

December 6th 2011

SYNDICATED SHARE PURCHASE PLAN

As announced on ASX on 24 November 2011, **Syndicated Metals Limited (ASX:SMD)** ("**Syndicated**") is pleased to offer to eligible shareholders the opportunity to participate in a Share Purchase Plan ("SPP") to raise up to A\$1 million. The SPP will be offered at 8.5 cents per share, being the same price as the recently announced placement. The total funds raised under the SPP will be capped at A\$1 million. If applications are received in excess of A\$1 million they will be scaled back on an equitable basis.

The SPP will provide existing shareholders with the opportunity to apply for up to A\$15,000 worth of the Company's shares (subject to any scale-back), without incurring brokerage or any other transaction costs. Shareholders with registered address in Australia or New Zealand who were registered as shareholders on the record date of 23 November 2011 are eligible to participate.

Under the SPP, eligible shareholders will have a choice of 5 tranches of shares of which they may subscribe for one. These are detailed below:

	Subscription Amount (\$A)	New shares to be allotted
Tranche A	\$1,000 (minimum)	11,765
Tranche B	\$3,000	35,294
Tranche C	\$5,000	58,823
Tranche D	\$10,000	117,647
Tranche E	\$15,000 (maximum)	176,470

The offer under the SPP will result in the issue of a maximum of 11,764,705 new shares. Proceeds from the SPP will be used to:

- advance the drilling program on the Kalman project in North West Queensland with the aim of defining an open pittable copper-gold and molybdenum-rhenium resource to boost the existing open pittable copper-gold resources at Mount Remarkable;
- drill other exciting priority iron oxide copper-gold (IOCG) targets including Andy's Hill and Yamamilla;
- advance the mining and environmental studies on the Mount Remarkable copper-gold deposits (Barbara, Green Zone and Blue Star); and
- for working capital.

The SPP documentation and application form will be sent directly to eligible registered shareholders shortly.

BOARD OF DIRECTORS

Russell Davis

Chairman and Managing Director

Bruce McCullagh

Non-Executive Director

Jan Hope

Non-Executive Director

Ki Deok (KD) Park

Non-Executive Director

CORPORATE

ABN 61 115 768 986

Market Capitalisation (5.12.2011)

\$10.1 million (at 9c per share)

Issued Capital (5.12.2011)

112.6 million ordinary shares

21.5 million unlisted options

6.95 million listed 20c options

Cash (30.9.2011): \$2.3 million

CONTACT DETAILS

Principal & Registered Office

Level 1, 68 Hay Street

SUBIACO WA 6008

Phone

61 8 9380 9440

Fax

61 8 9380 9449

Email
info@syndicatedmetals.com.au
Website
www.syndicatedmetals.com.au
Postal Address

GPO Box 2810 Perth WA 6000

ASX CODE

SMD



Indicative SPP Timetable

SPP Record Date	5.00pm (Perth time) on 23 November 2011
SPP Offer Opens	9 December 2011
SPP Offer Closes	5.00pm (Perth time) on 20 January 2012
SPP Allotment Date	27 January 2012
Dispatch of holding statements / confirmation advices	1 February 2012

Subject to its obligations under the ASX Listing Rules, the Company may change, at any time, any of the above dates by lodging a revised timetable with ASX. The commencement of trading of new shares issued is subject to confirmation from the ASX.

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.

Syndicated is building a significant metal resource inventory in the Mount Isa region with its interests in the Barbara (copper-gold) and Kalman South (molybdenum-rhenium-copper-gold) deposits, both within 60 kilometres of existing infrastructure at the Mount Isa mining centre.

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

For further information on the Company view our website at www.syndicatedmetals.com.au or contact:

Russell Davis
Chairman & Managing Director
T: 0419 195 087



SYNDICATED METALS LIMITED

SUMMARY OF SHARE PURCHASE PLAN OFFER

The offer closes at 5.00pm (Perth Time) on 20 January 2012

Syndicated Metals Limited ABN 61 115 768 986 ("**Company**") wishes to raise up to \$1,000,000 pursuant to the Syndicated Metals 2011 Share Purchase Plan ("**Plan**"). The Plan offers eligible shareholders the ability to subscribe for between \$1,000 and \$15,000 worth of fully paid ordinary shares in the Company ("**Shares**") through the Plan ("**New Shares**") at an issue price of \$0.085 (8.5 cents) per New Share ("**Issue Price**"), without incurring brokerage, commissions or other transaction costs. To be eligible, you were required to be registered as a holder of fully paid ordinary shares, with a registered address in Australia or New Zealand as at 5.00pm (WST) on 23 November 2011 ("**Eligible Shareholders**").

You may apply for any number of New Shares that matches a Tranche detailed in the table below.

Options available to Eligible Shareholders:

	Subscription Amount (\$A)	New Shares to be allotted calculated at the Issue Price
Tranche A	\$1,000 (minimum)	11,765
Tranche B	\$3,000	35,294
Tranche C	\$5,000	58,823
Tranche D	\$10,000	117,647
Tranche E	\$15,000 (maximum)	176,470

Key Dates:

Event	Date
SPP Record Date	5.00pm (Perth time) on 23 November 2011
SPP Offer Opens	9 December 2011
SPP Offer Closes	5.00pm (Perth time) on 20 January 2012
SPP Allotment Date	27 January 2012
Dispatch of holding statements / confirmation advices	1 February 2012

Funds raised by the Plan will be used to:

- advance the drilling program on the Kalman project in North West Queensland with the aim of defining an open pittable copper-gold and molybdenum-rhenium resource to boost the existing open pittable copper-gold resources at Mount Remarkable;

- drill other exciting priority iron oxide copper-gold (IOCG) targets including Andy's Hill and Yamamilla;
- advance the mining and environment studies on the Mount Remarkable copper-gold deposits (Barbara, Green Zone and Blue Star); and
- for working capital.

The offer of New Shares under the Plan ("**Offer**") opens on 9 December, 2011 and **closes at 5pm (WST) on 20 January, 2012**; however the directors of the Company ("**Directors**") reserve the right to extend the closing date.

The Issue Price under the Plan is \$0.085 per New Share. This price is a 15% discount from the average market price of Shares in the Company sold on the Australian Securities Exchange ("**ASX**") during the previous five trading days ending November 23, 2011.

The market price of Shares in the Company may rise or fall between the date of the Offer and the date that Shares are issued to you under the Offer. This means that the price at which Shares are issued to you under the Offer may be greater or less than the prevailing market price of Shares at the date of the Offer. Further, the issue price may exceed the price at which you would be able to buy Shares on the market at the same time that Shares are issued to you under the Offer. We recommend that you seek financial advice from a suitably qualified adviser before you decide to participate in this Offer.

If you are eligible to subscribe for New Shares under the Plan and you wish to participate, you must subscribe for one of the tranches of New Shares set out in the table on page one. You may only subscribe for whole numbers of New Shares, as no fraction of New Shares will be issued. The Company reserves the right to allot fewer New Shares than an Eligible Shareholder applies for under the Offer, or no New Shares and any determination by the Directors in respect of any scaling back will be final. If a scale back occurs, the Company will refund any excess application money to Eligible Shareholders (without interest). In the event the Company wishes to allot fewer New Shares than an Eligible Shareholder applies for, the Company will use its best endeavours to allocate New Shares to shareholders applying for New Shares on a pro rata basis.

Please carefully read the terms and conditions relating to the Offer, as you will be bound by them.

If you have any questions in respect of the Plan, the Offer, or these terms and conditions please contact Bruce McCullagh or Russell Davis on (08 9380 9440) .

TERMS AND CONDITIONS

The following are the terms and conditions of the Offer under the Plan ("**Terms and Conditions**"). By accepting the offer to subscribe for New Shares under the Plan, you will have agreed to be bound by these Terms and Conditions and the Company's constitution.

1. **Class order 09/425 issued by the Australian Securities and Investments Commission**

The Offer has been structured to comply with the Australian Securities and Investments Commission Class Order 09/425 (as may be amended from time to time) ("**ASIC Class Order 09/425**") to enable the Company to issue New Shares without a prospectus.

2. **Opening and closing date of the Offer**

The Offer opens at 9.00am (WST) on 9 December 2011.

The Offer closes at 5pm (WST) on 20 January 2012.

No late applications will be accepted; however the Directors reserve the right to extend the closing date.

3. **Who is eligible to participate in the offer?**

You are eligible to apply for New Shares in the Offer if:

- your registered address, as recorded in the Company's register of members, is in Australia or New Zealand; and
- you were registered as a holder of Shares as at 5pm (WST) on 23 November 2011.

The Offer to each Eligible Shareholder is made on the same terms and conditions. The Offer is non-renounceable (ie. you may not transfer your right to subscribe for New Shares under the Offer to anyone else).

4. **Is the Offer voluntary?**

The Offer is entirely voluntary and is subject to these Terms and Conditions. You do not have to participate if you don't want to.

5. **How was the issue price determined?**

The issue price for each New Share under the Offer is \$0.085. This price is a 15% discount to the average market price of Shares in the Company sold on the ASX during the previous five trading days ending 23 November.

6. **Important Information on price risk to consider**

Before deciding whether to accept the Offer, you should refer to the current market price of Shares, which can be obtained from the financial pages of your daily newspaper, your stockbroker, your financial adviser, or the ASX. Please note that the market price of Shares may rise or fall between the date of this Offer and the date when the New Shares are issued to you under the Plan. This means that the price you pay per New Share under this Offer may be greater than or less than the price of Shares at the time the New Shares are issued to you pursuant to this Offer.

In determining whether you wish to participate in this Offer and the extent to which you participate, you should seek your own personal financial and/or taxation advice referable to your own circumstances.

7. How much can you invest in the Offer and how do you pay for the New Shares?

Subject to paragraph 8, if you are an Eligible Shareholder under the Plan, you can subscribe for a maximum of 176,470 New Shares which will cost \$15,000. There is a minimum limit of 11,765 New Shares that you can subscribe for under the Plan, which will cost \$1,000. You may apply for any number of New Shares that matches a Tranche detailed in the table below.

The following options are available to Eligible Shareholders:

	Subscription Amount (\$A)	New Shares to be allotted calculated at the Issue Price
Tranche A	\$1,000 (minimum)	11,765
Tranche B	\$3,000	35,294
Tranche C	\$5,000	58,823
Tranche D	\$10,000	117,647
Tranche E	\$15,000 (maximum)	176,470

Please note that the maximum limit of 176,470 New Shares applies to you even if you receive more than one Offer from the Company. For example, if you are both a sole and a joint shareholder of the Company as at 23 November 2011, you can only apply for New Shares under the Offer once, either in your capacity as sole shareholder or joint shareholder, not both.

No fractions of Shares will be issued.

8. Custodian Certification

If on 23 November 2011 you are a custodian within the definition of "custodian" in ASIC Class Order 09/425 ("**Custodian**") and hold Shares on behalf of one or more persons (each a "**Participating Beneficiary**"), you may apply for up to a maximum of \$15,000 worth of New Shares for each Participating Beneficiary, subject to providing a notice in writing to the Company on application for New Shares pursuant to the Offer certifying:

- (a) either or both of the following:
 - (i) that the Custodian holds Shares on behalf of one or more other persons ("**Participating Beneficiaries**") that are not Custodians; and
 - (ii) that another Custodian ("**Downstream Custodian**") holds beneficial interests in Shares on behalf of one or more other persons (each a Participating Beneficiary), and the Custodian holds the Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian, on the Record Date and that each Participating Beneficiary has subsequently instructed the following persons:
 - (iii) where paragraph 8(a)(i) applies—the Custodian; and
 - (iv) where paragraph 8(a)(ii) applies—the Downstream Custodian, to apply for New Shares on their behalf under the Plan;
- (b) the number of Participating Beneficiaries;
- (c) the name and address of each Participating Beneficiary;

- (d) in respect of each Participating Beneficiary, the number of Shares that the Custodian holds on their behalf;
- (e) in respect of each Participating Beneficiary:
 - (i) where paragraph 8(a)(i) applies – the number or the dollar amount of New Shares they instructed the Custodian to apply for on their behalf; and
 - (ii) where paragraph 8(a)(ii) applies—the number or the dollar amount of New Shares they instructed the Downstream Custodian to apply for on their behalf;
- (f) that there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds \$15,000:
 - (i) the New Shares applied for by the Custodian on their behalf under the Plan in accordance with the instructions in paragraph 8(e); and
 - (ii) any other Shares issued to the Custodian in the 12 months before the application under the Plan as a result of an instruction given by them to the Custodian or the Downstream Custodian to apply for New Shares on their behalf under an arrangement similar to the Plan;
- (g) that a copy of this Offer document was given to each Participating Beneficiary; and
- (h) where clause paragraph 8(a)(ii) applies – the name and address of each Custodian who holds beneficial interests in the Shares held by the Custodian in relation to each Participating Beneficiary.

In providing a certificate under this paragraph 8, the Custodian may rely on information provided to it by the Participating Beneficiary and any Custodian who holds beneficial interests in the Shares held by the Custodian.

For the purpose of ASIC Class Order 09/425, you are a Custodian if you are a registered holder of Shares that:

- (b) that holds an Australian financial services licence that:
 - (i) covers the provision of a custodial or depositary service; or
 - (ii) includes a condition requiring the holder to comply with the requirements of ASIC Class Order [CO 02/294]; or
- (c) that is exempt from the requirement to hold an Australian financial services licence for the provision of a custodial or depositary service under:
 - (i) paragraph 7.6.01(1)(k) of the Corporations Regulations 2001 (Cth); or
 - (ii) ASIC Class Order [CO 05/1270] to the extent that it relates to ASIC Class Order [CO 03/184]; or
 - (iii) paragraph 911A(2)(h) of the Corporations Act;
- (d) that is a trustee of a:
 - (i) self-managed superannuation fund; or
 - (ii) superannuation master trust;
- (e) that is the responsible entity of an IDPS-like scheme; or
- (f) that is the registered holder of Shares and is noted on the register of members of the body or scheme (as the case may be) as holding the shares or interests on account of another person.

If you hold Shares as a trustee or nominee for another person, but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings set out in paragraph 7 apply.

9. Shareholder Certification

Subject to paragraph 8, an Eligible Shareholder must, on application for New Shares pursuant to the Offer, certify to the Company that the total of the application price for the following does not exceed \$15,000 in total in any consecutive 12 month period, when aggregated with the total contributions for any of the following:

- (a) the New Shares the subject of the application under the Plan;
- (b) any other Shares applied for by the Eligible Shareholder under the Plan or any similar arrangement in the 12 months before the application under the Plan;
- (c) any other Shares which the Eligible Shareholder has instructed a Custodian to acquire on their behalf under the Plan; and
- (d) any other Shares issued to a Custodian under an arrangement similar to the Plan in the 12 months before the application under the Plan as a result of an instruction given by the Eligible Shareholder to the Custodian or another Custodian and which resulted in the Shareholder holding beneficial interests in the Shares.

10. Costs of Participation

The only cost to you associated with the Offer is the issue price of the number of New Shares you wish to subscribe for. Under the Offer you do not have to pay for brokerage, commission or other transaction costs which would normally apply when you acquire Shares on market.

11. Allotment of New Shares and Variation on Number of New Shares Issued

The New Shares will be allotted within 4 business days after the closing date.

The Company's share registry, Computershare Investor Services, will send to you a holding statement in due course.

Without limiting the above, the Company reserves the right to allot fewer New Shares than an Eligible Shareholder applies for under the Offer or no New Shares, in the Company's discretion or if the Company believes the allotment of those New Shares would contravene any law or the ASX Listing Rules. No interest will be paid on any money returned. In the event the Company wishes to allot fewer New Shares than an Eligible Shareholder applies for or is not permitted to issue all the New Shares offered as a result of any law or ASX Listing Rule, the Company will use its best endeavours to allocate New Shares to Shareholders applying for New Shares on a pro-rata basis.

12. What Rights Will the New Shares Carry?

Once the New Shares are issued, they will rank equally with existing Shares in the Company and will carry the same voting rights, dividend rights, and entitlements to dividends, rights and bonus issues.

13. Can the Company Change the Plan?

The Plan may be changed, suspended or terminated by the Company at any time. If the Company changes, suspends or terminates the Plan it will advise ASX. The accidental omission to give notice of changes to or suspension or termination of the

Plan or the non-receipt of any such notice will not invalidate the change, suspension or termination.

14. Directors' Participation

The directors of the Company, as Eligible Shareholders, may participate in the Offer (without having to obtain shareholder approval), on the same terms as all other shareholders in the Company.

15. How Do You Pay for the Shares?

All amounts in this Offer are expressed in Australian dollars. You must pay for the Shares by cheque, bank draft or money order in Australian dollars. Please make your cheque, bank draft, money order or BPAY payable to "**Syndicated Metals Limited**" and cheques are crossed "**Not Negotiable**".

16. Please provide a cheque, bank draft, money order or BPAY for the exact amount.

If you do not provide the exact amount, the Company reserves the right to return your Application Form and cheque, bank draft or money order. If the Company returns your Application Form and cheque, bank draft or money order, no Shares will be allotted to you.

The number of New Shares you may subscribe for is set out in section 7. You may apply for any number of New Shares as set out in section 7.

17. Will the New Shares be quoted on the ASX?

The Company will apply for the New Shares allotted to you to be quoted on ASX, within the relevant period specified in the ASX Listing Rules.

18. How is a Dispute Resolved?

The Company may settle any dispute in connection with the Plan in any manner it thinks fit, whether generally or in relation to any participant, application or Share. The Company's decision shall be final and binding.

The Company reserves the right to waive strict compliance with any provision of these Terms and Conditions.

HOW DO YOU APPLY FOR NEW SHARES UNDER THE OFFER

1. If you want to participate in this Offer please carefully read the Terms and Conditions relating to the Offer.
2. Complete all the required details in the enclosed Application Form, noting that all amounts are expressed in Australian dollars:
 - (i) Enter the exact number of New Shares you want to subscribe for noting that the minimum number of New Shares is 11,765 and the maximum number of New Shares is 176,470 and the number of New Shares that you subscribe for must match one of the Tranches detailed in sections 7 and 16 of the Terms and Conditions.

- (ii) To work out the exact amount payable, please refer to the Tranches detailed in sections 7 and 16 of the Terms and Conditions and insert the total amount payable (in Australian dollars).
 - (iii) Complete the cheque details section and ensure that the "Amount" section corresponds to the exact amount payable for the New Shares you wish to subscribe for. Remember, **the minimum is \$1,000 worth of New Shares and the maximum is \$15,000 worth of New Shares, and must match one of the Tranches detailed in sections 7 and 16 of the Terms and Conditions.**
 - (iv) Insert your telephone contact numbers so that we may contact you if necessary.
 - (v) You do not need to sign the Application Form.
3. Ensure your cheque, bank draft or money order is made out for the exact amount of the New Share Tranche you want to subscribe for, payable to "**Syndicated Metals Limited**" and cheques crossed "**Not Negotiable**".
4. Return the completed Application Form, together with the cheque, bank draft or money order to:
- | | |
|---|---|
| by hand: | by mail: |
| Computershare Investor Services Pty Ltd | Computershare Investor Services Pty Limited |
| Level 2, Reserve Bank Building | GPO Box 505 |
| 45 St Georges Terrace | Melbourne Vic 3001 |
| Perth, WA 6000 | Australia |
5. Ensure that your completed Application Form and payment reach Computershare Investor Services Pty Ltd by the closing date of the Offer being no later than 5pm (WST) on 20 December 2010. **No late applications will be accepted, although the Directors reserve the right to extend the closing date.**

In determining whether you wish to participate in this Offer you should seek personal financial and/or taxation advice referable to your own circumstances.

By accepting this Offer you agree to be bound by the Terms and Conditions of the Offer and the Constitution of the Company.