineralisation. The Korong and Waihi mineralisation further north displays similar quartz veining and sulphide alteration at contacts between the BIF/porphyry and ultramafic unit as seen at Westralia (see Figure 2).

Syndicated believes this horizon is highly prospective for gold discoveries, and intends to concentrate initially on the main 16km long Korong-Waihi trend as a focus for near-term exploration activities.

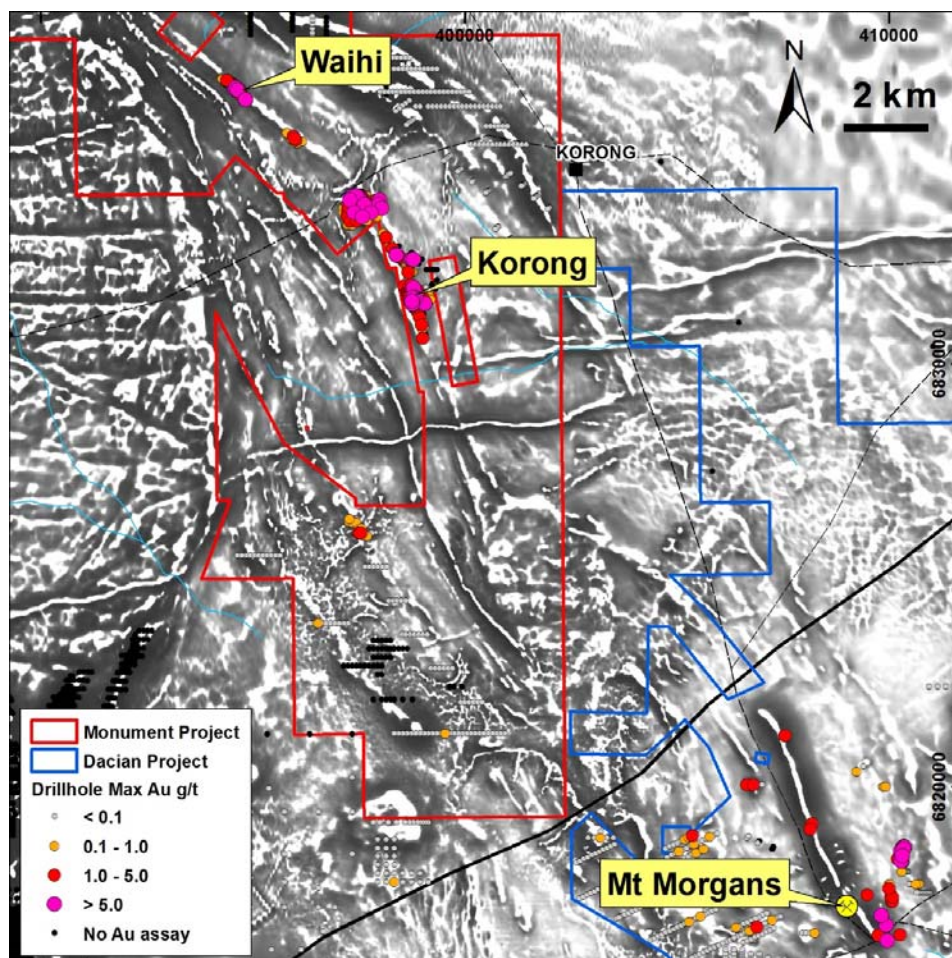


Figure 2 – Monument Project tenements showing the Korong and Waihi gold prospects over regional magnetics

Baseline geophysical surveys were undertaken in 2011 using Induced Polarisation (IP). These IP surveys have revealed a number of untested targets along the Korong-Waihi trend which represent potential additional drilling targets.

The Korong prospect is covered by granted Exploration Licences, allowing Syndicated to commence drilling activities on these tenements quickly. While previous near surface drilling returned ore grade intercepts from the sequence it is envisaged that deeper drilling into the footwall of the ultramafic sequence will be required to fully test the targets at Korong.

A cross-section of the Korong prospect based on historical drilling is shown in Figure 3, highlighting the BIF sequence which hosts the gold mineralisation.

A representative section from the Westralia deposit at Dacian Gold's nearby Mount Morgans Gold Project is shown for comparative purposes on the right.

Subsequent to the end of the Quarter, Syndicated commenced a 3,500m RC and diamond drilling program at the Monument Project to test the mineralised horizon at Korong and drill through to the underlying footwall BIF. The drill program will be complemented by an Induced Polarisation (IP) geophysical survey initially covering the Korong prospect, which may be expanded to cover the entire prospective gold corridor at the Monument Project if successful.

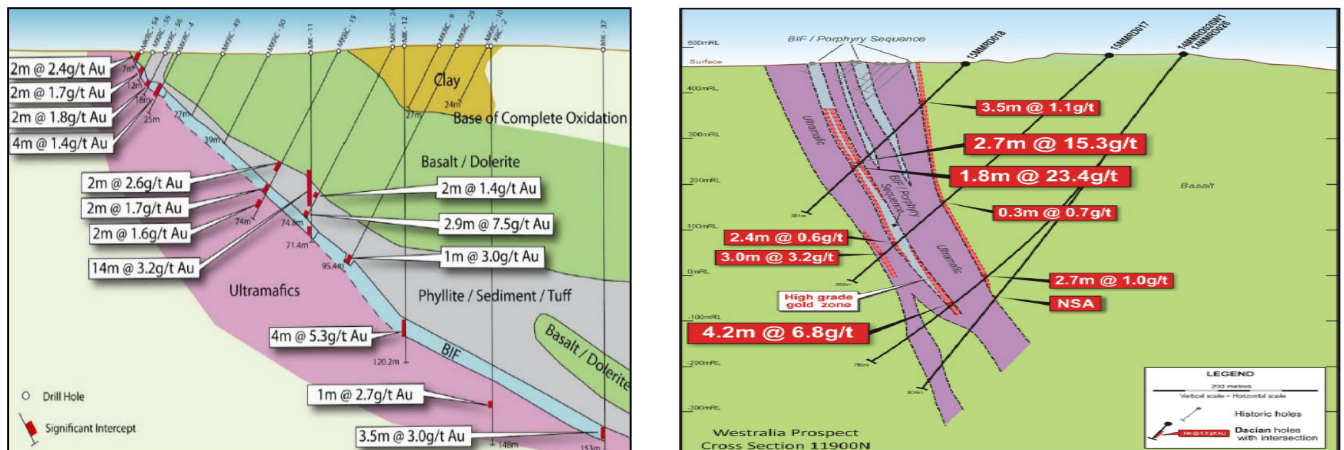


Figure 3 – Korong cross-section (left); representative cross-section from the Westralia deposit (Dacian Gold) (right) (See Dacian Gold announcement – 30 July 2015)

Barbara Copper Project (Syndicated 50%)

The Barbara Copper Project is part of the Barbara Joint Venture, which covers approximately 100km² of tenure within the Mt Remarkable Project area. The Barbara JV is a 50/50 joint venture between CopperChem Limited and the Company with CopperChem being the Manager of the Project.

The Barbara Project remains in a “ready-to-go state” pending improved economic conditions. The project JV terms require the Barbara JV partners to make a Decision to Mine by May 2019 or the project will revert to 100% ownership by Syndicated Metals.

Mt Remarkable/Northern Hub Regional Exploration (Syndicated 100%)

The Mt Remarkable Project consists of eleven EPM tenements covering approximately 1000km² of tenure and straddles the Mt Remarkable Fault from the Barkley Hwy to Kajabbi.

During the Quarter, enquiries and proposals were received from groups seeking Earn-In JV arrangements over the project. The proposals are currently under consideration by management.

The Company is seeking to partially divest the Project via an exploration earn-in joint venture.

Fountain Range/Southern Hub Regional Exploration

The Fountain Range Project consists of sixteen EPM tenements covering approximately 460km² of tenure 100km south-east of Mt Isa.

The Company has circulated an Information Memorandum to interested parties highlighting the prospectivity of the Southern Hub project for Iron Oxide copper-gold and vein-style copper-gold within the tenure.

While a number of groups expressed interest, no firm proposal has so far been received which reflects management's view of the fair value of this asset. The Company continues to seek a partner for the project.

Corporate

Share Placement

In August, Syndicated successfully raised a total of \$2.1 million to fast-track its maiden drilling program at the recently acquired Monument Gold Project.

The capital raising, which was undertaken at an issue price of 2.1 cents per share, comprised a heavily oversubscribed share placement to sophisticated and professional clients of Sydney-based Blue Ocean Equities, as well as some long-standing shareholders of the Company, and an additional \$110,000 share placement to companies associated with its Directors, subject to shareholder approval.

A total of 95,000,000 fully paid ordinary shares were issued in Tranche 1 raising \$1,995,000. The balance of the Placement Shares (5,238,095 Shares) will be issued to companies associated with directors also at an issue price of 2.1 cents per Share (Tranche 2) to raise \$110,000. Shareholder approval was required to issue the Tranche 2 shares and this was obtained subsequent to the end of the Quarter at the Company's AGM held on 27 October 2016.

The funds raised will be used to fund the following activities:

- The Company's maiden drilling program at the Korong prospect, within the recently acquired Monument Gold Project located in the Laverton region of WA;
- A detailed geophysical survey of the entire 16km long Korong-Waihi trend;
- Follow-up drilling at Korong, Waihi and other identified targets following the maiden drilling and geophysical survey programs;
- Asset maintenance activities associated with the Company's Queensland copper-gold projects to ensure that the tenement holding is kept in good standing;
- General working capital and administrative expenses; and
- The expenses of the capital raising.

CopperChem Anti-dilution Right

The issue of the placement shares triggered the CopperChem anti-dilution right. CopperChem waived its anti-dilution right in regard to the issue of the 95,000,000 Tranche 1 shares and accepted its right in regard to the Tranche 2 shares, subject to shareholder approval of the issue of the Tranche 2 shares and the issue of the CopperChem anti-dilution shares.

CopperChem has subscribed for 2,685,000 shares at 2.1 cents per share on the same pricing and terms as the share placement.

CopperChem also accepted its anti-dilution right in regard to the issue of the 23,767,082 shares for the acquisition of Monument Exploration Pty Ltd. CopperChem has subscribed for 12,184,000 shares at 0.8415 cents per share.

Shareholder approval was required to issue the above shares and this was obtained subsequent to the end of the Quarter at the Company's AGM held on 27 October 2016.

Cash Reserves

As at 30 September 2016, the Company had cash reserves of \$2.194 million. The Company has no corporate debt and minimal long-term commitments.

Shareholder Information

As at 30 September, the Company had 598,234,546 fully-paid ordinary shares on issue and approximately 900 shareholders. The top 20 shareholders held 57.02% of the Company. The Company also had 57,574,182 unlisted options and 7,123,704 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 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:

Northern Hub (Mt Remarkable) – Mt Isa, Qld	
EPM 14281	Granted
EPM 16197	Granted
EPM 17638	Granted
EPM 17914	Granted
EPM 17947	Granted
EPM 18492 (part)	Granted
EPM 19049	Granted
EPM 19733 (part)	Granted
EPM 25824	Granted
EPM 25915	Granted
EPM 26026	Granted
Southern Hub (Fountain Range) – Mt Isa, Qld	
EPM 9083	Granted
EPM 11013	Granted
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	Granted
EPM 25972	Granted

Barbara Joint Venture – Mt Isa, Qld	
EPM 16112	Granted
EPM 18492 (part)	Granted
EPM 19733 (part)	Granted
ML 90241	Granted

Monument Gold Project – Laverton, WA	
E39/1846	Granted*
E39/1866	Application
P39/5519	Granted*
P39/5520	Granted*

*Tenements E39/1846, P39/5519 and P39/5520 are currently awaiting transfer to Monument Exploration Pty Ltd, a 100% owned subsidiary of Syndicated Metals Limited.

Mining tenements acquired during the Quarter and their location:

During the Quarter the Company purchased Monument Exploration Pty Ltd, the holder of the rights to the tenements E39/1846, E39/1866, P39/5519 and P39/5520. All four tenements are located in the Laverton region of WA.

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

Nil.

Farm-out Agreements

Syndicated is in Joint Venture with CopperChem Limited over portions of tenements EPM19733 and EPM18492 and all of EPM16112 and ML90241. CopperChem has earned a 50% interest in these tenements by funding and managing a feasibility study over the Barbara Project. Under the terms of the Joint Venture and Acquisition Agreement the Feasibility Period has now ended and the joint venture participants have entered the Decision Period. The Decision Period ends on the earlier of the date on which a participant gives notice to the other participant that it has made a Decision to Mine and the date three years from the start of the Decision Period.

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

Nil.