



## ASX ANNOUNCEMENT

February 1 2012

### HIGH GRADE RESULTS REPORTED FROM SAMPLING AT MANGANESE RIDGE NEAR KALMAN

- **Systematic rock chip sampling traverses at the Manganese Ridge prospect near Kalman return high grade manganese values of up 45 metres averaging 23% Mn;**
- **Peak 10 metre sample graded 34% Mn;**
- **Confirms multi-metal mineral potential of the immediate Kalman area: Kalman (Cu-Au-Mo-Re) , Andy's Hill (Cu-Au and REEs), Pandora's Gift (Cu-Au) and Manganese Ridge (Mn).**

**Syndicated Metals Limited (ASX:SMD) ("Syndicated")** is pleased to announce results from systematic rock chip sampling at the Manganese Ridge prospect located 400 metres to the east of the Kalman copper-gold-molybdenum-rhenium deposit within the Kalman Joint Venture with Cerro Resources NL (ASX:CJO).

Kalman is situated approximately 60 kilometres to the southeast of the major mining centre of Mount Isa in Northwest Queensland.

Rock chip sampling was carried out at 200 metre spaced lines perpendicular to the prominent north-south striking ridge. Line lengths were dependent on the exposed mineralised outcrop; ranging from 10 metres to 70 metres in length.

A total of 78 samples were collected along 31 lines. The average line width was 30 metres with a length weighted average of 13% Mn. 24% of the samples have manganese grades in excess of 20% Mn and 37% in excess of 15% Mn. Each sample was collected in a manner to be as representative as possible across a 10 metre sample length.

The manganiferous ridge is located on the eastern side of the Pilgrim Fault zone within sheared Corella Formation metasediments. The outcropping mineralised sections of the ridge can be split into northern and southern segments both approximately 3 kilometres in length. The mineralised sections of the zone contain brecciated quartz veins cemented with manganese oxide.

Three holes drilled for base metals to approximately 150 metres vertical depth below the manganese rich outcrops returned lower order manganese values (>5% Mn) within the sediments indicating the high (>20% Mn) manganese values from the rock chip sampling are probably a result of enrichment within the near surface oxidized zone. The near surface zone has not previously been tested by drilling and further exploration for potentially economic material should therefore focus in this area.

#### BOARD OF DIRECTORS

**Russell Davis**

Chairman and Managing Director

**Bruce McCullagh**

Non-Executive Director &  
Company Secretary

**Jan Hope**

Non-Executive Director

**Ki Deok (KD) Park**

Non-Executive Director

**Trevor Leahey**

Project Manager Mount Isa

#### CORPORATE

**ABN** 61 115 768 986

**Market Capitalisation** (25.1.2012)

\$9.6 million (at 8.5 cents per share)

**Issued Capital** (25.1.2012)

112.9 million ordinary shares

22 million unlisted options

**Cash** (31.12.2011): \$2.1 million

#### CONTACT DETAILS

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**ASX CODE**

SMD



The prospect is of interest due to its favourable location in relation to mining infrastructure, including a railway line, and the nature of the occurrence of the mineralization on a prominent ridge which would reduce any stripping required.

Commenting on the Manganese Ridge sampling results, Syndicated's Chairman and Managing Director, Mr Russell Davis said, "The search for manganese is not Syndicated's priority but its close proximity to Kalman, the prominent outcropping nature of the mineralisation and potentially significant tonnage potential indicated that the area warranted some investigation. The encouraging results from the initial rock chip sampling support this view.

There are clearly thicker and higher grade sections within the 6 kilometre strike length and these areas will be the target of follow up work to identify near surface bodies of economically recoverable manganese oxide ore.

Syndicated will then evaluate the best means of generating value from this interesting new discovery."

### **Competent Person's Statements**

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Russell Davis 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 they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Davis is a full-time employee of Syndicated Metals Limited and consents to the inclusion in the report of the Exploration Results and Mineral Resources in the form and context in which they appear.

### **Company Background**

Syndicated is focused on the discovery and development of base metal deposits within its prospective project areas in the mineral-rich Mount Isa region in Northwest Queensland.

The Company is building on its substantial metal resource inventory in the Mount Isa region based on its interests in the Barbara, Blue Star and Green Zone copper-gold deposits and the Kalman molybdenum-rhenium-copper-gold deposit, all of which are within 60 kilometres of existing infrastructure at the Mount Isa mining centre.

Korea Zinc Company Ltd, through its Australian subsidiaries holds a 12% interest in Syndicated.

For further information on the Company view our website at [www.syndicatedmetals.com.au](http://www.syndicatedmetals.com.au) or contact:

**Russell Davis**  
**Chairman and Managing Director**  
**T: 0419 195 087**

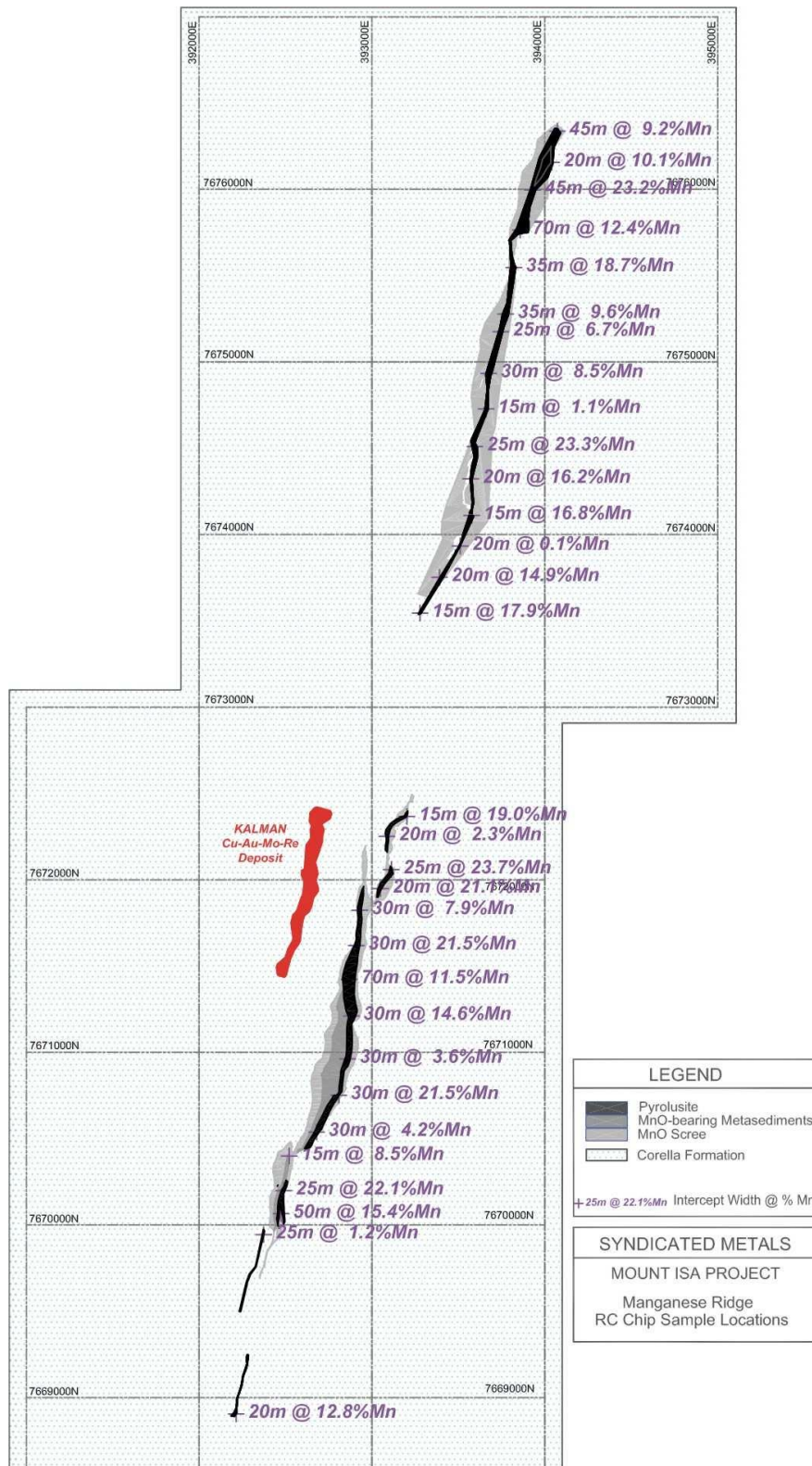


**Manganese Ridge – Southern Sector – Looking North**

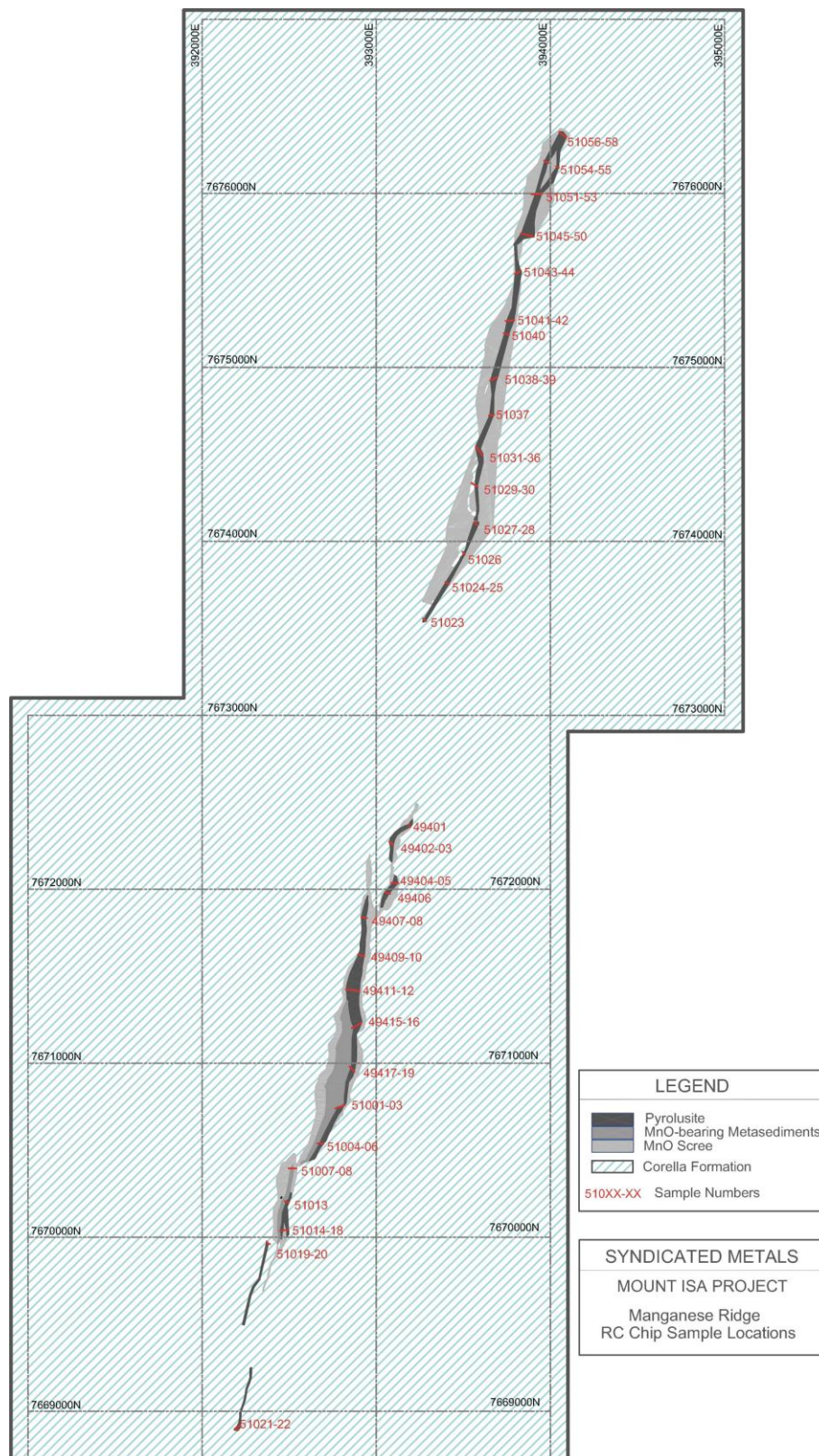


**Manganese Ridge - Southern Sector - Detail**





Location of Sampling Traverses and Managanese Results







Conversion from MnO to Mn:  $\times 0.774$

### ***Manganese Ridge - Assay Results***