

QUARTERLY REPORT March 2008



HIGHLIGHTS

Kalman South Project

- Infill and extensional drilling, metallurgical testwork and scoping studies ongoing at Kalman South Mo-Cu-Au-Re deposit;
- Results of re-assaying of drill samples from the molybdenum domain of the Kalman deposit for rhenium (Re) indicate its potential to add significant value;
- Average Re grade appears to be an order of magnitude higher than average grades for other projects where Re is extracted from Mo concentrate;
- Project progressing rapidly with advice from JV partner that it has exceeded the \$4m expenditure required to earn a 51% interest in EPM 13870.

Mt Remarkable Project

- Maiden RC drilling program completed on three copper-gold targets with assay results anticipated in late May
- Visual inspection of drill chips, along with indicative results from screening with a portable XRF analyzer, indicate anomalous copper values from the three holes drilled at the Barbara prospect;
- Additional drill program planned in anticipation of final assay results supporting further drilling;
- Soil sampling traverses utilizing the portable XRF analyzer commenced over regional-scale structures. Initial results promising with new copper anomalies located.

Exmouth Project

- Evaluation of phosphate potential commenced;
- Previous drilling indicated widespread occurrence of phosphate nodule bearing horizons at several intervals within the sediments;
- Field programs planned to commence mid-year.

ASX Code: SMD

ABN 61 115 768 986

Market Capitalization

(at 31/03/2008) - undiluted
\$12.6 million (at \$0.22 per share)

Issued Capital

(at 31/03/2008)
57.35 million ordinary shares
7 million unlisted \$0.30 options

Cash (at 31/03/2008): \$5.4 million

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Bruce McCullagh –
Executive Chairman &
Company Secretary

Russell Davis –
Managing Director

Andrew Dinning –
Non-executive Director

Jan Hope –
Non-executive Director

Mark Whittle –
Exploration Manager

CONTACT DETAILS

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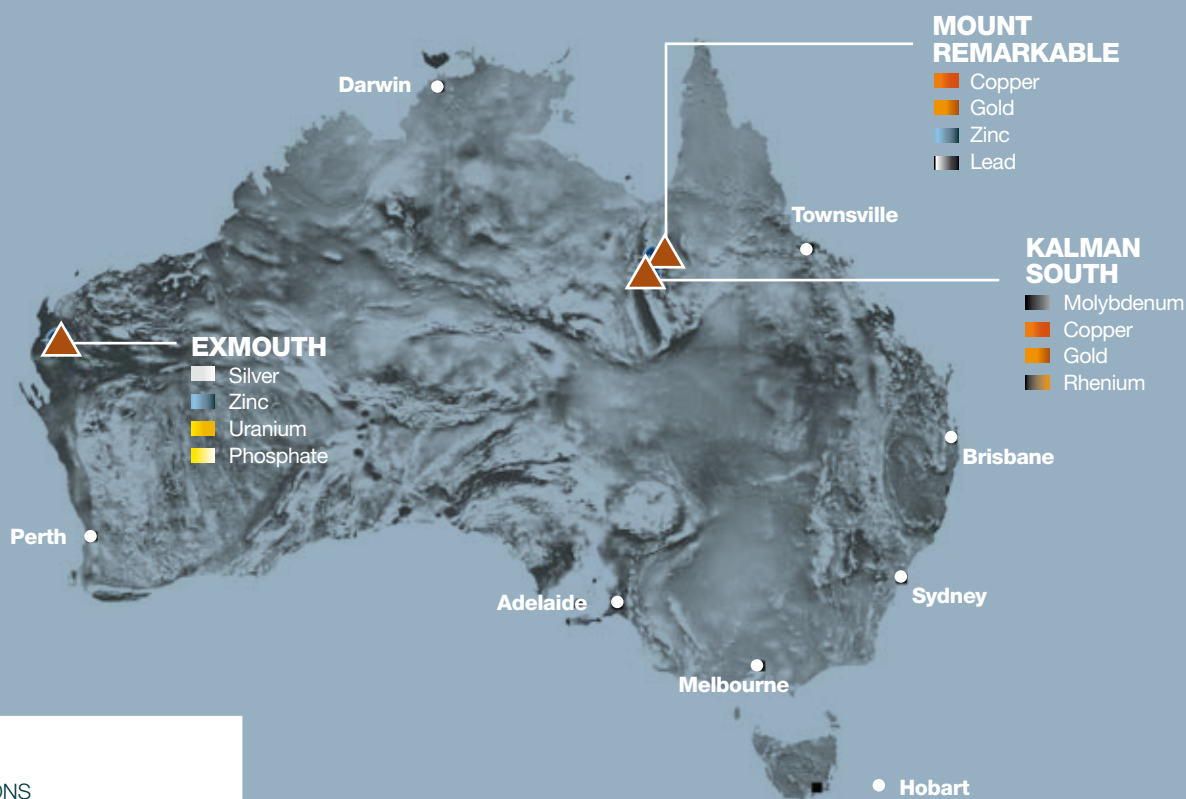


FIGURE 1
PROJECT LOCATIONS

Mount Isa Region Projects

Syndicated Metals Limited ("Syndicated" or "Company") holds tenements covering 900 square kilometres within the Mount Isa Inlier. The Company considers the tenements to be prospective for copper-gold, copper-molybdenum-gold, lead-zinc-silver and uranium deposits.

The tenements form two project areas – the Kalman South Joint Venture located about 60 kilometres southeast of Mount Isa and the Mount Remarkable Project located about 60 kilometres to the northeast of Mount Isa. (Refer to Figure 2.)

Kalman South Joint Venture (copper-molybdenum-gold-rhenium)

The Kalman South Project comprises EPM 13870, a joint venture between Kings Minerals NL ("Kings") (ASX: KMN) and Syndicated. EPM 13870 covers a significant portion of the Kalman molybdenum-copper-gold-rhenium deposit which is open at depth and has significant potential for extensions along strike. The tenement also contains a number of other targets prospective for copper-gold+/- molybdenum some of which are presently being drill tested. (Refer to Figure 3.)

Syndicated is free-carried on the Kalman South Project by Kings which has the right to earn a 51% interest in EPM 13870 by spending \$4million, and up to a 70% interest in the tenement by completing a final feasibility study. Kings has advised Syndicated that it has met the initial expenditure commitment to earn a 51% interest in the tenement.

Kings is presently conducting infill drilling and metallurgical and baseline environmental studies on the Kalman Deposit and drilling new prospects located along strike to the south of the Kalman deposit within EPM 13870. The targets have highly anomalous copper-gold and molybdenum values in rock chips and shallow historical drilling.

Rhenium results announced

Results of reassaying drill samples from the molybdenum domain of the Kalman deposit for rhenium (Re) were recently announced by Kings.

(Refer to the Kings Minerals NL ASX announcement dated March 4th 2008. for details of the rhenium analyses)

The average grade of the 2,866 rhenium samples received by Kings is 1.6g/t Re and the average grade of the 569 samples whose values are in excess of 1g/t Re is 7.9g/t Re. Kings reported that the average rhenium grade for the Kalman Deposit is an order of magnitude higher than the average grades for other projects where the rhenium is extracted from Mo concentrate.

Rhenium is a specialty metal used as an alloy in jet aircraft engines and other advanced technology applications. Increased demand has seen the price rise to about US\$10,000 per kilogram (US\$10 per gram).

A statutory reduction of the less-prospective sections of EPM 13870 was carried out.

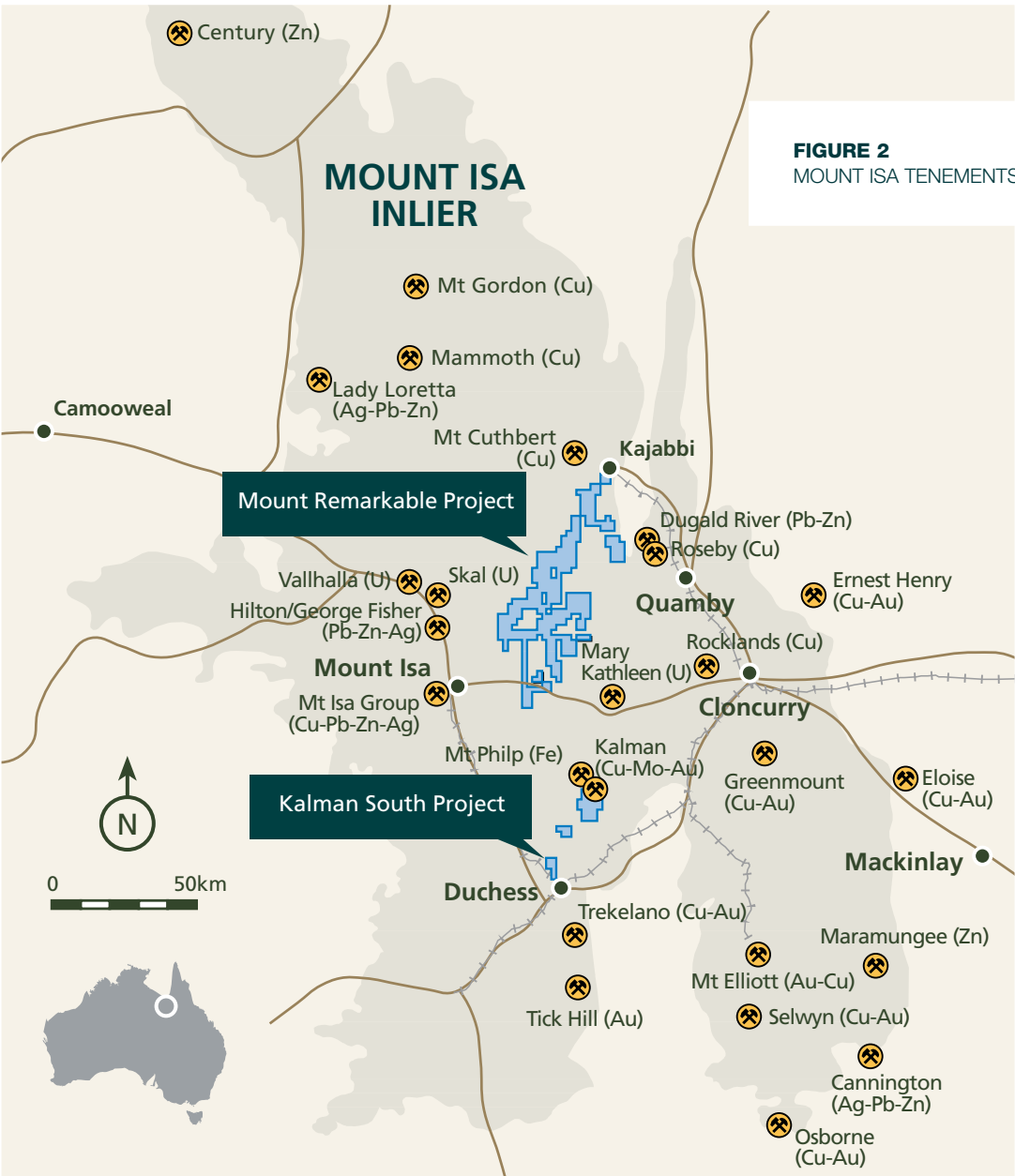
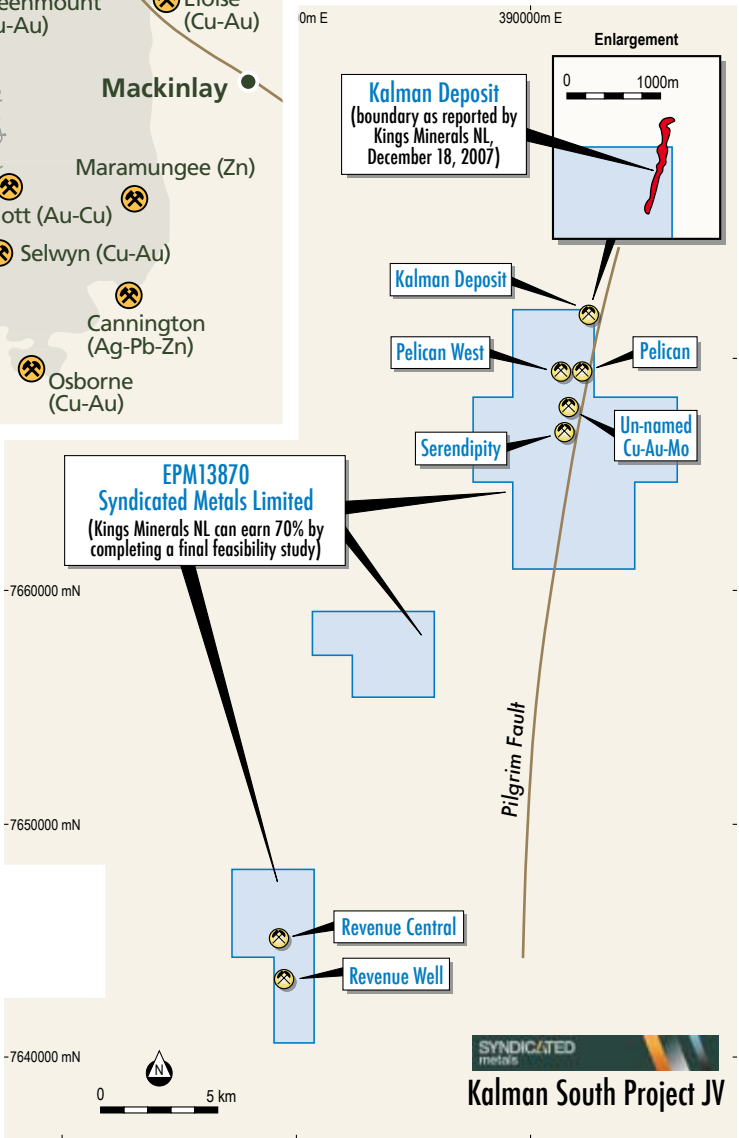


FIGURE 2
MOUNT ISA TENEMENTS QUEENSLAND



FIGURE 3
KALMAN SOUTH PROJECT





Mount Remarkable Project (copper-gold, lead-zinc & uranium)

Syndicated's other interests in the Mt Isa region include the Mt Remarkable Project, located around 60 kilometres northeast of Mt Isa. (Refer to Figure 4.) This project, which comprises mostly contiguous tenements covering around 800 square kilometres are considered prospective for copper-gold, sediment hosted lead-zinc-silver and uranium mineralization. Statutory reductions of the less-prospective sections of the Mount Remarkable project tenements were carried out during the quarter.

The two tenement applications covering the northwestern part of the Barbara copper prospect and the area surrounding the Blockade copper mine are in joint venture with Mount Isa Metals Pty Ltd (the Leichhardt Joint Venture) with Syndicated holding 51% and management. Native title negotiations have progressed with the native title claimants and it is expected that the required agreements will be finalized in the next couple of months. The tenement applications should then be able to be granted allowing exploration to commence.

During the quarter Syndicated completed a RC drilling program and also commenced a reconnaissance soil sampling program over structural and geophysical targets within its 100% owned Mount Remarkable project tenements.

RC Drilling program

A program of 1377 metres of RC drilling in nine holes was completed at the Barbara, Mount Hutchinson and Mount Margaret copper-gold targets during March 2008. (Refer to Figure 4 for the location of the prospects and to the ASX release by Syndicated on March 19th 2008.)

Samples have been submitted for analysis with assay results expected in late May.

Visual inspection of the drill chips along with indicative results from screening the drill chips with the portable XRF analyzer indicated anomalous copper values from the three holes drilled at the Barbara prospect. Additional drilling is being planned for this area in expectation that the final assay results support further drilling. Previous drill intercepts from the Barbara prospect include 18m at 3.2% Cu and 13m at 3.4% Cu.

No significant visible copper mineralization was noted at Mount Hutchinson or Mount Margaret

Geochemical Program

Syndicated purchased a portable XRF analyzer to be used to provide real-time multi-element geochemical analyses in the field for soils and rock chips. It will also be used for on-site screening of drill chips and drill core. The analyzer is expected to reduce assay costs and expedite planning of further work without having to wait extended periods for results from the assay laboratories.

Soil sampling traverses using the analyzer commenced testing of regional-scale structures and geophysical targets. Initial results across the Mount Remarkable fault zone within EPM 13904 are promising with new copper anomalies located. Infill sampling will also be completed on several known prospects to improve the definition of drilling targets.

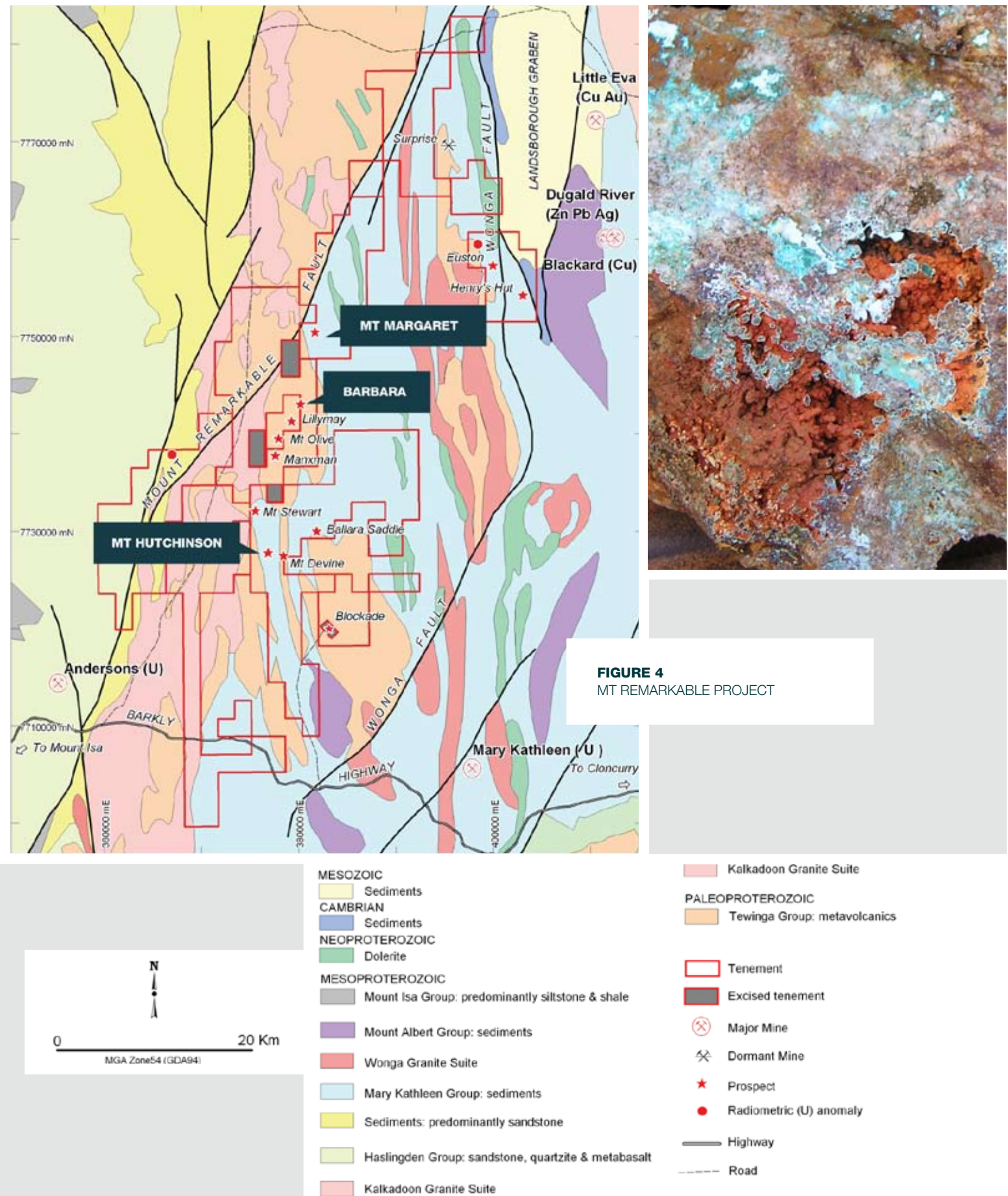


FIGURE 4
MT REMARKABLE PROJECT

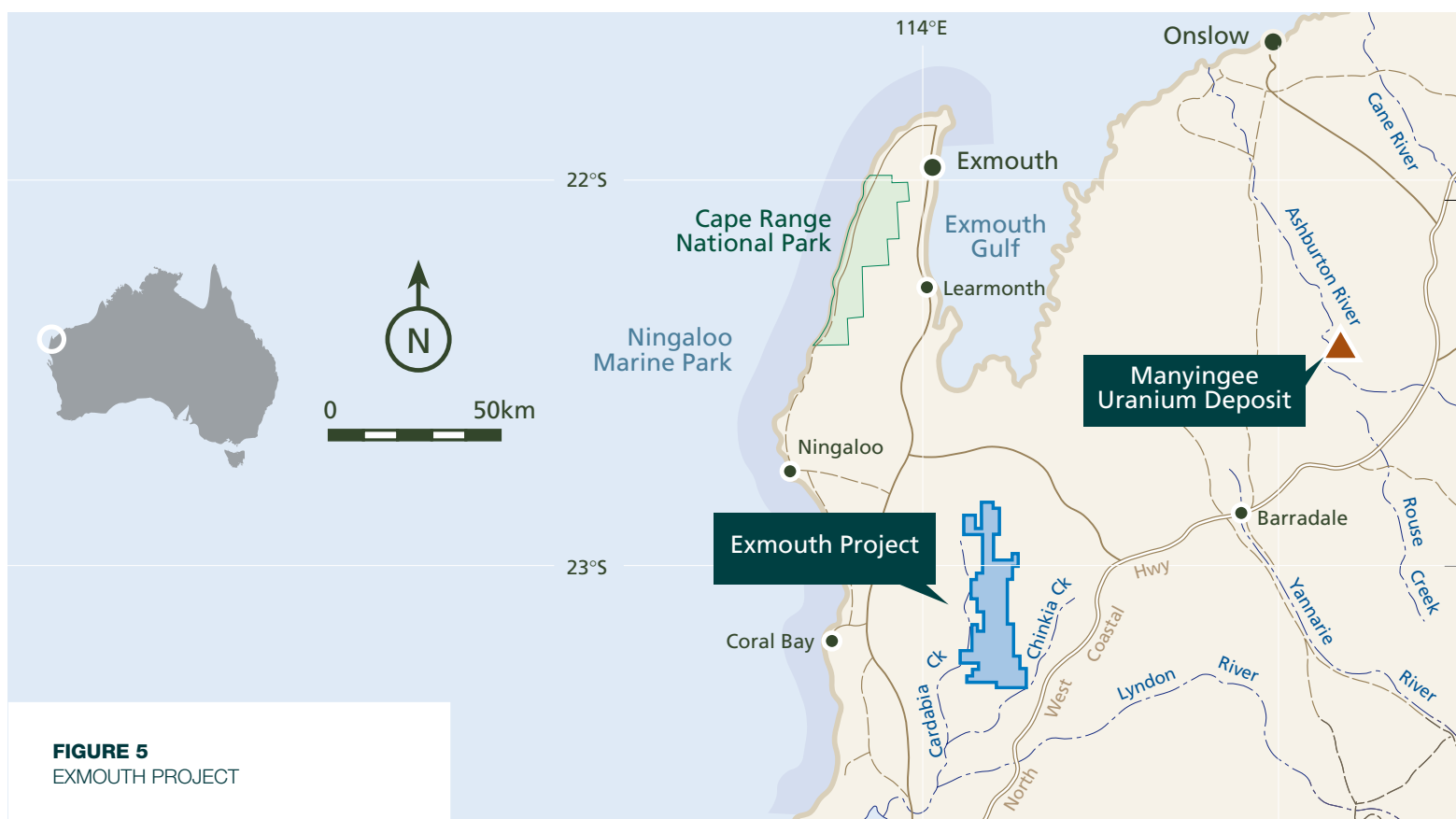


FIGURE 5
EXMOUTH PROJECT

Exmouth Project (WA) (zinc-silver, uranium and phosphate)

The Exmouth Project is considered to have potential for zinc and silver mineralization as well as sandstone-hosted uranium mineralization similar to the Manyingee uranium deposit located 100km to the northeast. In addition Syndicated recently commenced evaluation of the phosphate potential of the project. SML has the rights to a 100% interest in three granted exploration licences (E08/1413, E08/1739, and E08/1740), covering a total area of 480km². (Refer to Figure 5.)

Previous exploration by CRA Exploration Pty Ltd ("CRA") in the period 1988 to 1991 located phosphate-nodule bearing horizons at several intervals within Upper Cretaceous sediments in the Cardabia region. Wide spaced aircore drilling indicated that these horizons were present over an extensive depositional area, including the area covered by Syndicated's Exmouth project tenements. (Refer to Figure 6 and to the ASX release by Syndicated on March 19th 2008.)

The results of historical exploration undertaken on these tenements including drilling for phosphate occurrences are presently being compiled and field assessment will start in mid-2008.

Corporate

Syndicated issued one million options at an exercise price of \$0.30 to Mark Whittle, Syndicated's Exploration Manager, as a discovery incentive. The options are escrowed for two years from the date of grant and are unlisted. The Company held \$5.4 million in cash at the end of the quarter.

Russell Davis
Managing Director

The information in this report that relates to Exploration Results is based on information compiled by Russell Davis who is an Executive Director of Syndicated Metals Limited and a member of the Australasian Institute of Mining and Metallurgy. Russell Davis 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Russell Davis consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

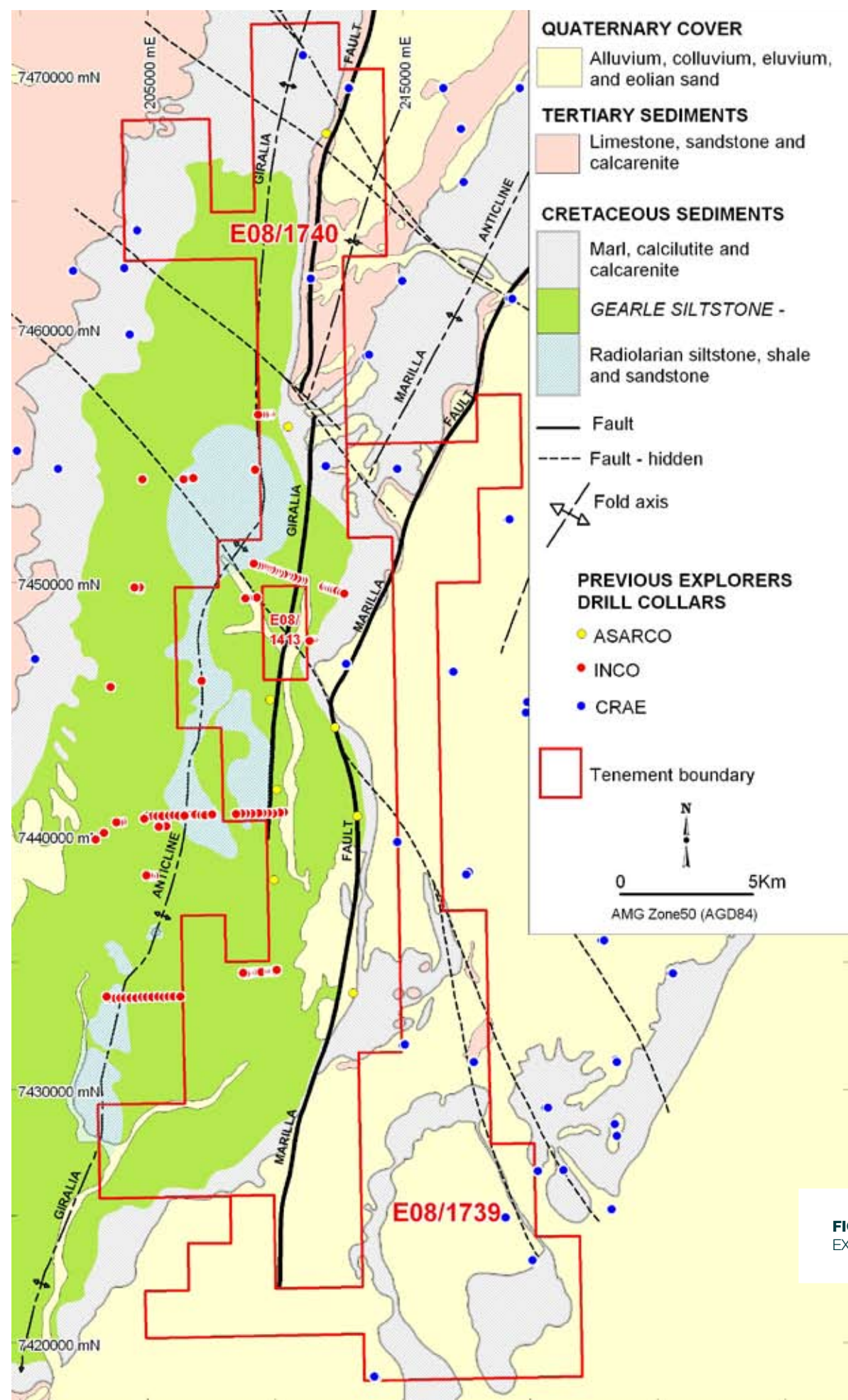


FIGURE 6
EXMOUTH PROJECT GEOLOGY