



# SYNDICATED METALS

ASX Code: SMD

**An emerging producer. A strong partner. An active explorer.**



*Developing the Barbara Copper-Gold Project,  
North Queensland*

AGM Presentation – 27 November 2013

Andrew Munckton, Managing Director





# The Syndicated Snapshot

## ❏ Pathway to near-term production at Barbara Cu-Au Project:

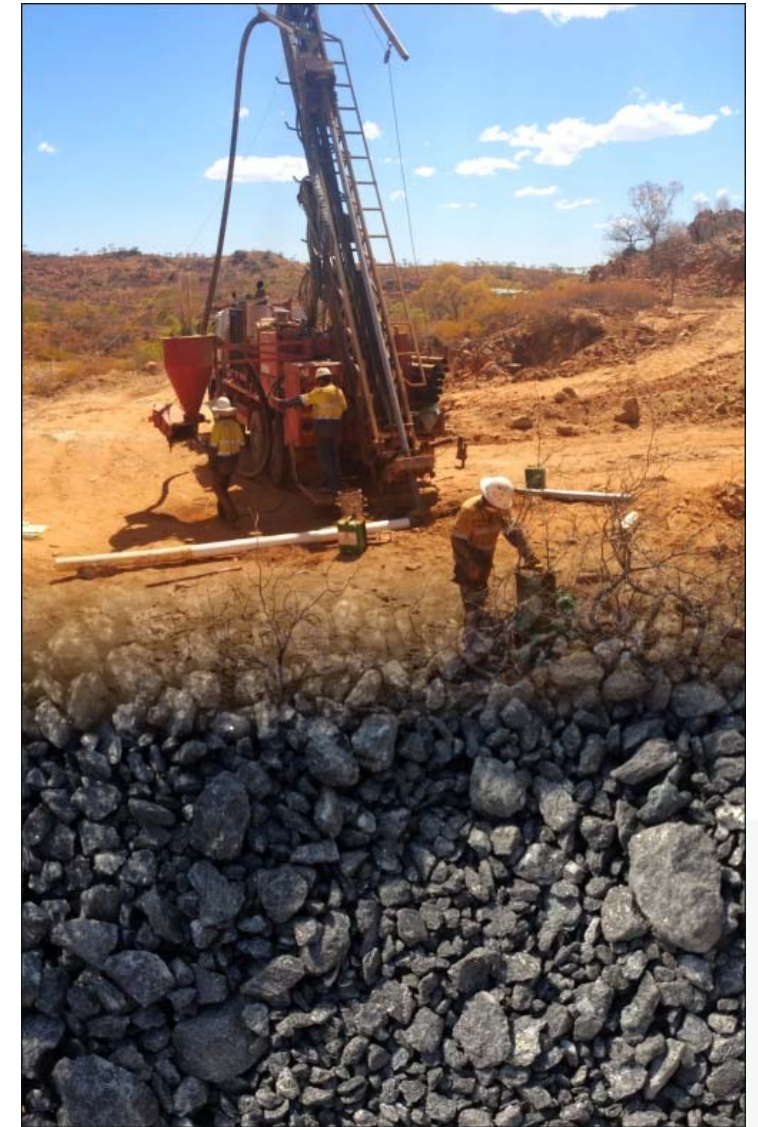
- ❏ 50/50 development JV with CopperChem Ltd (WHSP)
- ❏ Feasibility Study underway
- ❏ Low cost, low-risk development opportunity

## ❏ Outstanding near-mine exploration potential:

- ❏ Current resources of 5.3Mt @ 1.4% Cu (76kt Cu)
- ❏ Drilling underway – extend and expand

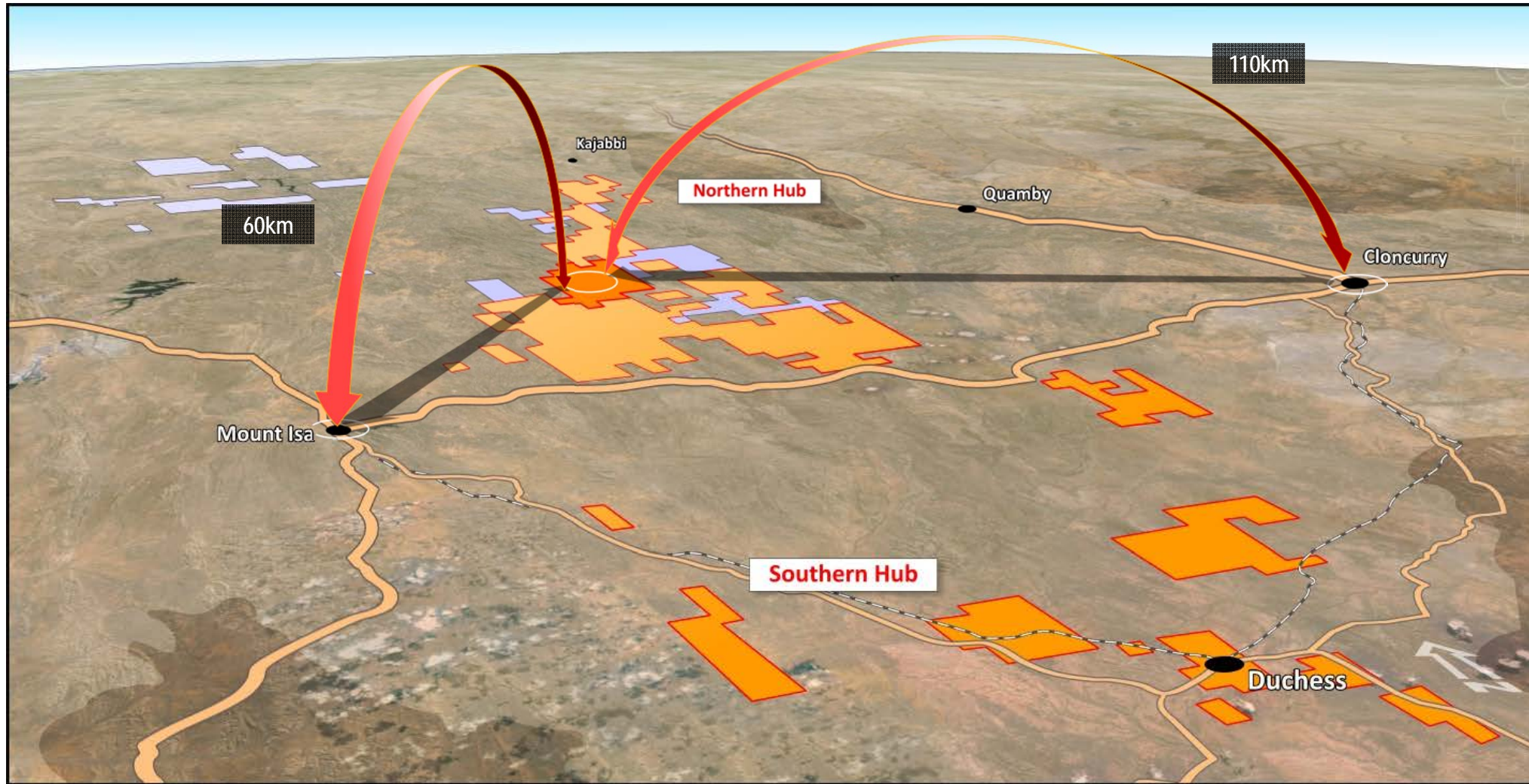
## ❏ Strong leverage to growth:

- ❏ CopperChem a cornerstone investor (18.9%) and partner
- ❏ Clear pathway to production and resource growth





# A Strategic Player in the Mt Isa-Cloncurry Copper Belt

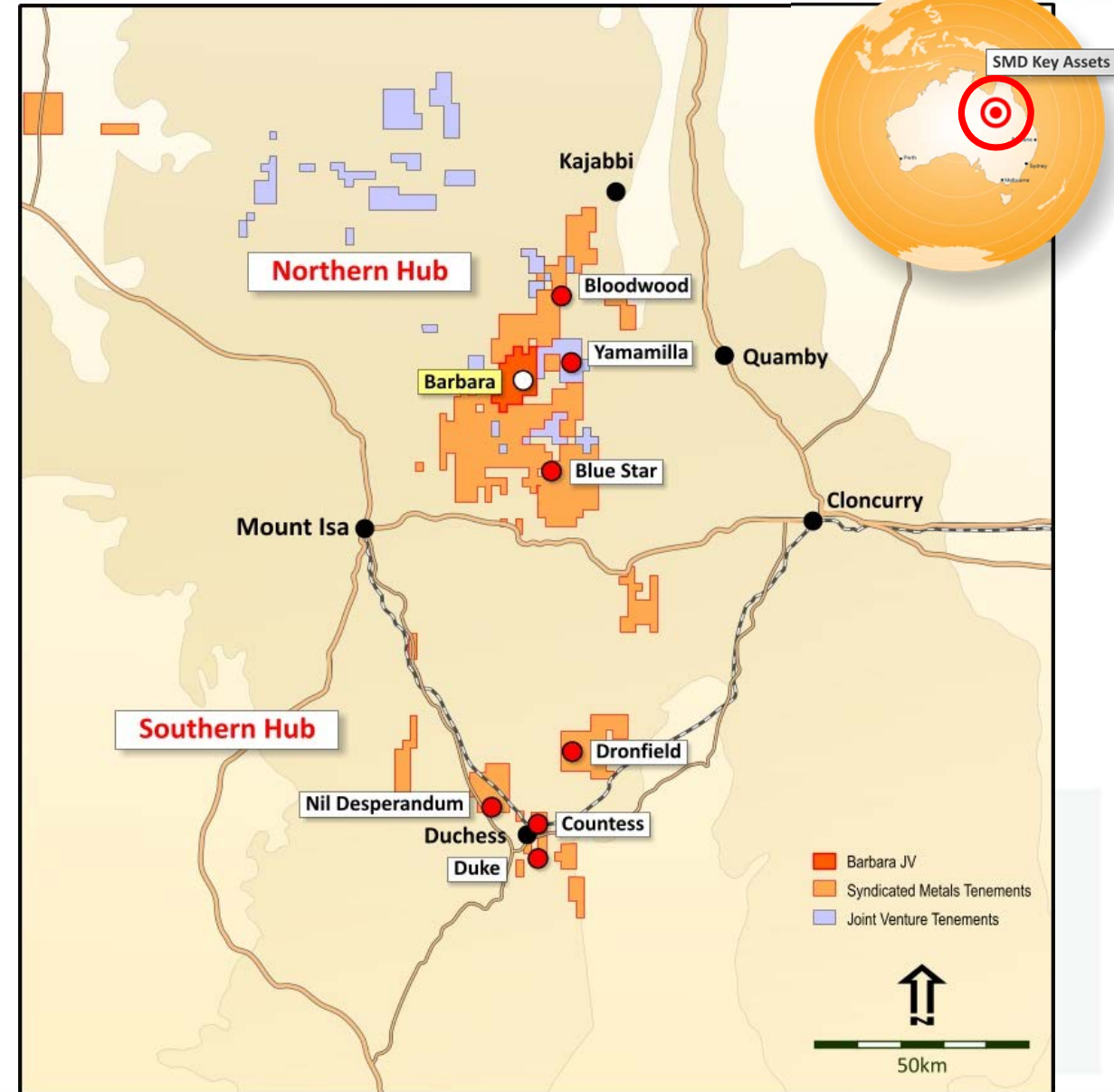


- **2,500km<sup>2</sup>** tenement package located midway between Mt Isa and Cloncurry – one of the world's great copper belts. Mt Isa has produced more than 60% of Australia's copper.



# A Strategic Player in the Mt Isa-Cloncurry Copper Belt

- World-class Cu-Au province
- Excellent infrastructure – rail, gas, power and skilled labour
- Remains highly prospective for new discoveries:
  - Innovative exploration concepts
  - Technology
- Limited advanced high grade projects

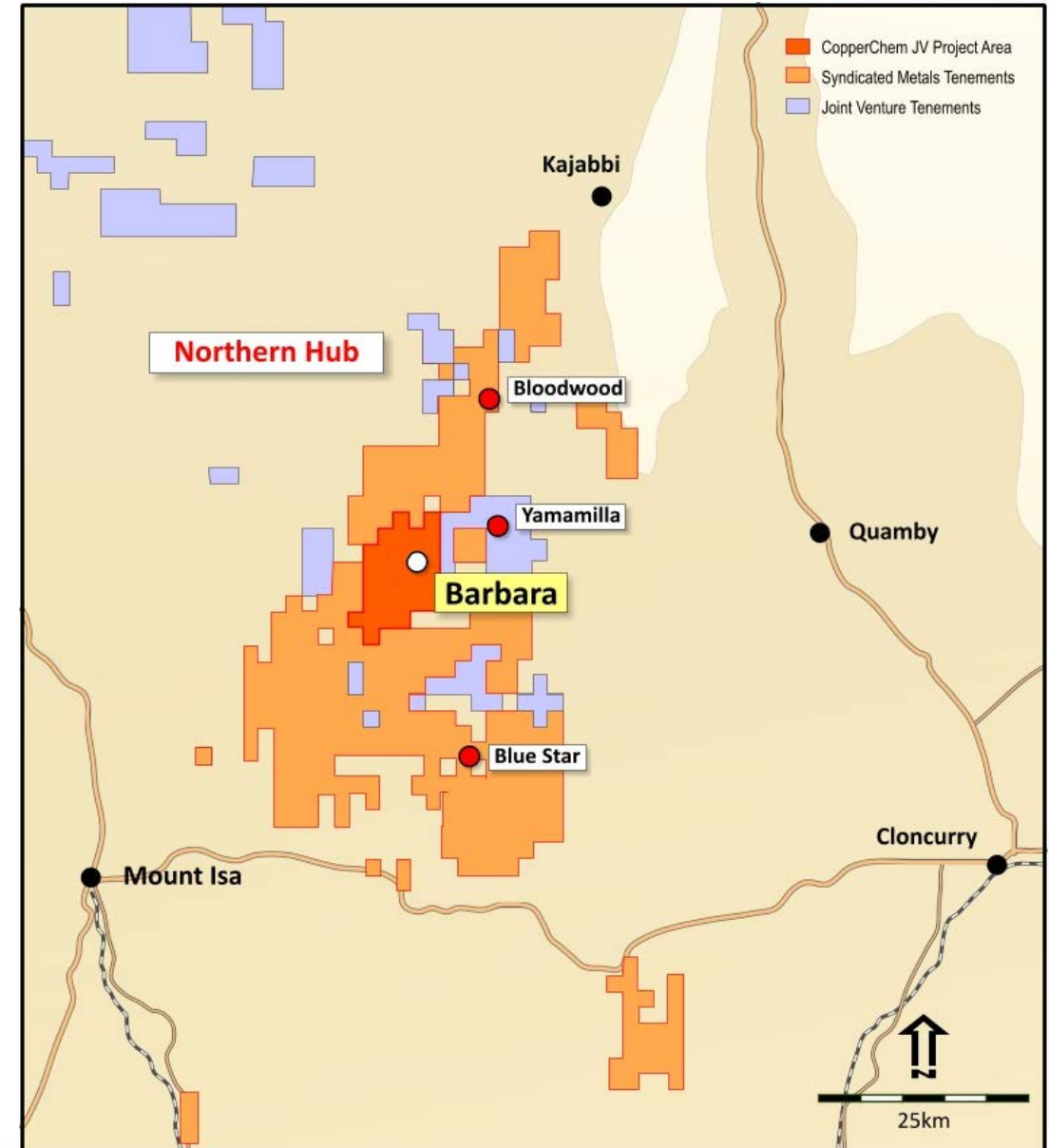




# Asset Portfolio – Strategic Objective

## Develop a new regional production centre

- Consolidated key tenement portfolio
- Strategic Alliance with Cloncurry-based copper producer CopperChem Limited:
  - Funding Barbara Feasibility Study (commenced)
  - Access to infrastructure and treatment facility based in Cloncurry
  - Key Metrics
    - 76Kt Cu Resource
    - 2 year Mine Life with Target of 5-7 years
    - 50/50 JV
- Highly prospective opportunities:
  - Near-mine extensions
  - Satellite

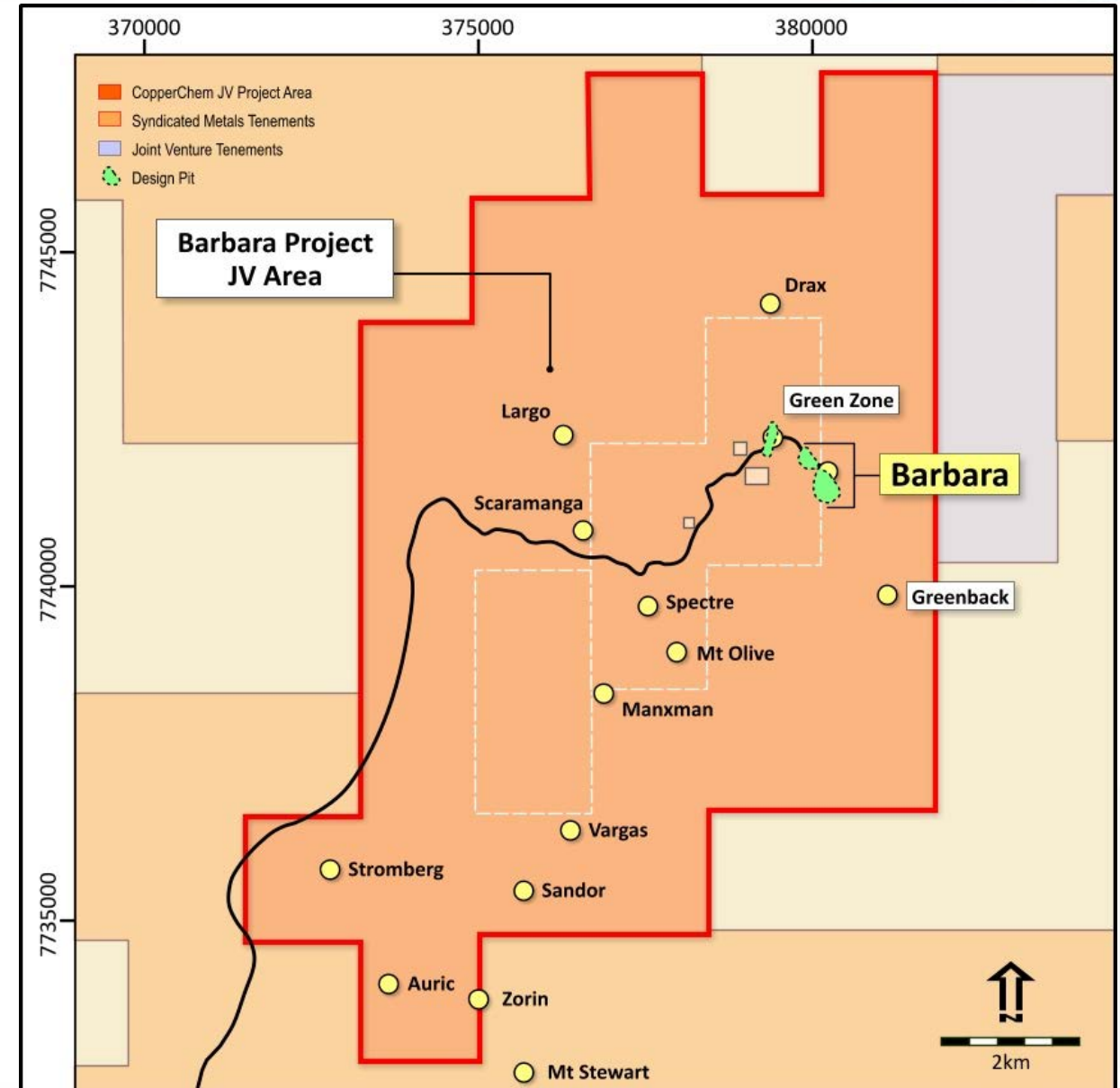




# Barbara Copper-Gold Joint Venture

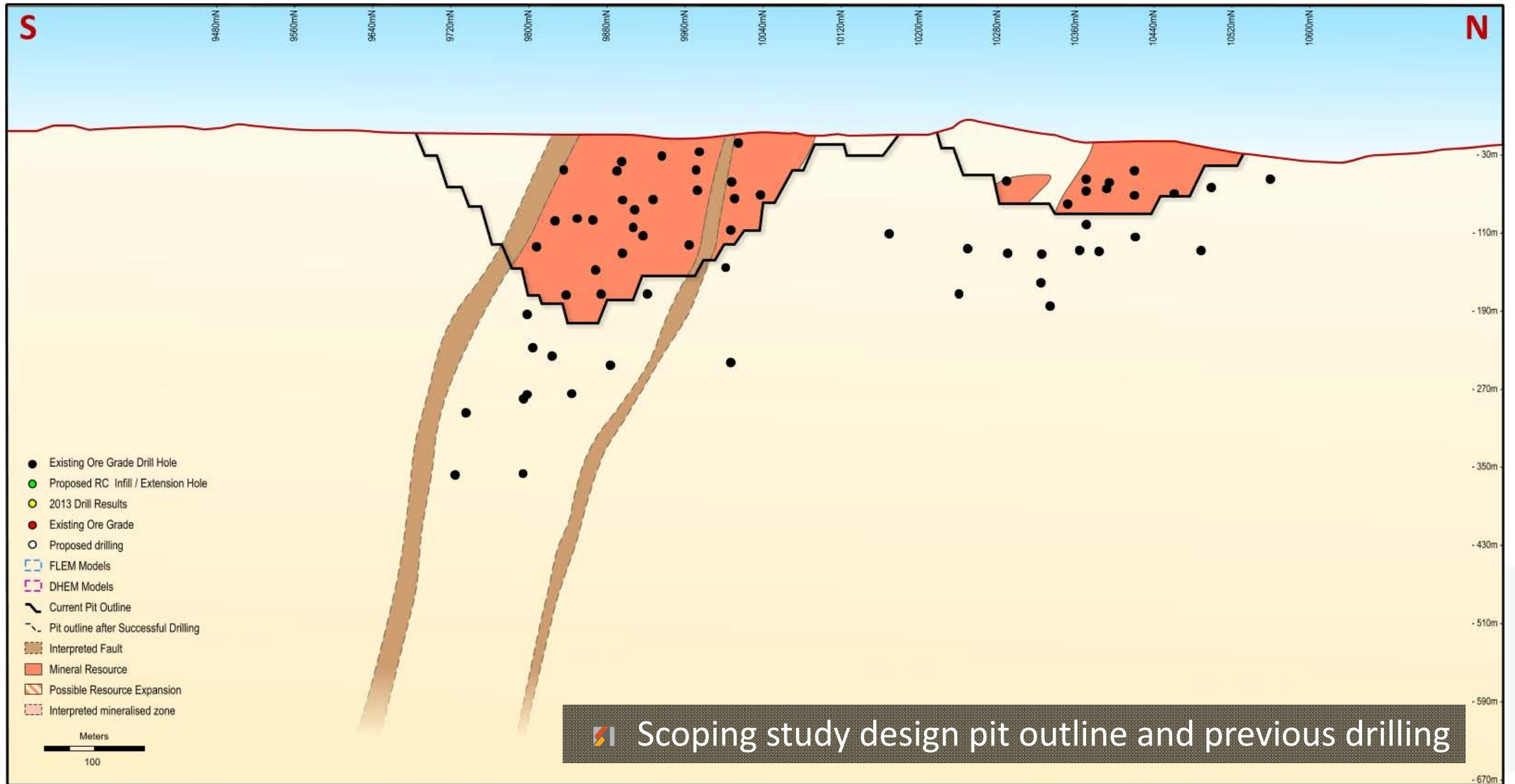
❏ CopperChem JV covers Barbara deposit and surrounding 100km<sup>2</sup> area:

- ❏ Funded \$1.0m purchase of JV interest
  - ❏ Sole funding Feasibility Study to decision to mine (open ended)
  - ❏ Access to Cloncurry plant at commercial rates
  - ❏ Deal liberates stranded deposits like Barbara
  - ❏ Additional exploration to be funded on 50/50 basis
- ❏ Initial focus on in-fill and extensional drilling of Barbara resource
- ❏ Multiple exploration targets defined within economic haulage distance
- ❏ Drill testing to follow completion of Barbara resource drill-out



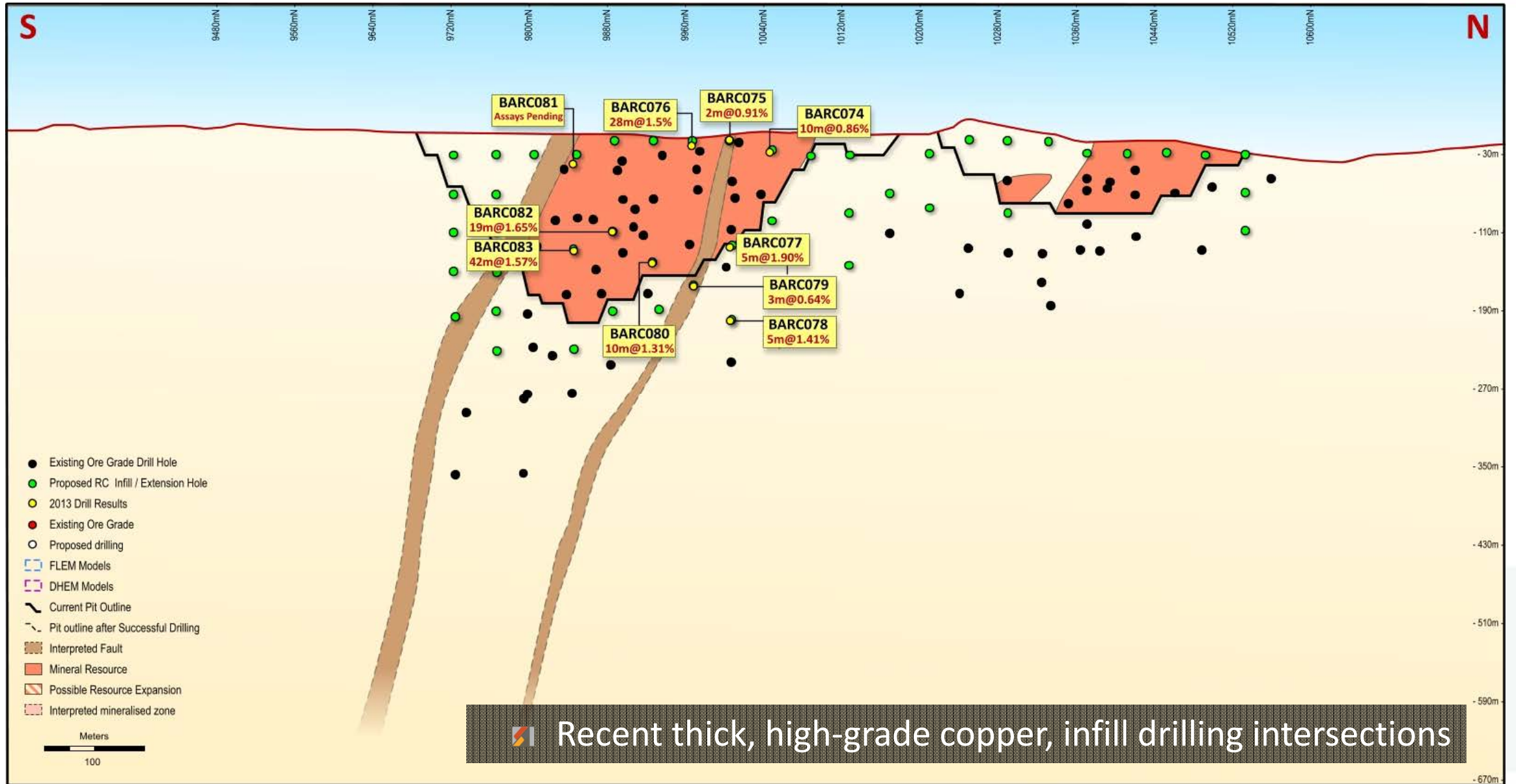


# Barbara Copper Deposit – Long Section



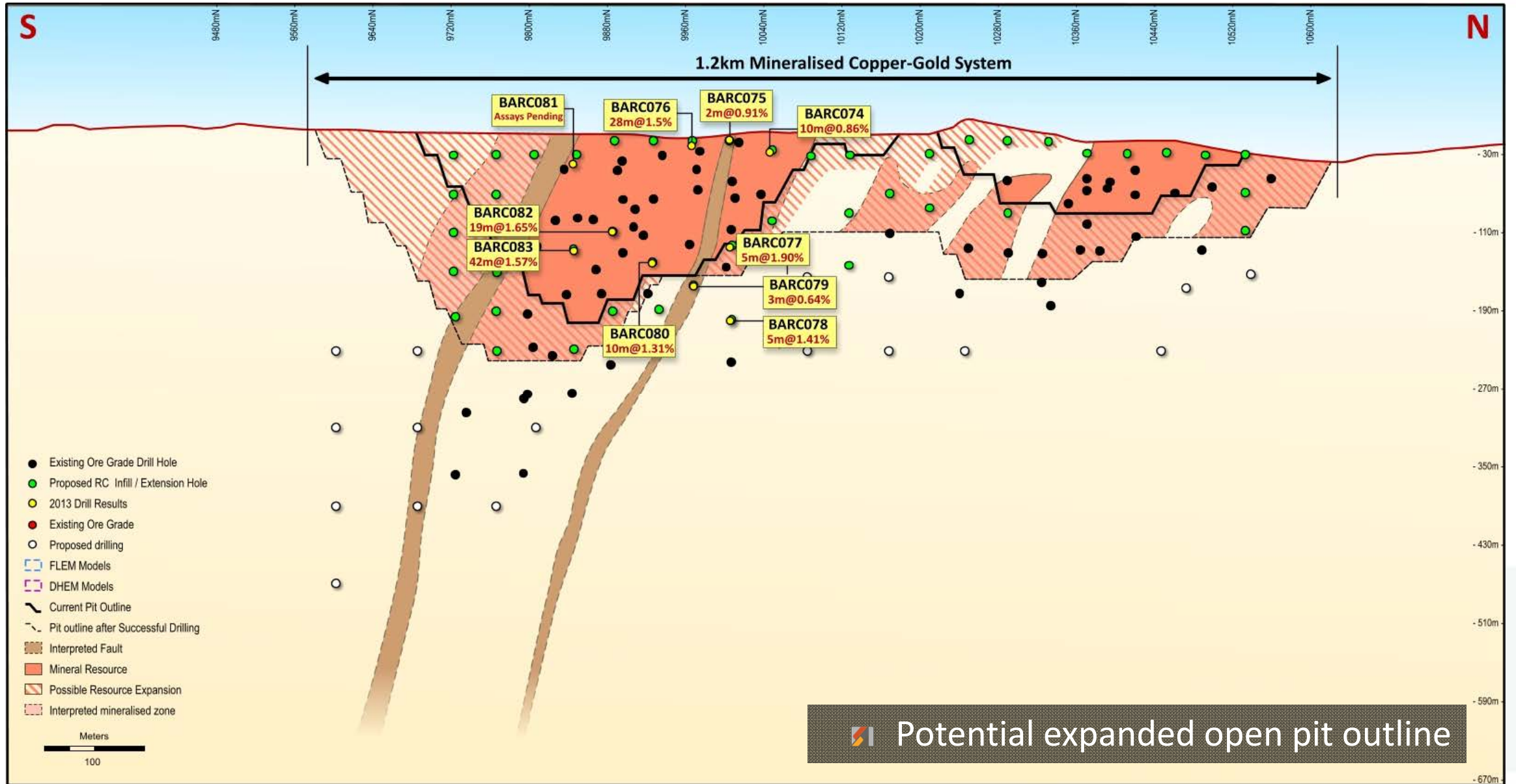


# Barbara Copper Deposit – Long Section



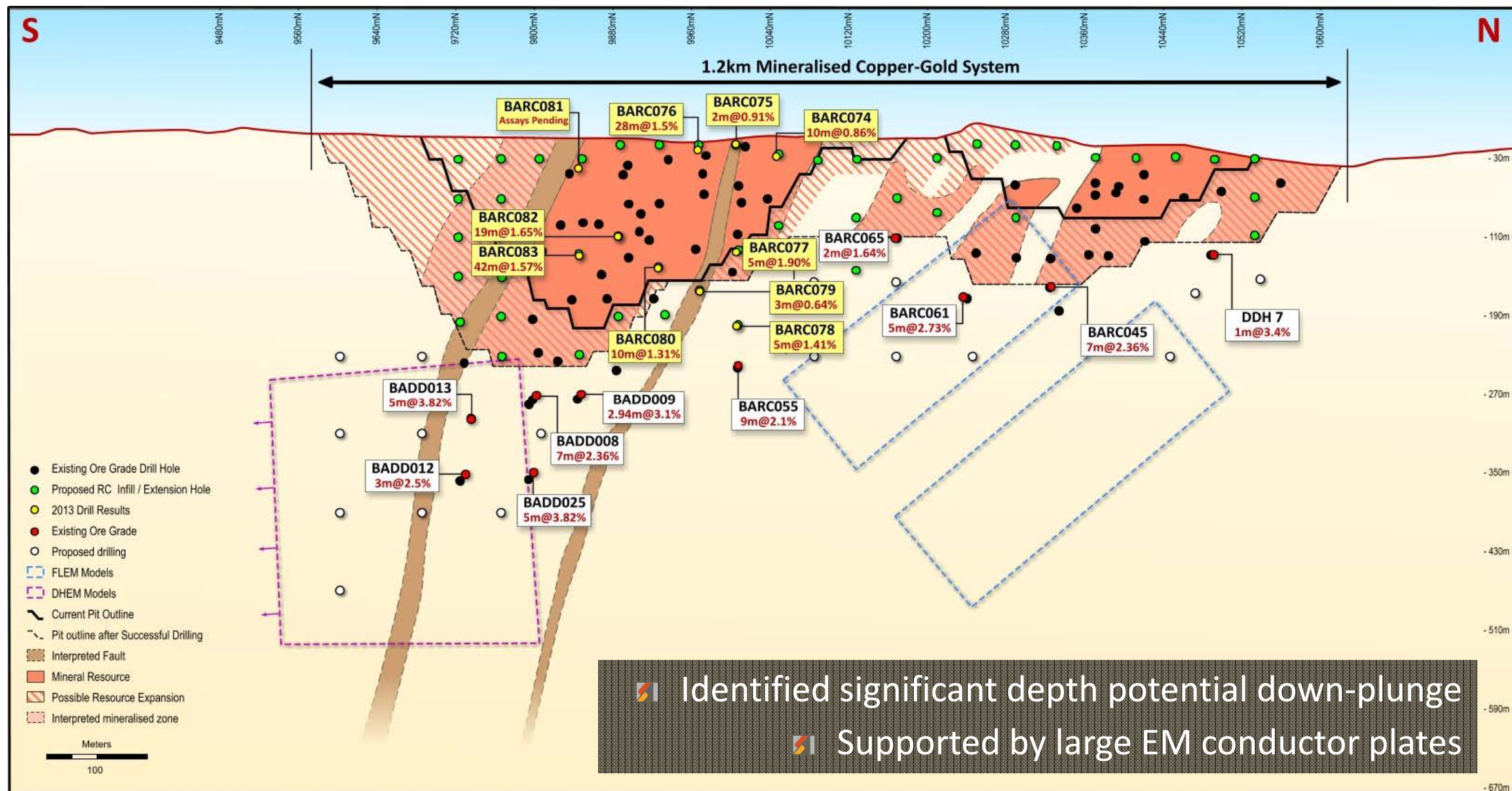


# Barbara Copper Deposit – Long Section



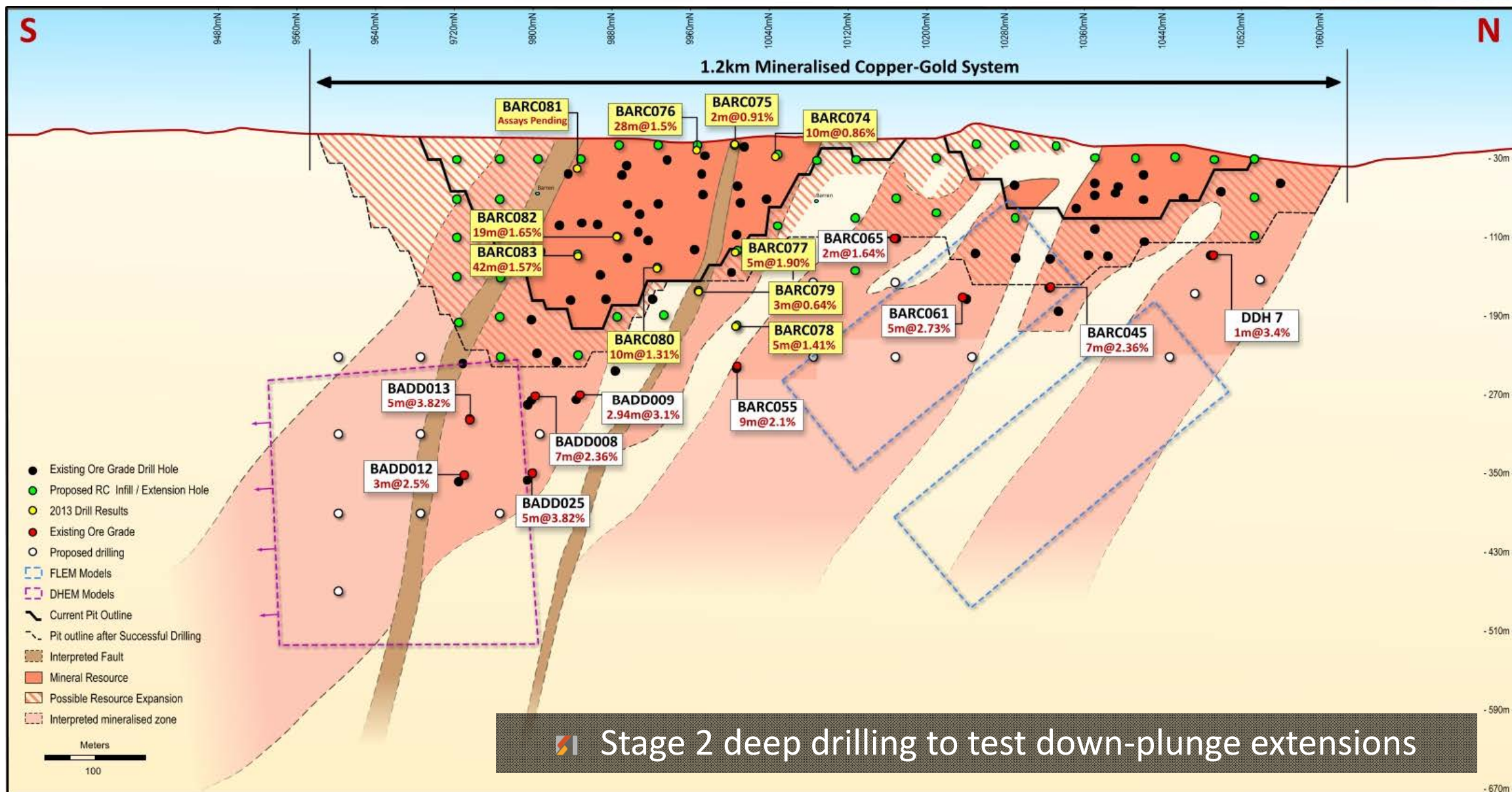


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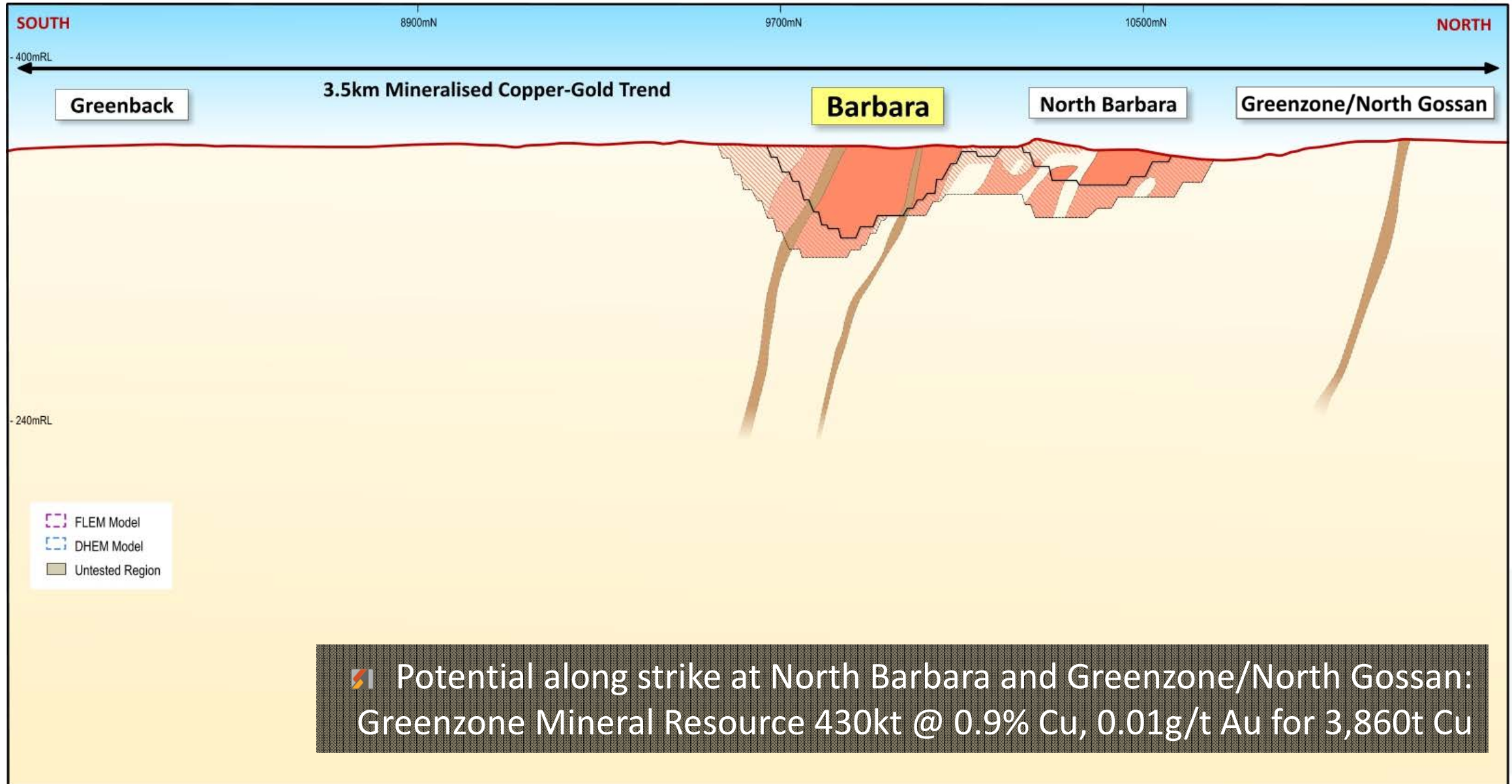


# Barbara Copper Deposit – Long Section



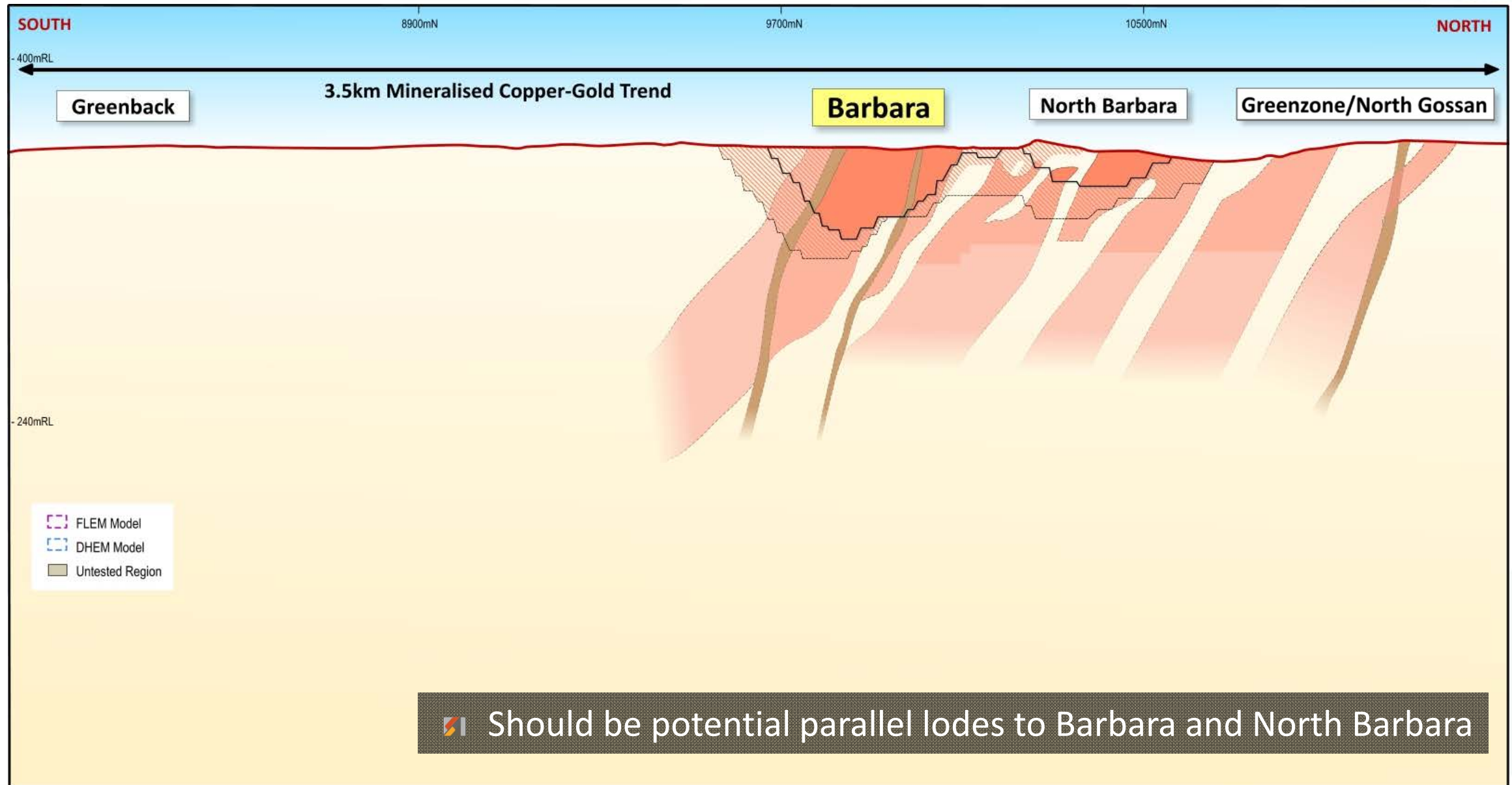


# Barbara Mine Corridor – Exploration Potential



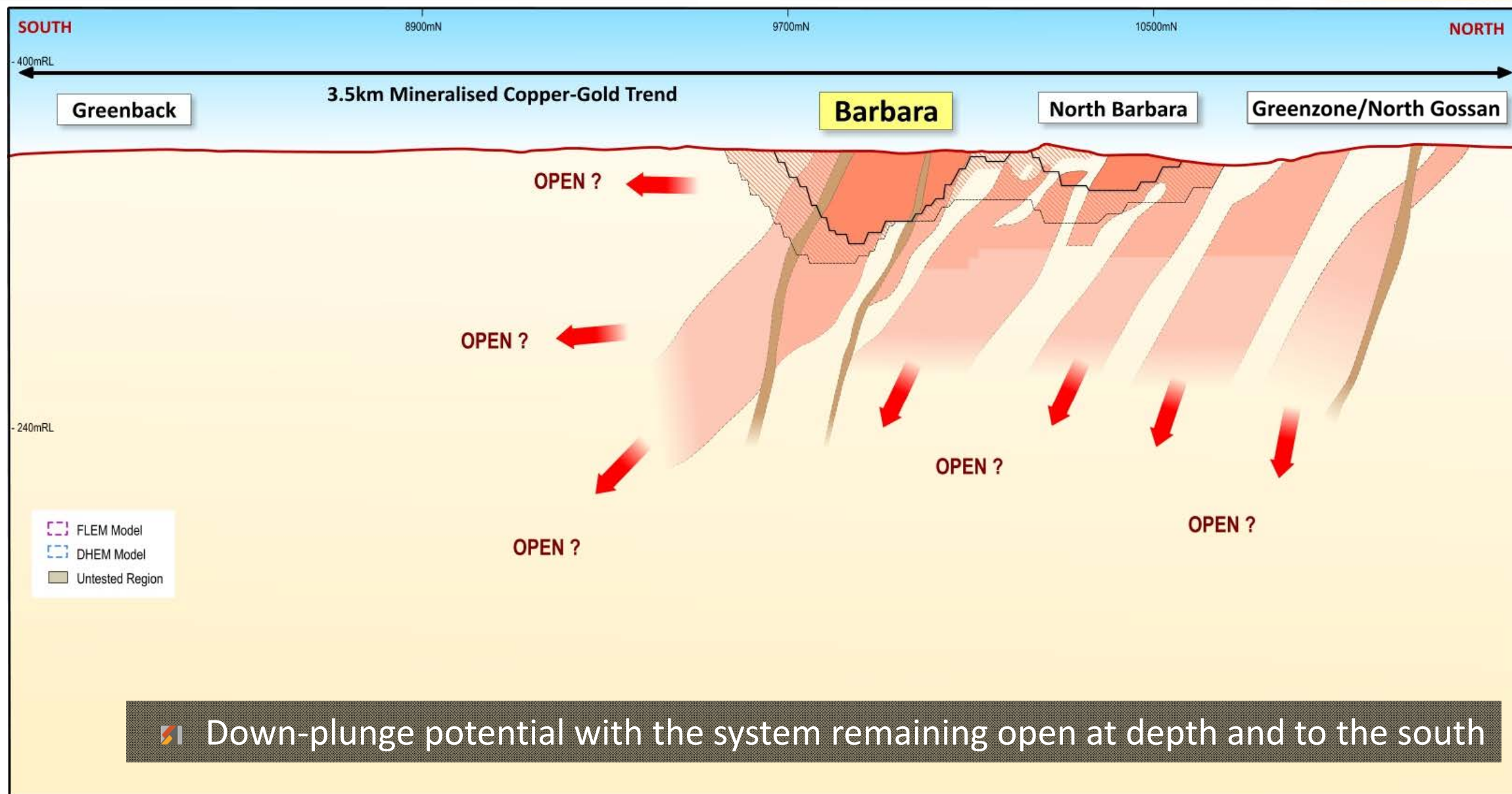


# Barbara Mine Corridor – Exploration Potential



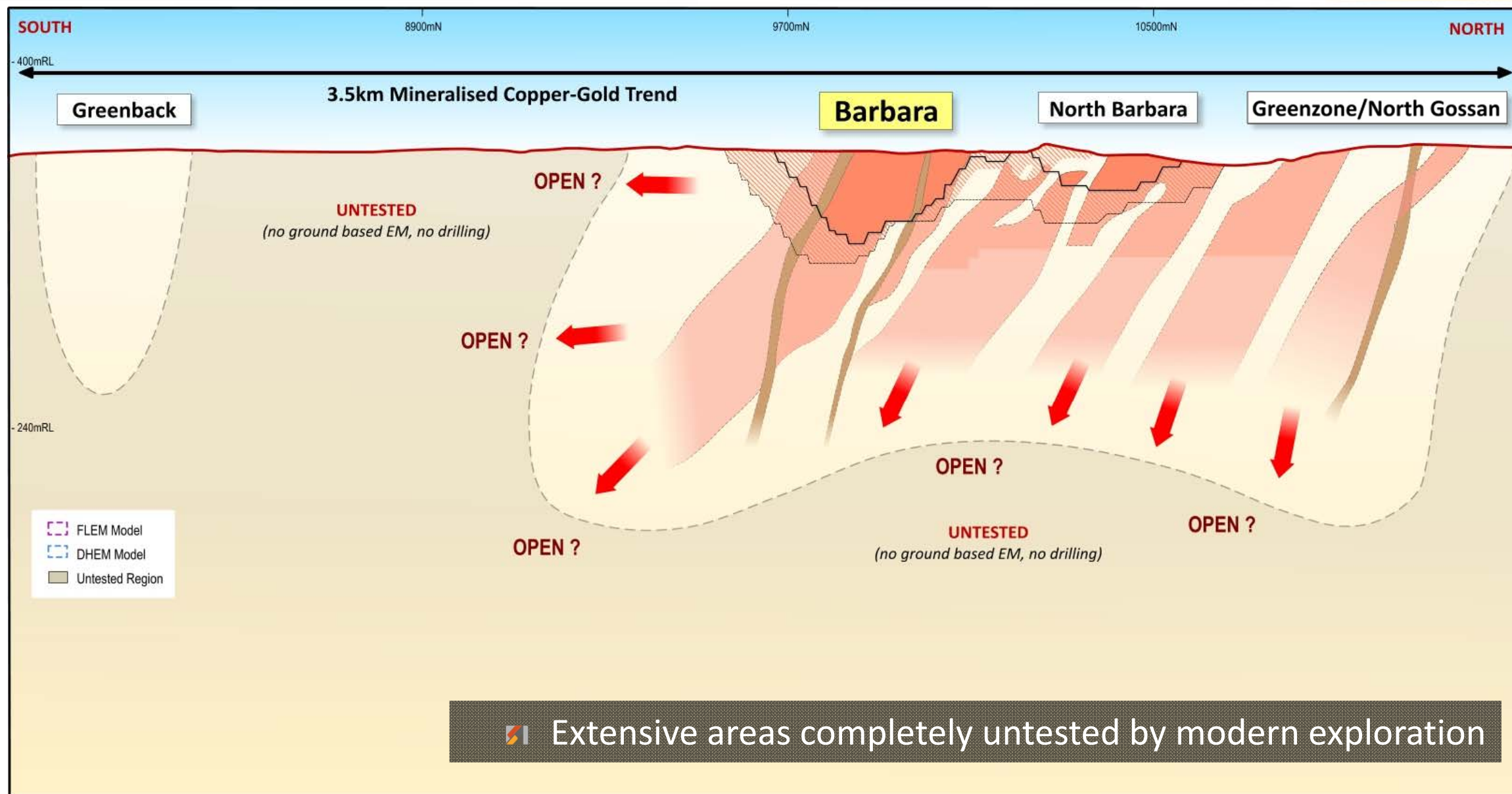


# Barbara Mine Corridor – Exploration Potential





# Barbara Mine Corridor – Exploration Potential



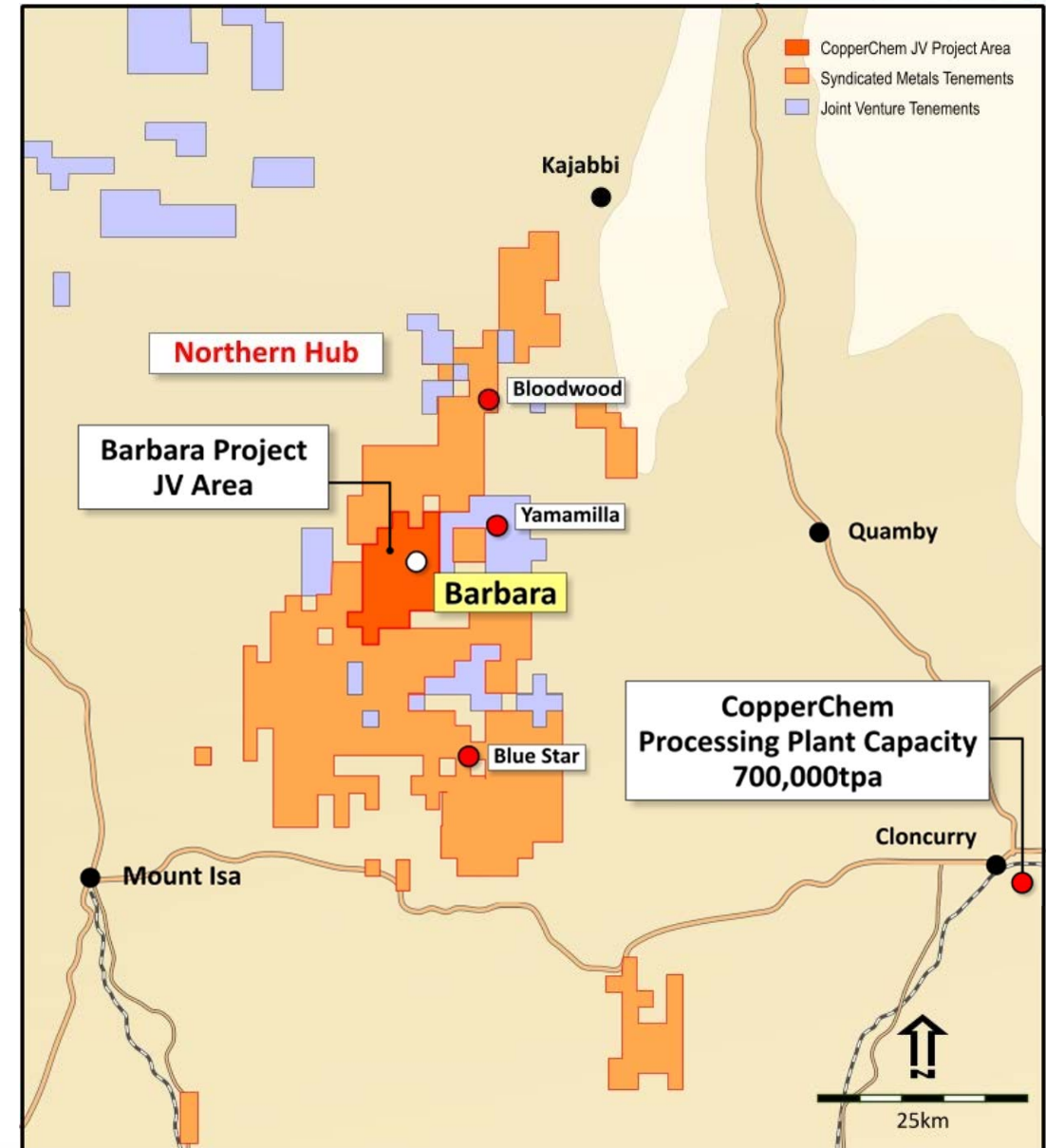






# Barbara Joint Venture – Development Overview

- ❏ CopperChem Limited becomes Project Partner:
  - ❏ Acquires 50% holding in the Barbara Project by
    - ❏ Funding purchase of minority interest in Barbara – \$1.0M
    - ❏ Funding Feasibility Study to decision to mine
    - ❏ Provides access to Cloncurry Treatment Plant
- ❏ CopperChem managing Feasibility Study:
  - ❏ Drilling to expand resource
  - ❏ Geotech, water and metallurgy
  - ❏ Pit optimisation and design processing options evaluation
  - ❏ Constructability, logistics and supply





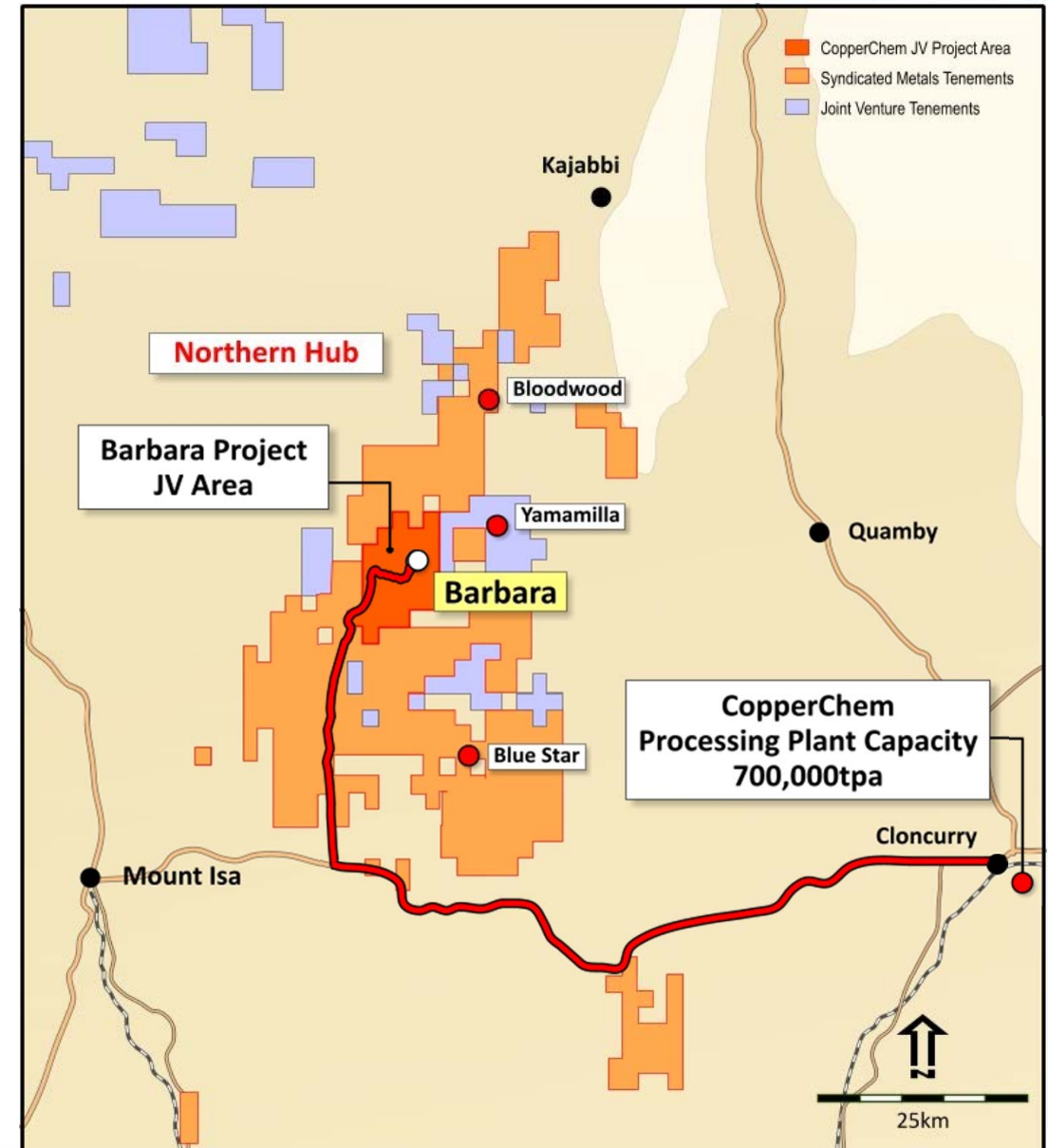
# Access to Infrastructure

## Cloncurry

- Highway and rail access
- Mains power, water supply, labour

## Processing Plant

- 1.2 Mtpa Crushing circuit
  - 700ktpa, Grinding circuit
  - Rougher-Cleaner flotation circuit
  - Concentrate thickener, filters, storage
  - Production – 7kt Cu in Concentrate pa.
- Heap Leach and SX Plant
  - 6 cell leaching facility provides treatment option for oxide / transitional ores
  - Solvent extraction of copper for the production of copper sulphate pentahydrate
  - Sales to domestic users





# CopperChem Limited – an Ideal Partner

- ❑ Part of W.H. Soul Pattinson Group along with Exco Resources
- ❑ WHSP is a Diversified Investment House:
  - ❑ Energy, Materials, Pharmaceuticals, Telecoms, Consumables, Investments. Market Cap - \$3.5Bn
  - ❑ 100+ yr company, strong returns (FY12 PAT \$155M), 20yr increasing dividends, conservative gearing
  - ❑ \$100M investment in copper
- ❑ CopperChem Limited
  - ❑ Securing additional supply to extend life and increase output from Cloncurry
  - ❑ Revitalised management and operating performance in 2013
  - ❑ Local planning, execution and operating skills
  - ❑ Strong balance sheet and funding options



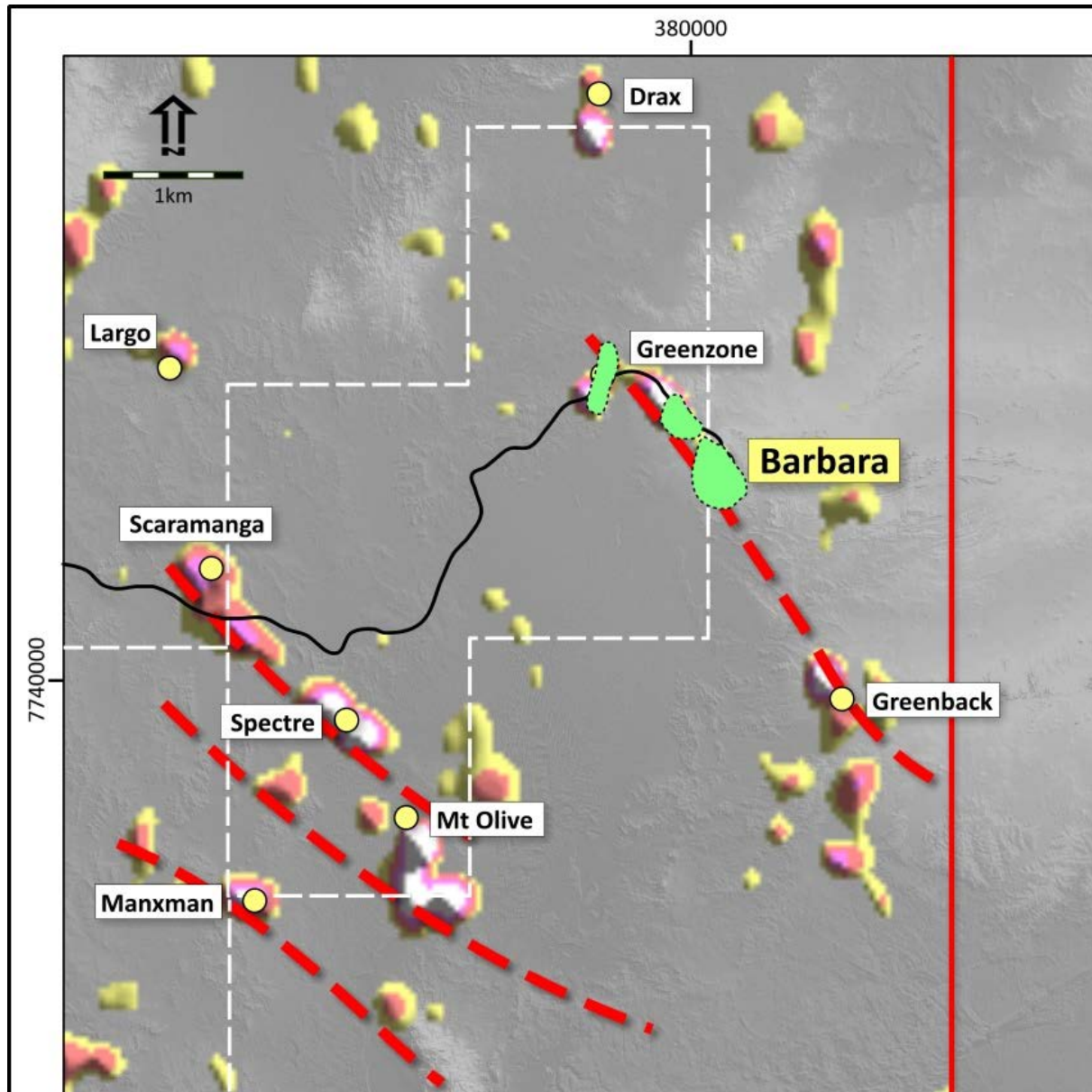
**Washington H. Soul Pattinson  
and Company Limited**

**“A Diversified Investment House”**





# Barbara JV Exploration – Targeting Large-Scale Mineralised Corridors



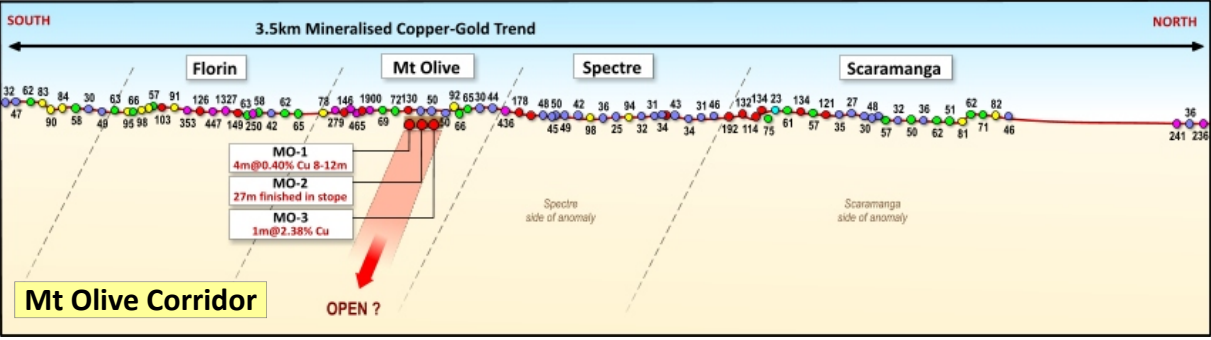
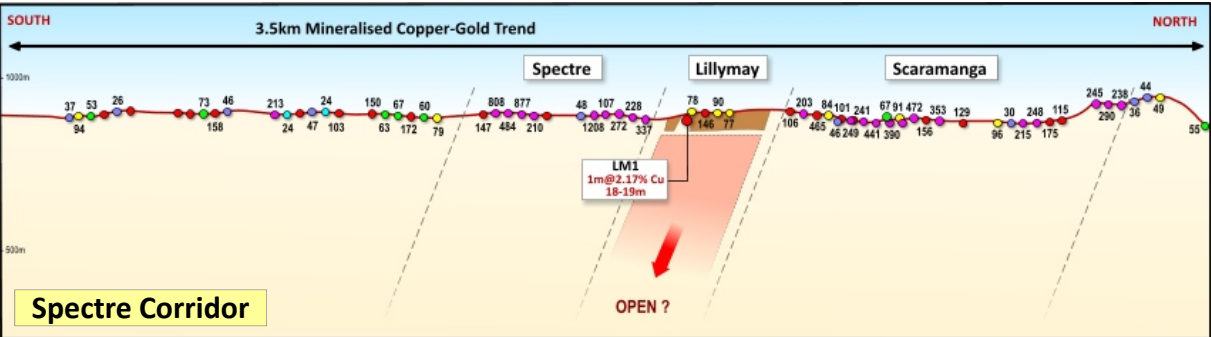
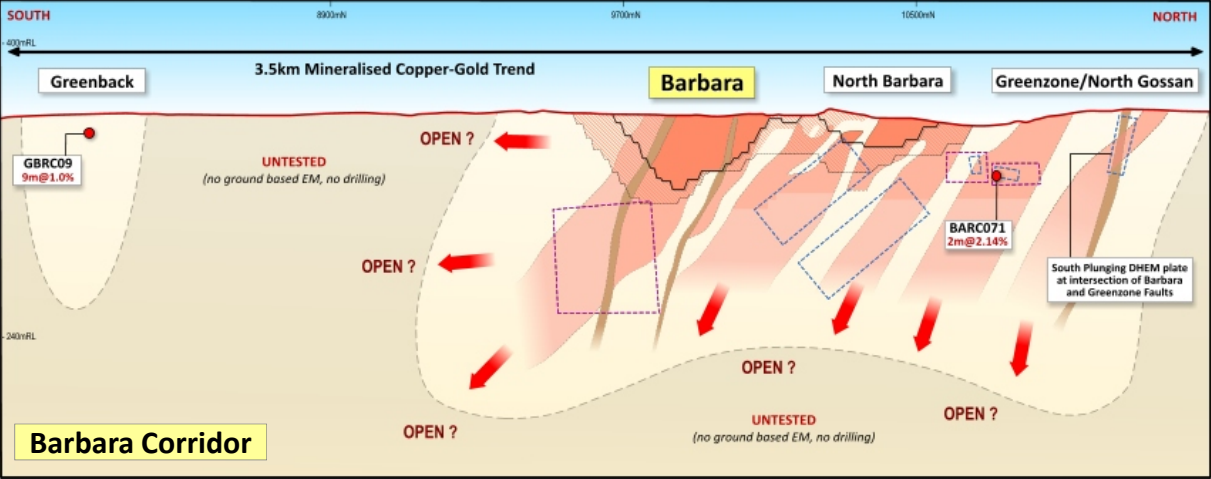
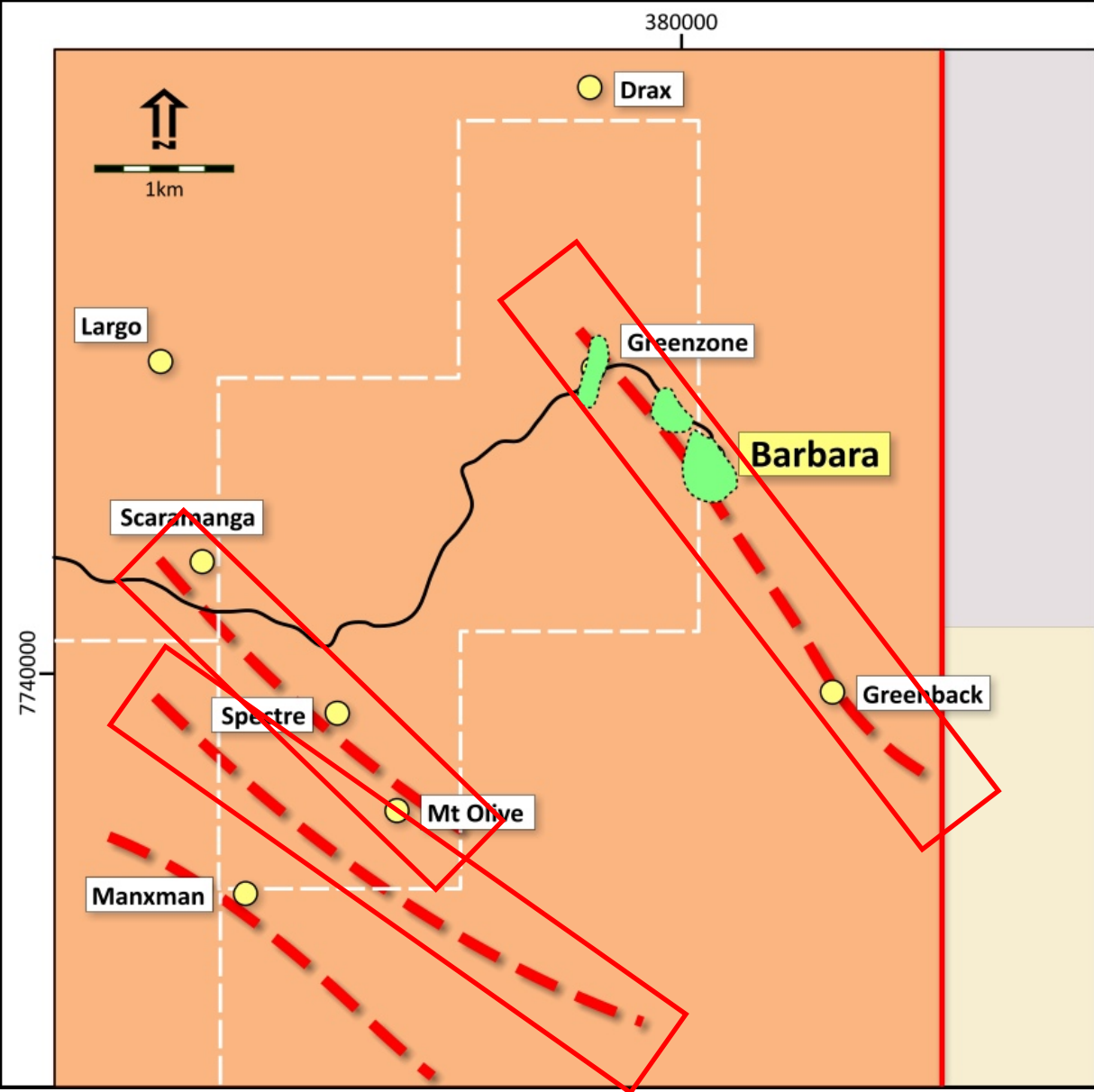
- Several NW trending Corridors
- Multiple high grade copper-gold shoots in each corridor
- Drilling to target Barbara Shear as part of 2013/14 program:
  - 3.5km long
  - Large unexplored areas
  - Target : 8 -12Mt @ 1.5 – 2.5% Cu
- Geophysics and Drilling to target SW Corridor as part of 2013/14 program
  - 3 parallel Shear Zones
  - Numerous old workings, 5-12% Cu
  - Strong Soil Geochem (> Barbara)
  - Target : 8 - 12Mt @ 1.5 – 2.5% Cu

## Exploration Targets

- This presentation comments on and discusses Syndicated Metals Limited 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 if a Mineral Resource or Ore Reserve.

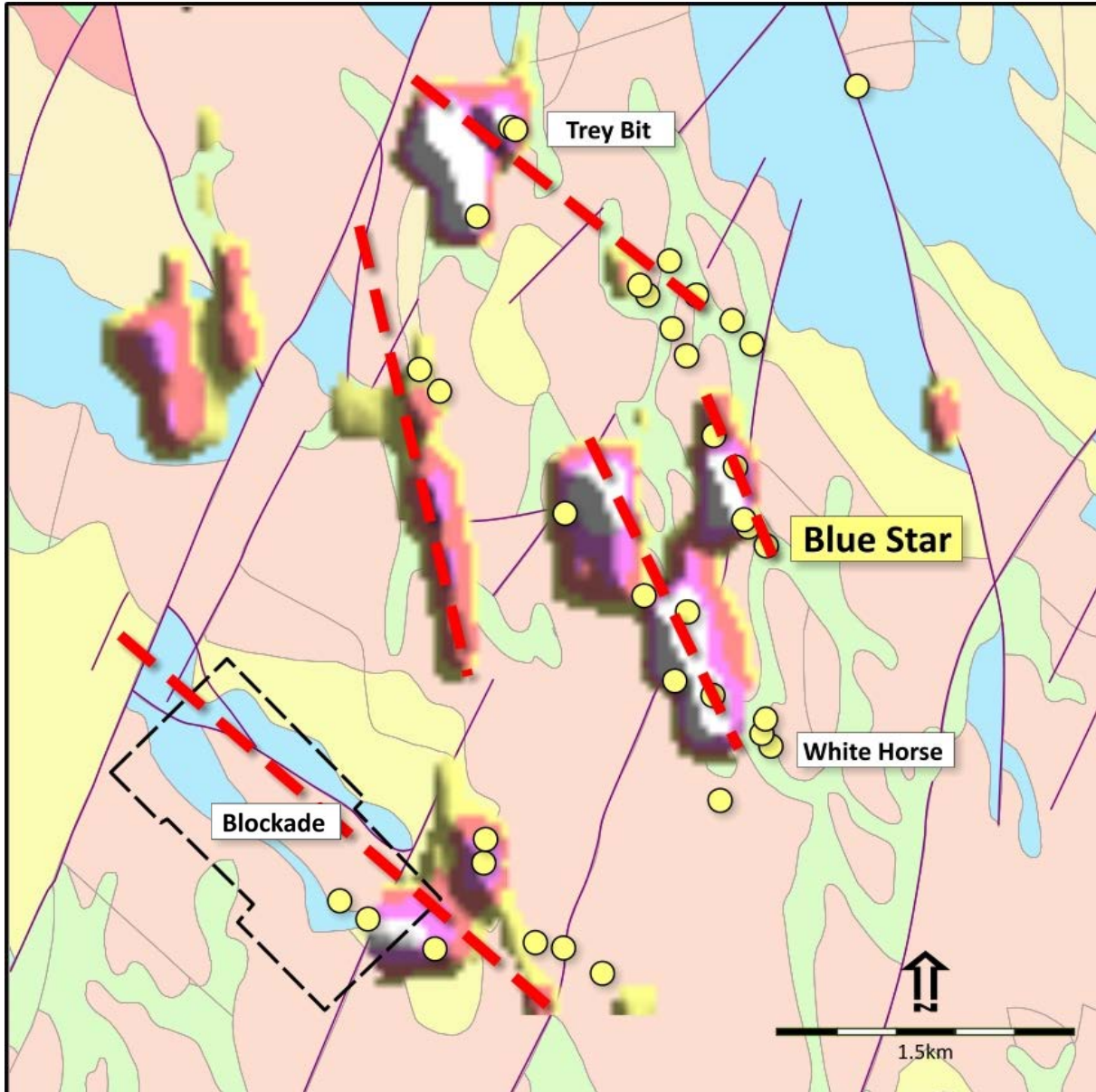


# Barbara JV Exploration – Targeting Large-Scale Mineralised Corridors





# SMD 100%: The Next Project – Blue Star

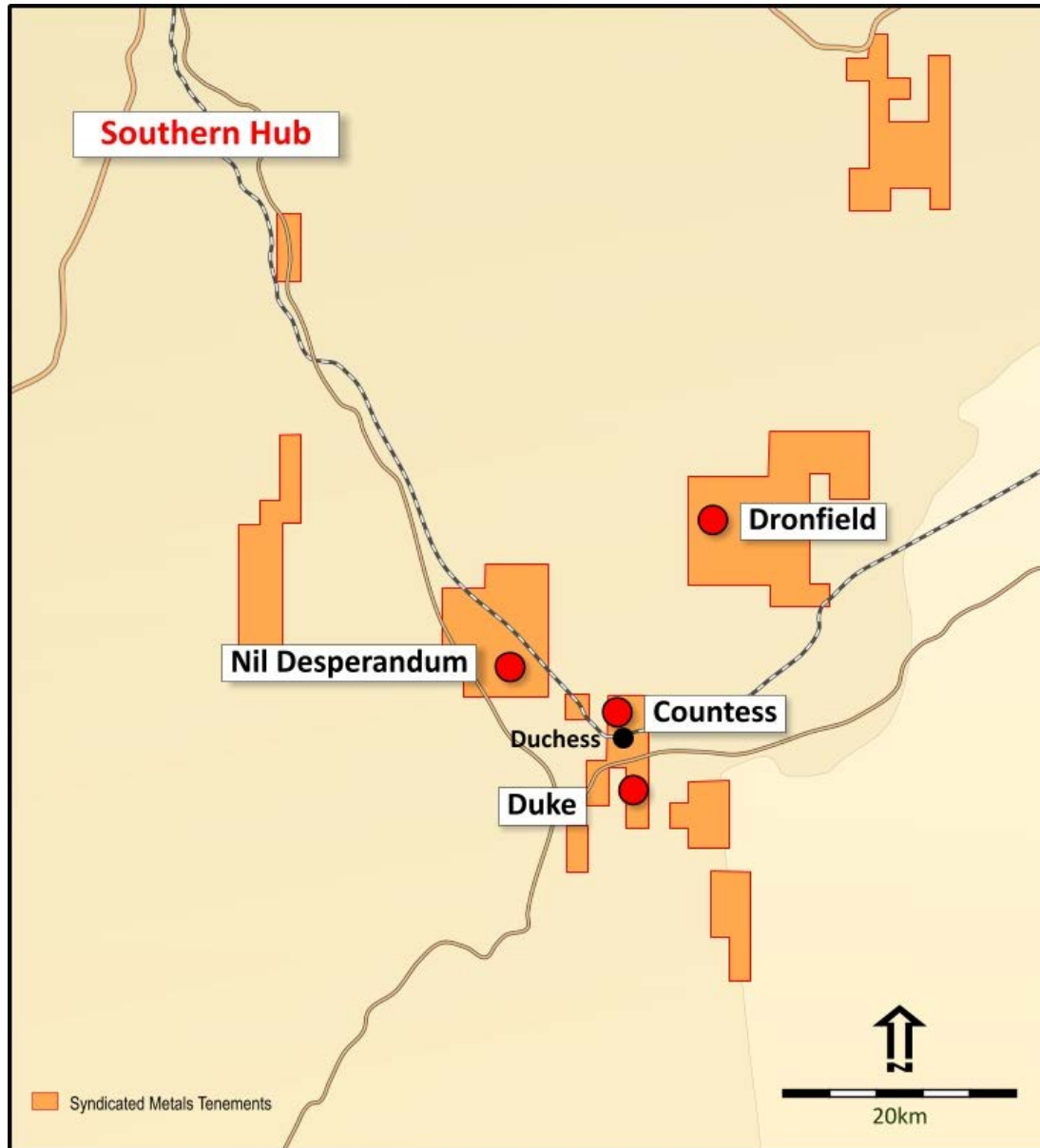


- 70km from Cloncurry
- Inferred Resource: Blue Star Prospect:
  - 0.2Mt @ 2.3% Cu and 0.3g/t Au
- Barbara-style, high-grade copper-gold:
  - 9m @ 6.1% Cu and 0.69ppm Au
  - 14m @ 1.6% Cu and 0.25ppm Au
- Several adjacent exploration targets require follow-up of geochemistry:
  - White Horse, Trey Bit and others
- Exploration program:
  - Ground geophysics
  - Mapping
  - Drilling 2014





# Southern Hub – SMD 100%: Grass Roots Exploration



- ✦ Located 60-100km from Mt Isa and Cloncurry
- ✦ Multiple exploration projects
- ✦ Close to transport infrastructure
- ✦ Dronfield:
  - ✦ Outcropping Cu mineralisation with strong geochemical and geophysical anomalies
- ✦ Duke:
  - ✦ 15km granite contact horizon
  - ✦ 2km copper-in-soil geochem anomaly
  - ✦ Adjacent to old Duchess Mine historical production of 250Kt @ 8% Cu
- ✦ Nil Desperandum:
  - ✦ 22m @ 2.23% Cu
  - ✦ 19m @ 2.32% Cu
  - ✦ Adjacent to old Lady Maria Open Pit, +5% Cu



# Four Pillars of Shareholder Growth



## Outstanding address, strong management team

- 2469km<sup>2</sup> tenement portfolio in world-class Mount Isa district (Qld)
- Restructured Board with skills across exploration, project development and operations
- New major shareholder with strategic fit

## Advanced projects with high-quality Mineral Resources

- Defined 76Kt Cu at Barbara
- 50/50 Development JV with CopperChem
- Feasibility Studies Underway
- Resource drilling Underway
- Processing Route Secured

## Exploration team on the ground delivering results

- Barbara Area targets identified – Exploration commenced Q4 2013
- Drilling focus: Barbara Trend, Spectre Trend, Mt Olive Trend.
- Satellite projects in the pipeline
- Exploration Targets on 100% SMD projects

## Ideally placed to participate in rationalisation of Mount Isa region

- Positioned to secure additional quality copper-gold assets
- Opportunities to grow strategic partnership
- Market capitalisation below recent transaction value on Barbara alone



# Corporate Snapshot



- 🚧 An emerging North Queensland copper company with strong backing

<b>Ordinary Shares</b>	<b>204.0M</b>
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Unlisted Options @ 16c - 55c	19.8M
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Share Price @ 14 November 2013	3.3c
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<b>Market Capitalisation</b>	<b>\$6.8M</b>
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Cash 30 September 2013	\$1.2M
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<b>Top 20 shareholders</b>	<b>55%</b>
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CopperChem Ltd	18.9%
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Korea Zinc	6.7%
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Directors and Management	5.9%
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National Health Recovery Agents	5.5%
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- 🚧 An experienced and focused team

## Board of Directors

**Peter Langworthy**  
*Chairman*

*Ex-Jubilee, WMC*

**Andrew Munckton**  
*Managing Director*

*Ex-Avalon Minerals, Gindalbie Metals*

**David Morgan**  
*Non Exec Director*

*Ex-Sundance Resources, Equigold NL*

**Brendan James**  
*Non Exec Director*

*CEO – CopperChem Ltd / Exco Resources*





# Summary – Why Invest in Syndicated?

## ❏ Pathway to production at Barbara Copper-Gold Project:

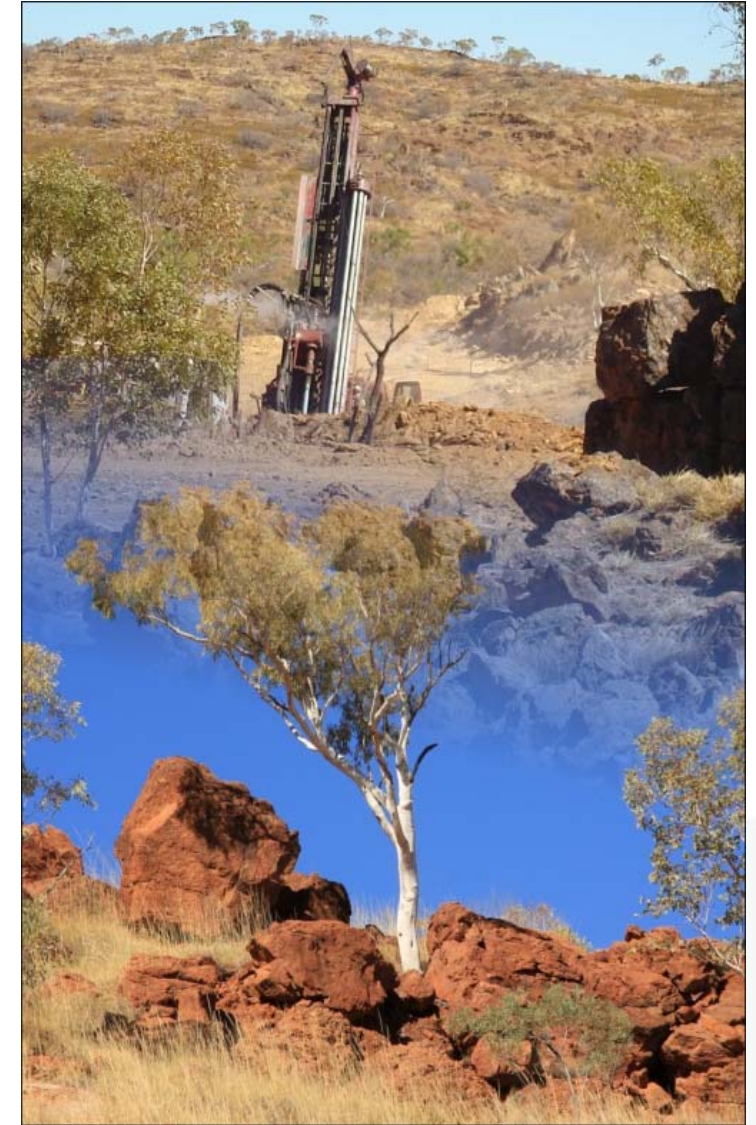
- ❏ JV agreement with Tier One partner: CopperChem Ltd
- ❏ Feasibility Study commencing Q4 2013 leading to 50/50 Production JV
- ❏ Potential production and cash flow within 18 months

## ❏ Upside from near-mine exploration potential:

- ❏ Drilling to test along-strike positions at Barbara and new soil anomalies on parallel Trends commenced Q4 2013
- ❏ Exploration expenditure funded 50/50

## ❏ Strong leverage to growth:

- ❏ Other significant exploration opportunities
- ❏ Rapidly building momentum: drilling, news flow, action!







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Andrew Munckton, Managing Director





# Notes



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- This presentation does not constitute an offer of securities in the Company. Nor, should this presentation be relied upon by any advisor or potential investor in making an investment decision in the Company.

## Competent Persons Statement

- The geological information in this report that relates to Exploration Results and Mineral Resources is based on information reviewed by Andrew Munckton who is an Executive of Syndicated Metals Limited and a member of the Australasian Institute of Mining and Metallurgy. Andrew Munckton has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration 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". Andrew Munckton consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

## Exploration Targets

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# Mineral Resources Summary



Mineral Resources by Tenement - Copper Zone - 0.5% Cu cut-off										
Tenement	Category	Tonnes	Cu %	Au g/t	Ag g/t	Co ppm	Cu t	Au ozs	Ag ozs	Co t
EPM15564 (50% SMD/50% CopperChem)	Indicated	2,977,000	1.6	0.2	2.7	270				
	Inferred	362,000	1.3	0.1	2.4	296				
	<b>EPM15564</b>	<b>3,339,000</b>	<b>1.6</b>	<b>0.2</b>	<b>2.7</b>	<b>272</b>	<b>52,000</b>	<b>16,000</b>	<b>286,000</b>	<b>900</b>
EPM16112 (50% SMD/50% CopperChem)	Indicated	801,000	1.4	0.1	2.7	247				
	Inferred	1,191,000	1.0	0.1	1.9	265				
	<b>EPM16112</b>	<b>1,992,000</b>	<b>1.2</b>	<b>0.1</b>	<b>2.2</b>	<b>258</b>	<b>24,000</b>	<b>8,000</b>	<b>143,000</b>	<b>500</b>
<b>Total</b>		<b>5,331,000</b>	<b>1.4</b>	<b>0.1</b>	<b>2.5</b>	<b>267</b>	<b>76,000</b>	<b>25,000</b>	<b>430,000</b>	<b>1,400</b>

Mineral Resources by Tenement - Copper Zone - 1% Cu cut-off										
Tenement	Category	Tonnes	Cu %	Au g/t	Ag g/t	Co ppm	Cu t	Au ozs	Ag ozs	Co t
EPM15564 (50% SMD/50% CopperChem)	Indicated	1,524,000	2.4	0.2	4.1	382				
	Inferred	181,000	1.8	0.1	3.6	348				
	<b>EPM15564</b>	<b>1,705,000</b>	<b>2.3</b>	<b>0.2</b>	<b>4.0</b>	<b>379</b>	<b>40,000</b>	<b>12,000</b>	<b>221,000</b>	<b>600</b>
EPM16112 (50% SMD/50% CopperChem)	Indicated	388,000	2.2	0.2	3.9	300				
	Inferred	505,000	1.4	0.2	2.6	279				
	<b>EPM16112</b>	<b>893,000</b>	<b>1.8</b>	<b>0.2</b>	<b>3.2</b>	<b>288</b>	<b>16,000</b>	<b>5,000</b>	<b>92,000</b>	<b>300</b>
<b>Total</b>		<b>2,598,000</b>	<b>2.1</b>	<b>0.2</b>	<b>3.7</b>	<b>348</b>	<b>56,000</b>	<b>17,000</b>	<b>312,000</b>	<b>900</b>

**Table 1: Barbara Deposit Mineral Resource Tabulation – Based on Tenement**

(Both tonnage and grade values have been rounded; therefore the table may contain rounding errors) / (Refer to ASX release by SMD dated November 17<sup>th</sup> 2010 for full details of this resource estimate.)



# Mineral Resources Summary



Type	Inferred				
	Tonnes	Cu%	Au(ppm)	Cu (tonnes)	Au (oz)
Oxide	3,000	1.16	0.11	40	10
Transitional	26,000	1.48	0.17	390	140
Fresh	147,000	2.48	0.29	3,650	1,370
<b>Total</b>	<b>177,000</b>	<b>2.31</b>	<b>0.27</b>	<b>4,080</b>	<b>1,520</b>

## Blue Star Mineral Resource Estimate

Totals may appear not to add up correctly due to rounding  
Deposit within EPM 16197 – 100% SMD

Type	Inferred				
	Tonnes	Cu%	Au(ppm)	Cu (tonnes)	Au (oz)
Oxide	7,000	1.05	0.01	80	-
Transitional	27,000	0.97	0.02	260	20
Fresh	395,000	0.89	0.01	3,520	180
<b>Total</b>	<b>430,000</b>	<b>0.90</b>	<b>0.01</b>	<b>3,860</b>	<b>200</b>

## Green Zone Mineral Resource Estimate

Totals may appear not to add up correctly due to rounding  
Deposit within EPM 16112 – (50% SMD/50% CopperChem)

Refer to ASX Release dated 24 October 2011 for details of Mineral Resources