

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

SYNDICATED METALS LIMITED

ABN

61 115 768 986

Quarter ended ("current quarter")

31 March 2014

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'ooo	Year to date (9 months) \$A'ooo
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(378)	(1,140)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	8	25
1.5	Interest and other costs of finance paid	(1)	(3)
1.6	Income taxes (paid)/R&D benefit received		313
1.7	Other (provide details if material)		
	Net Operating Cash Flows	(541)	(1,523)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(48)	(1,000)
1.9	Proceeds from sale of: (a) prospects (b) joint venture earn-in (c) listed securities	132	100
1.10	Loans to other entities		1,341
1.11	Loans repaid by other entities		20
1.12	Other (provide details if material)		
	Net investing cash flows	84	413
1.13	Total operating and investing cash flows (carried forward)	(457)	(1,110)

+ See chapter 19 for defined terms.

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1.13	Total operating and investing cash flows (brought forward)	(457)	(1,110)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	18	2,715
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings	(6)	(17)
1.18	Capital raising costs	(125)	(189)
1.19	(Payments for)/refunds of security deposits		3
	Net financing cash flows	(113)	2,512
	Net increase (decrease) in cash held	(570)	1,402
1.20	Cash at beginning of quarter/year to date	2,869	897
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	2,299	2,299

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'ooo
1.23	Aggregate amount of payments to the parties included in item 1.2	108
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Directors remuneration

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

On 9 January 2014 the Company issued the following securities to Blue Ocean Equities Pty Ltd in settlement of fees owed to Blue Ocean for corporate advisory services provided to the Company over the second half of 2013:

- 2,000,000 fully-paid ordinary shares at a deemed issue price of \$0.032 per share; and
- 5,000,000 unlisted options exercisable at \$0.064 per option and expiring 3 years from the date of issue.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'ooo	Amount used \$A'ooo
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'ooo
4.1 Exploration and evaluation (net of JV cash calls)	279
4.2 Development	-
4.3 Production	-
4.4 Administration	237
Total	516

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'ooo	Previous quarter \$A'ooo
5.1 Cash on hand and at bank	299	2,369
5.2 Deposits at call	2,000	500
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	2,299	2,869

+ See chapter 19 for defined terms.

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	Nil.		
6.2	Interests in mining tenements and petroleum tenements acquired or increased			
	Mt Remarkable (Mt Isa) EPM17914	Acquired	0%	100%
	Fountain Range (Mt Isa) EPM18980	Granted	0%	100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	274,445,673	274,445,673	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	2,490,000	2,490,000	
7.5	+Convertible debt securities (description)			

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7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	20,318,468	20,318,468	<i>Exercise price</i> 20 cents 30 cents 25 cents 30 cents 35 cents 45 cents 55 cents 16.4 cents 20.5 cents 24.6 cents 6.4 cents	<i>Expiry date</i> 4 Dec 2014 9 Sep 2014 30 Nov 2014 30 Nov 2014 30 Nov 2014 30 Nov 2014 30 Nov 2014 29 May 2016 29 May 2016 29 May 2016 9 Jan 2017
7.8	Issued during quarter	5,000,000		6.4 cents	9 Jan 2017
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Performance Rights	2,500,000		<i>Vesting conditions</i> 10 day VWAP exceeds \$0.30	<i>Expiry date</i> 29 May 2016
		4,750,000		10 day VWAP exceeds \$0.45	29 May 2016
		4,750,000		10 day VWAP exceeds \$0.60	29 May 2016
		250,000		10 day VWAP exceeds \$0.30	8 Nov 2016
		250,000		10 day VWAP exceeds \$0.45	8 Nov 2016
		250,000		10 day VWAP exceeds \$0.60	8 Nov 2016
		150,000		10 day VWAP exceeds \$0.30	19 Feb 2017
		150,000		10 day VWAP exceeds \$0.45	19 Feb 2017
		150,000		10 day VWAP exceeds \$0.60	19 Feb 2017
7.12	Unsecured notes (totals only)				

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:
(Company secretary)

Date: 4 April 2014

Print name: Paul Bridson

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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