
Syndicated Metals Limited

ABN 61 115 768 986

Prospectus

For a non-renounceable entitlement issue to Eligible Shareholders of up to approximately 66,707,350 Shares at an issue price of 0.5 cents per Share on the basis of 1 Share for every 6 Shares held on the Record Date and up to approximately 33,353,675 Options on the basis of 1 free attaching Option for every 2 Shares issued, with each Option having an exercise price of 1.2 cents and expiring on 8 February 2018 to raise up to approximately \$333,537 before expenses.

For the offer of 28,940,000 Options having an exercise price of 1.2 cents and expiring on 8 February 2018 to the Eligible Option Subscribers on the basis of one Option for every 2 Shares issued to the Eligible Option Subscribers under the Placement or the Top-up Issue as the case may be.

The Offers closes at 5.00pm WST on 1 February 2016. Valid acceptances must be received before that date.

IMPORTANT NOTICE

This document is important and requires your immediate attention. It should be read in its entirety. If you do not understand its contents, or are in doubt as to the course you should follow, you should consult your stockbroker, financial or other professional adviser.

The Shares and Options offered by this Prospectus should be considered speculative.

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Important notes

This Prospectus is dated 10 December 2015 and was lodged with the ASIC on that date. Neither ASIC nor ASX take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares or Options will be issued on the basis of this Prospectus later than 13 months after the date of issue of this Prospectus. Shares or Options issued pursuant to this Prospectus will be issued on the terms and conditions set out in this Prospectus.

The Company will apply to ASX for Official Quotation of the Shares offered pursuant to this Prospectus within 7 days after the date of this Prospectus. The Company will not apply to ASX for Official Quotation of the Options offered pursuant to this Prospectus.

Eligible Shareholders should read this Prospectus in its entirety and seek professional advice where necessary. The Shares and Options the subject of this Prospectus should be considered speculative.

Applications for Shares by Eligible Shareholders will only be accepted where they comply with the instructions on the Entitlement and Acceptance Form accompanying this Prospectus as described in section 1.8 of this Prospectus.

An application for Additional Shares and Options will only be accepted by completing the relevant section of the Entitlement and Acceptance Form or by making payment for the appropriate monies via BPAY® as described in section 1.8 of this Prospectus.

Applications for Options by Eligible Option Subscribers will only be accepted where they comply with the instructions on the Option Application Form accompanying this Prospectus as described in section 1.11 of this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Entitlement Offer or Option Offer described in this Prospectus. Any information or representation which is not contained in this Prospectus or disclosed by the Company pursuant to its continuous disclosure obligations may not be relied upon as having been authorised by the Company in connection with the issue of this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In preparing this Prospectus regard has been had to the fact that the Company is a disclosing

entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and professional advisers to whom investors may consult.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer or invitation in any jurisdiction where, or to any person to whom, it would not be lawful to make such an offer or invitation.

Neither this document nor the Shares the subject of the Entitlement Offer or the Options the subject of the Option Offer have been, nor will be, registered under the United States Securities Act of 1933, as amended or under the securities legislation of any state of the United States of America, or any applicable securities laws of a country or jurisdiction outside of Australia and New Zealand. Accordingly, subject to certain exceptions, the Shares the subject of the Offers may not, directly or indirectly, be offered or sold within a country or jurisdiction outside of Australia and New Zealand or to or for the account or benefit of any national resident or citizen of, or any person located in a country or jurisdiction outside of Australia and New Zealand.

New Zealand notice

The Entitlement Offers to New Zealand investors pursuant to this Prospectus are regulated offers made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and the Corporations Regulations. In New Zealand, this is Part 5 of the Securities Act 1978, Securities Regulations 2009 and the Securities (Mutual Recognition of Securities Offerings – Australia) Regulations 2008.

The Entitlement Offer and the content of this Prospectus are principally governed by Australian rather than New Zealand law. The Australian Corporations Act and Corporations Regulations set out how the Entitlement Offer must be made. There are differences in how securities are regulated under Australian law. For example, the disclosure of fees for collective investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian securities may differ from the rights, remedies, and compensation arrangements for New Zealand securities.

Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to the Entitlement Offer. If you need to make a complaint about the Entitlement Offer, please contact the Financial Markets Authority, Wellington, New Zealand. The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian securities is not the same as for New Zealand securities.

Privacy

The Company collects personal information about each Applicant provided on an Entitlement and Acceptance Form and/or an Option Application Form for the purposes of processing the application and, if the application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form and/or an Option Application Form, each Applicant agrees that the Company may use the personal information in the Entitlement and Acceptance Form and/or an Option Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers (including mailing houses), the ASX, ASIC and other regulatory authorities.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

If an Applicant becomes a security holder of the Company, the Corporations Act and Australian tax legislation requires the Company to include information about the security

holder (including name, address and details of the securities held) in its public register. This information must remain in the register even if that person ceases to be a security holder of the Company. Information contained in the Company's registers is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Entitlement and Acceptance Form and/or the Option Application Form, the Company may not be able to accept or process your application.

The Company will not disclose the personal information of Applicants to entities outside Australia.

Key definitions

Throughout this Prospectus, for ease of reading, various words and phrases have been defined rather than used in full on each occasion. Please refer to section 6 of this Prospectus for a list of defined terms.

Rounding

In determining Entitlements, any fractional entitlement will be rounded up to the nearest whole number.

Key risks

For a summary of the key risks associated with further investment in the Company, please refer to the Investment Overview. A more detailed description of the key risks is set out in section 3 of this Prospectus.

Important dates*

Entitlement Offer

Event	Date*
Announcement of Entitlement Offer and Appendix 3B	7 December 2015
Prospectus lodged at ASIC and ASX	10 December 2015
Notice sent to Shareholders	14 December 2015
"Ex" Date (date Shares are quoted ex-rights)	15 December 2015
Record Date to determine Entitlements	5.00pm (WST) 17 December 2015
Prospectus (together with Entitlement and Acceptance Form) despatched to Shareholders	22 December 2015
Opening Date	22 December 2015
Closing Date**	1 February 2016
Shares quoted on a deferred settlement basis	2 February 2016
Notification to ASX of under subscriptions	4 February 2016
Issue date for Shares and Options	8 February 2016

* These dates are indicative only. The Directors reserve the right to vary the key dates without prior notice, subject to the Listing Rules.

** The Directors may extend the Closing Date by giving at least three Business Days' notice to ASX prior to the Closing Date. As such, the date the Shares are expected to commence trading on ASX may vary.

Option Offer

Event	Date*
Prospectus lodged at ASIC and ASX	10 December 2015
Prospectus (together with Option Application Form) despatched to Placement Subscribers and CopperChem	22 December 2015
Opening Date	22 December 2015
Closing Date	1 February 2016
Issue date for Options	8 February 2016

* These dates are indicative only. The Directors reserve the right to vary the key dates without prior notice, subject to the Listing Rules.

Investment overview

This section provides a summary of information that is key to a decision to invest in Shares and Options. This is a summary only. Potential investors should read this entire Prospectus carefully.

If you are unclear in relation to any aspect of the Entitlement Offer or the Option Offer, or if you are uncertain whether Shares or Options are a suitable investment for you, you should consult your financial or other professional adviser.

Question	Response	Where to find more information
What is being offered and at what price?	The Company is offering to issue Shares and Options to Eligible Shareholders by a pro-rata non-renounceable entitlement issue. Under the Entitlement Offer, Eligible Shareholders may subscribe for 1 Share for every 6 Shares held on the Record Date, at a price of 0.5 cents per Share, with 1 free attaching Option for every 2 Shares subscribed for. The Company is also offering to issue free Options to Eligible Option Subscribers under the Option Offer. The issue of Options to Tranche 2 Placement Subscribers under the Option Offer is subject to Shareholder Approval. The issue of Options to CopperChem under the Option Offer is subject to the Company obtaining any shareholder approval which may be required by ASX under the Listing Rules for the issue of Options to CopperChem under the Option Offer.	Section 1.1 Section 1.2
How many new securities will be issued?	The maximum number of securities that will be issued under the Entitlement Offer (if the Entitlement Offer is fully subscribed) is approximately 66,707,350 Shares and 33,353,675 Options. The maximum number of Options that will be issued under the Option Offer (if the Option Offer is fully subscribed) is 28,940,000 Options.	Section 2.3
What is the amount that will be raised under the Entitlement Offer and what is the purpose of the Entitlement	If the Entitlement Offer is fully subscribed, the Company will raise \$333,537 through the issue of Shares and free attaching Options (before expenses of the Offers). The purpose of the Entitlement Offer is to raise funds for: assessment of new gold and base metals	Section 1.3

Question	Response	Where to find more information
Offer?	project opportunities outside of the existing North-West Queensland tenement holding; • exploration and asset maintenance activities associated with the Company's Queensland copper-gold projects to ensure the tenement holding is kept in good standing; • finalisation of mining lease approvals for the Barbara Joint Venture in association with CopperChem Limited; • general working capital and administrative expenses; and • the expenses of the Offers.	
What is the amount that will be raised under the Option Offer and what is the purpose of the Option Offer?	No funds will be raised through the issue of the Options under the Option Offer. As announced to ASX on 7 December 2015, the Company undertook the Placement and agreed to give the Placement Subscribers the opportunity to participate in the Option Offer such that the Placement and Entitlement Offer were made on the same terms. The Company will give CopperChem the opportunity to participate in the Option Offer to the extent it participates in the Top-up Issue so that the Placement and the Top-up Issue are made on the same terms, consistent with the Placement Agreement. Further details in relation to the Top-up Right is set out in Section 2.5 of this Prospectus.	Sections 1.3 and 2.5
Who is eligible to participate in the Entitlement Offer?	The Entitlement Offer is made to Eligible Shareholders only. An Eligible Shareholder is a Shareholder with a registered address in Australia or New Zealand on the Record Date. If you are not an Eligible Shareholder, you are not able to participate in the Entitlement Offer.	Section 1.14
Who is eligible to participate in the Option Offer?	The Option Offer is made to Eligible Option Subscribers only. If you are not an Eligible Option Subscriber, you are not able to participate in the Option Offer. The issue of Options to Tranche 2 Placement Subscribers under the Option Offer is subject to Shareholder Approval.	Section 1.2

Question	Response	Where to find more information
	The issue of Options to CopperChem under the Option Offer is subject to the Company obtaining any shareholder approval which may be required by ASX under the Listing Rules for the issue of Options to CopperChem under the Option Offer.	
What are the alternatives for Eligible Shareholders?	The Entitlement Offer is non-renounceable so you cannot trade your Entitlements. As an Eligible Shareholder, you may: • take up all of your Entitlements; • apply for Additional Shares and Options; • take up part of your Entitlements, and allow the balance of your Entitlements to lapse; or • allow all of your Entitlements to lapse.	Section 1.8
Is the Entitlement Offer or the Option Offer underwritten?	No, neither the Entitlement Offer nor the Option Offer is underwritten.	Section 1.7
How will Shortfall be allocated?	After allocation of any Additional Shares and Options to Eligible Shareholders who apply for Additional Shares and Options (which allocation will be at the Directors' discretion), any remaining Shortfall may be placed by the Directors at their discretion. The offer of any Shortfall is a separate offer made pursuant to this Prospectus.	Sections 1.8 and 1.9
What are the key risks of further investment in the Company?	Potential investors should be aware that subscribing for Shares and Options in the Company involves a number of risks. Some of the more significant risks which affect an investment in the Company are summarised below. Please refer to Section 3 for further details of both the risks set out below and a number of other risks that are relevant to a decision to apply for Shares and Options: • <u>Potential for significant dilution if Shareholders do not participate in the Entitlement Offer</u> Upon completion of the Entitlement Offer, assuming all Entitlements are accepted and no Existing Options are exercised, no Performance Rights are vested and no Top-up Shares are issued to CopperChem prior to the Record Date, the number of Shares in the Company will	Section 3

Question	Response	Where to find more information
	increase from 400,244,100 to 466,951,450 as a result of the Entitlement Offer. This increase equates to approximately 14% of all the issued Shares in the Company following completion of the Entitlement Offer. Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by up to 16.67% as a result of the Entitlement Offer (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table in section 2.4 of this Prospectus. • <u>Exploration and operational risks</u> Mineral exploration and production is inherently risky and speculative in nature. There is no guarantee that base metal or gold deposits will be discovered in the locations being explored by the Company. In the event that deposits are discovered, there is no guarantee that they will be in commercially viable quantities or economically profitable. In addition, the Company's operations and profitability are subject to the successful outcome of its exploration activities and will be affected by operational risks. Further, the Company may require approvals and licences necessary to conduct exploration and mining, which may impose conditions the Company must satisfy in order to proceed with the exploration or production of the base metals or gold deposit. It may not be possible for the Company to satisfy these conditions. These factors affect the Company's ability to establish mining operations, continue with its projects and earn income from its operations and will affect the Company's share price. • <u>Mineral resource estimates may be inaccurate</u> Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates that were valid when made may change significantly when new information becomes available. • <u>Fluctuation in commodity prices</u> International factors such as inflation, exchange	

Question	Response	Where to find more information
	rates, supply and demand and political and economic events, amongst other things, impact on base metal and gold prices, particularly in the current global economic market. As the Company is currently not in production, future revenue that may come from the sale of these mineral products and the Company's future profits are related to and influenced by the market price of the base metals. If the price of base metals and gold seriously declines in the future, this will materially impact on the Company's ability to continue with its projects and the Company may be forced to discontinue some or all of its operations. • <u>Access to land</u> The Company will experience delays and cost overruns in the event it is unable to access the land required for its operations. This may be as a result of weather, environmental restraints, native title, landholder's activities or other factors. The Company's exploration activities are also dependent upon the grant, or as the case may be, the maintenance or renewal of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. The maintenance, renewal and granting of tenements often depends on the Company being successful in obtaining required statutory approvals. There is no assurance that the Company will be granted all the mining tenements for which it has applied or that licences, concessions, leases, permits or consents will be renewed as and when required or that new conditions will not be imposed in connection therewith. To the extent such approvals, consents or renewals are not obtained, the Company may be curtailed or prohibited from continuing with its exploration activities or proceeding with any future exploration or development. • <u>Environmental regulation risk</u> The Company's operations are subject to environmental regulations in Australia. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Government approvals and permits are required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be delayed or	

Question	Response	Where to find more information
	prohibited from proceeding with planned exploration or development of its mineral properties. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions (including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed) and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. • <u>Environmental liabilities risk</u> The Company's activities are subject to potential risks and liabilities associated with the potential pollution of the environment and the necessary disposal of mining waste products resulting from mineral exploration and production. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) is not generally available to the Company (or to other companies in the minerals industry) at a reasonable price. To the extent that the Company becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to the Company and could have a material adverse effect on the Company. • <u>Land rehabilitation requirements</u> Although variable, depending on location and the governing authority, land rehabilitation requirements are generally imposed on mineral exploration companies, as well as companies with mining operations, in order to minimise long term effects of land disturbance. Rehabilitation may include requirements to control dispersion of potentially deleterious effluents and to reasonably re-establish pre-disturbance land forms and vegetation. In order to carry out rehabilitation obligations imposed on the Company in connection with its mineral exploration, the Company must allocate financial resources that might otherwise be spent on further exploration and/or development programs. • <u>Native Title</u> The High Court of Australia, the Native Title Act 1993 (Cth) and State legislation recognise Aboriginal heritage and land rights. The risks	

Question	Response	Where to find more information
	include the following: (a) the Company may have to seek permits or licences to access land the subject of an Aboriginal heritage or land right claim. There is no guarantee that any such permit or licence will be granted; (b) the Company may have to comply with restrictions or conditions on accessing land the subject of an Aboriginal heritage or land right claim. This may result in the Company facing unplanned expenditure or delays. Failure to comply with any conditions on the permits may result in the Company losing its title to its tenements or forfeiting its permits; (c) the Company may have to pay compensation in order to settle native title claims. It is not possible to quantify the amount of compensation which may have to be paid at this stage; and (d) in the event the Company discovers evidence of Aboriginal heritage on land accessed by the Company, the Company must comply with regulations prohibiting the disturbance of physical evidence of prehistoric or historical significance without statutory permission and legislation prohibiting or restricting access to Aboriginal cultural heritage or native title land. Accordingly, delays or additional costs in the exploration or production of the Company's business may be experienced. Further, the disturbance of any such land or objects may expose the Company to additional fines or other penalties. • <u>Metallurgical risks</u> The economic viability of base metal and gold recovery depends on a number of factors such as the development of an economic process route for metal concentrates. Further, changes in mineralogy may result in inconsistent metal recovery. These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares and Options in the future. Accordingly, an investment in the Company should be considered speculative. Investors should consider consulting	

Question	Response	Where to find more information
	their financial or other professional adviser before deciding whether to apply for Shares and/or Options pursuant to this Prospectus.	
What is the effect on control of the Company?	The effect on the control of the Company will depend on the take-up of Entitlements by Eligible Shareholders. Based on a Form 604 <i>Notice of change of interests of substantial holder</i> dated 21 April 2015, CopperChem has a relevant interest in 115,609,192 Shares, which following the Tranche 1 Placement equals 28.88% of the Shares on issue. Pursuant to the Top-up Right (further details of which are set out in Section 2.5 of this Prospectus), the Company has offered to issue 11,622,000 Shares to CopperChem to restore its holding in the Company to 30.89%, which it was immediately prior to the Tranche 1 Placement (subject to any shareholder approvals that may be required by ASX under the Listing Rules). As at the date of this Prospectus, these Shares have not been issued, and may or may not be issued before the Record Date, depending on whether ASX requires shareholder approval under the Listing Rules to issue these Shares to CopperChem. In accordance with the Placement Agreement, an offer will also be made by the Company to CopperChem following the Tranche 2 Placement. CopperChem may potentially increase its interest in the Company as a result of the Entitlement Offer to a maximum of 32.14% (assuming that CopperChem does not participate in any Shortfall or the Top-up Issue) or 33.84% (assuming that CopperChem does not participate in any Shortfall but does participate in the Top-up Issue). If CopperChem does participate in any Shortfall, its participation will be limited to the extent that it can rely on the 3% Creep Rule (and may also be subject to any shareholder approvals that may be required by ASX under the Listing Rules). Further details of the potential effect the Entitlement Offer may have on control of the Company are set out in Section 2.4.	Section 2.5

Brief instructions for Eligible Shareholders and Eligible Option Subscribers

Eligible Shareholders

The number of Shares to which you are entitled is shown in the Entitlement and Acceptance Form. You may participate in the Entitlement Offer as follows:

If you wish to accept your Entitlement in full: • pay the amount indicated on your Entitlement and Acceptance Form via BPAY® using the BPAY® code and personalised reference number indicated so that the funds are received before 2.00pm (WST) on the Closing Date; or • complete the Entitlement and Acceptance Form, filling in the details in the spaces provided and attach your cheque for the amount indicated on your Entitlement and Acceptance Form. Please refer to section 1.8 of this Prospectus for further details on applying for Shares and Options.	If you only wish to accept part of your Entitlement: • pay a lesser amount than indicated on your Entitlement and Acceptance Form via BPAY® using the BPAY® code and personalised reference number indicated so that the funds are received before 2.00pm (WST) on the Closing Date; or • complete the Entitlement and Acceptance Form, filling in the details in the spaces provided and attach your cheque for the amount indicated on your Entitlement and Acceptance Form. Please refer to section 1.8 of this Prospectus for further details on applying for Shares and Options.
Applying for Additional Shares and Options Eligible Shareholders who have subscribed for their Entitlement in full may also apply for Additional Shares and Options in addition to their Entitlement. You may apply for Additional Shares and Options as follows: • complete the relevant section of your Entitlement and Acceptance Form and return it together with a single cheque for the appropriate application monies for both your Entitlement and the Additional Shares and Options you wish to apply for; or • pay the appropriate application monies for both your Entitlement and the Additional Shares and Options you wish to apply for via BPAY® using the BPAY® code and personalised reference number indicated so that the funds are received before 2.00pm (WST) on the Closing Date. Please refer to section 1.8 of this Prospectus for further details on applying for Shares and Options, and for further details on applying for Additional Shares and Options.	
If you do not wish to accept all or part of your Entitlement, you are not obliged to do anything. If Eligible Shareholders do not take up their Entitlement, their existing interest in the Company will be diluted. Please refer to sections 2.4 and 3.2 of this Prospectus.	

Eligible Option Subscribers

The number of Options which you can subscribe for is shown in the Option Application Form. You may participate in the Option Offer by completing the Option Application Form.

Please refer to section 1.11 of this Prospectus for further details on applying for Options under the Option Offer.

The issue of Options to Tranche 2 Placement Subscribers is subject to Shareholder Approval.

The issue of Options to CopperChem is subject to any shareholder approvals that may be required by ASX under the Listing Rules to issue the Options to CopperChem.

If you do not wish to subscribe for Options under the Option Offer, you do not need to do anything.

Chairman's letter

Dear Investor

The Board is pleased to offer Shareholders the opportunity to participate in a pro-rata non-renounceable entitlement issue as proposed in this Prospectus.

All Eligible Shareholders will be entitled to participate in a non-renounceable entitlement issue of approximately 66,707,350 Shares on the basis of 1 Share for every 6 Shares held on the Record Date, at an issue price of 0.5 cents per Share and approximately 33,353,675 Options on the basis of 1 free attaching option for every 2 Shares issued.

Shareholders would be aware that the general market conditions have remained difficult in recent times and particularly difficult for exploration companies. The Entitlement Offer gives each Eligible Shareholder an opportunity to participate in the capital raising at a price of 0.5 cents per Share. Your Directors urge all Eligible Shareholders to subscribe for their Entitlement and continue their ongoing support of the Company.

The Entitlement Offer will raise up to approximately \$333,537 before expenses. The exact amount of funds raised is dependent on the participation rate of Shareholders and ultimately the Directors' ability to place any Shortfall. Shareholders may apply to participate in any Shortfall by subscribing for Additional Shares and Options in addition to subscribing for their full Entitlement under the Entitlement Offer.

The purpose of the Entitlement Offer is to raise funds for assessment of new gold and base metals project opportunities outside of the existing North-West Queensland tenement holding, exploration and asset maintenance activities associated with the Company's Queensland copper-gold projects to ensure the tenement holding is kept in good standing, finalisation of mining lease approvals for the Barbara Joint Venture in association with CopperChem Limited, general working capital and administrative expenses and the expenses of the Offers.

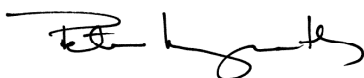
In addition to the Entitlement Offer, Eligible Option Subscribers are entitled to participate in an offer of free Options on the basis of one free Option for every two Shares subscribed for under the Placement announced to ASX on 7th December 2015 or under the Top-up Issue, as the case may be. The issue of Options to Tranche 2 Placement Subscribers under the Option Offer is subject to Shareholder Approval. The issue of Options to CopperChem under the Option Offer is subject to any shareholder approvals that may be required by ASX under the Listing Rules to issue the Options to CopperChem.

Full details of the opportunity to participate in the Entitlement Offer and/or the Option Offer are included in this Prospectus, which I encourage you to read carefully.

I wish to assure you that your Company will continue its efforts to enhance Shareholder value through possible project acquisition and project development. On behalf of the Board, I take this opportunity to thank each of our Shareholders and look forward to your support of the Entitlement Offer.

Information on how Eligible Shareholders can apply for Shares and Options under the Entitlement Offer is set out in section 1.8 of this Prospectus. Information on how Eligible Option Subscribers can apply for Options under the Option Offer is set out in section 1.11 of this Prospectus.

Yours sincerely



Peter Langworthy
Non-Executive Chairman

1 Details of the Offers

1.1 Entitlement Offer

This Prospectus invites Eligible Shareholders to participate in a pro-rata non-renounceable entitlement issue of up to 66,707,350 Shares on the basis of 1 Share for every 6 Shares held at 5.00pm (WST) on the Record Date at an issue price of 0.5 cents per Share for the purpose of raising up to approximately \$333,537 less expenses of the Offers.

As at the date of this Prospectus, the Company has 400,244,100 Shares on issue.

Holders of Existing Options will not be entitled to participate in the Entitlement Offer. However, they may exercise their Existing Options prior to the Record Date if they wish to participate in the Entitlement Offer.

The Company currently has 11,756,757 Existing Options on issue. Please refer to section 2.3 of this Prospectus for further information on the exercise price and expiry date of the Existing Options on issue. As at the date of this Prospectus, none of these Existing Options are "in the money". In the event that all of these Existing Options are exercised prior to the Record Date, a further 1,959,460 Shares will be offered pursuant to this Prospectus to raise a further \$9,797.

The Company also currently has 19,123,704 Performance Rights on issue. Please refer to section 2.3 of this Prospectus for further information on the Performance Rights on issue. As at the date of this Prospectus, none of the Performance Rights have vested and could be converted to Shares. However, in the event that all of these Performance Rights vest and are converted to Shares prior to the Record Date, a further 3,187,284 Shares will be offered pursuant to this Prospectus to raise a further \$15,936.

The Company has also granted a Top-up Right to CopperChem. Under the Top-up Right, the Company offered to issue to CopperChem 11,622,000 Shares following the Tranche 1 Placement subject to any shareholder approvals that may be required by ASX under the Listing Rules. As at the date of this Prospectus, these Shares have not been issued, and may or may not be issued before the Record Date, depending on whether ASX requires shareholder approval under the Listing Rules to issue these Shares to CopperChem. If these Shares are issued to CopperChem prior to the Record Date, a further 1,937,000 Shares will be offered pursuant to this Prospectus, to raise a further \$9,685.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue as at the date of this Prospectus. Please refer to section 4.5 of this Prospectus for further information regarding the rights and liabilities attaching to the Shares.

1.2 Option Offer

This Prospectus also invites Eligible Option Subscribers to participate in an offer of free Options on the basis of one free Option for every two Shares subscribed for under the Placement or the Top-up Issue, as the case may be.

The issue of Options to Tranche 2 Placement Subscribers under the Option Offer is subject to Shareholder Approval.

The issue of Options to CopperChem under the Option Offer is subject to any shareholder approvals that may be required by ASX under the Listing Rules to issue the Options to CopperChem.

1.3 Purpose of the Offers

The purpose of the Entitlement Offer is to raise up to \$333,537.

It is anticipated that the funds raised from the Entitlement Offer will be applied as follows:

Description	Use of funds based on full subscription of \$333,537	
	(\$)	% of proceeds
Assessment of new gold and base metals project opportunities outside of the existing North-West Queensland tenement holding	164,217	49
Exploration and asset maintenance activities associated with the Company's Queensland copper-gold projects to ensure the tenement holding is kept in good standing	66,000	20
Finalisation of mining lease approvals for the Barbara Joint Venture in association with CopperChem Limited	33,000	10
General working capital and administrative expenses ¹	25,000	7
Expenses of the Offers ²	45,320	14
TOTAL	333,537	100

Notes:

¹ This includes working capital and administrative costs such as salaries, ASX and other fees and corporate overheads.

² Please refer to section 4.11 of this Prospectus for further details relating to the estimated expenses of the Offers.

The above table is a statement of current intentions as of the date of this Prospectus. It is anticipated that these funds will be applied over the next 12 months.

The above proposed use of funds and their relative priority is subject to ongoing review and evaluation by the Company. As with any budget, the actual use of funds raised under the Entitlement Offer may change depending on the outcome of the programs as they proceed. The Board reserves the rights to alter the way in which funds are applied on this basis.

Any additional funds raised from the participation of Eligible Shareholders in the Entitlement Offer following the exercise of their Existing Options, conversion of Performance Rights or the issue of Top-up Shares to CopperChem prior to the Record Date will be applied towards the Company's general working capital and administration expenses. However, given the exercise price of the Existing Options and the vesting conditions applicable to the Performance Rights, the Company does not expect that any additional funds will be raised through the exercise or conversion of Existing Options or Performance Rights.

To the extent that funds raised pursuant to this Prospectus are insufficient to meet the Company's proposed use of funds as described above, funds raised will be applied in the following order of priority:

- expenses of the Offers;

- finalisation of mining lease approvals for the Barbara Joint Venture in association with CopperChem Limited;
- exploration and asset maintenance activities associated with the Company's Queensland copper-gold projects to ensure the tenement holding is kept in good standing;
- assessment of new gold and base metals project opportunities outside of the existing North-West Queensland tenement holding; and
- general working capital and administrative expenses.

The Company does not seek to raise a minimum amount under the Offer. In the event that insufficient funds are raised to meet the expenses of the Offer, the Company intends to use its existing working capital to meet the expenses of the Offer.

The Company's current cash resources and additional capital proposed to be raised by the Entitlement Offer are sufficient to meet the Company's current stated activities.

The purpose of the Option Offer is to:

- give the Eligible Option Subscribers the opportunity to subscribe for one free Option for every two Shares they subscribed for under the Placement. The Company agreed to give the Placement Subscribers the opportunity to participate in the Option Offer such that the Placement and the Entitlement Offer were made on the same terms; and
- give CopperChem the opportunity to subscribe for one free Option for every two Shares subscribed for under the Top-up Issue so that the Placement and the Top-up Issue are made on the same terms.

1.4 Minimum subscription for Entitlement Offer

There is no minimum subscription in respect of the Entitlement Offer.

1.5 No trading of Entitlements

Entitlements to Shares and Options pursuant to the Entitlement Offer are non-renounceable and accordingly Eligible Shareholders may not dispose of or trade any part of their Entitlement.

1.6 Opening and closing dates

The Offers will open for receipt of acceptances at 9.00am WST on 22 December 2015 and will close at 5.00pm WST on 1 February 2016, or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine and provided that the Company gives ASX notice of the change at least 3 Business Days prior to the Closing Date.

1.7 Underwriting

The Offers are not underwritten.

1.8 Entitlements and acceptance

The number of Shares and Options to which you are entitled (**Entitlement**) is shown in the Entitlement and Acceptance Form.

In determining Entitlements, any fractional entitlement will be rounded up to the nearest whole number.

Your acceptance of the Entitlement Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus.

You may participate in the Entitlement Offer as follows:

(a) **If you wish to accept your Entitlement in full:**

- (i) pay the amount indicated on your Entitlement and Acceptance Form via BPAY® using the BPAY® code and personalised reference number indicated so that the funds are received before 2.00pm (WST) on the Closing Date; or
- (ii) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided and attach your cheque for the amount indicated on your Entitlement and Acceptance Form.

(b) **If you only wish to accept part of your Entitlement:**

- (i) pay a lesser amount than indicated on your Entitlement and Acceptance Form via BPAY® using the BPAY® code and personalised reference number indicated so that the funds are received before 2.00pm (WST) on the Closing Date; or
- (ii) fill in the number of Shares and Options you wish to accept in the space provided on the Entitlement and Acceptance Form and attach your cheque for the appropriate application monies (at 0.5 cents per Share).

(c) **If you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.**

(d) **If you wish to apply for Additional Shares and Options**

- (i) Eligible Shareholders who have subscribed for their Entitlement in full may apply for Shares and Options in addition to their Entitlement (**Additional Shares and Options**) by:
 - (A) completing the relevant section of their Entitlement and Acceptance Form and returning it together with a single cheque for the appropriate application monies for both their Entitlement and the Additional Shares and Options applied for; or
 - (B) paying the appropriate application monies for both their Entitlement and the Additional Shares and Options applied for via BPAY® using the BPAY® code and personalised reference number indicated on the Entitlement and Acceptance Form.
- (ii) It is possible that there will be few or no Additional Shares and Options available, depending on the level of acceptance of Entitlements by Eligible Shareholders. There is therefore no guarantee that in the event that Additional Shares and Options are available for issue, they will be allocated to all or any of the Eligible Shareholders who have applied for them.
- (iii) If there is a Shortfall, the Directors reserve the right to allocate any Additional Shares and Options at their absolute discretion. The Company may issue to

an Applicant a lesser number of Additional Shares and Options than the number applied for, reject an application for Additional Shares and Options or not proceed with the issuing of all or part of the Additional Shares and Options. If the number of Additional Shares allocated and issued is less than the number applied for, surplus application monies will be refunded without interest.

All cheques or bank drafts must be drawn on an Australian branch of a financial institution and made payable in Australian currency to "Syndicated Metals Limited" and crossed "**Not Negotiable**".

Your completed Entitlement and Acceptance Form and cheque must be mailed to:

Computershare Investor Services Pty Limited
GPO Box 505
Melbourne Victoria 3001
Australia

and received by no later than **5.00pm (WST) on the Closing Date**.

If you choose to pay via BPAY® you are not required to submit your Entitlement and Acceptance Form. Your BPAY® payment will not be accepted after 2.00pm (WST) on the Closing Date and no Shares or Options will be issued to you in respect of that application.

PLEASE NOTE THAT IF YOU INADVERTENTLY USE THE SAME CUSTOMER REFERENCE NUMBER FOR MORE THAN ONE OF YOUR APPLICATIONS, YOU WILL BE DEEMED TO HAVE APPLIED FOR THE ENTITLEMENT TO WHICH THAT CUSTOMER REFERENCE NUMBER APPLIES AND ANY EXCESS AMOUNT WILL BE DEEMED TO BE AN APPLICATION FOR ADDITIONAL SHARES AND OPTIONS.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. You may also have your own limit on the amount that can be paid via BPAY®. It is your responsibility to check that the amount you wish to pay via BPAY® does not exceed your limit.

The Entitlement Offer to Shareholders is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

Non-acceptance of Entitlement

If you do not wish to take up any part of your Entitlement under the Entitlement Offer, you are not required to take any action. If you decide not to accept all or part of your Entitlement, the Shares and Options not accepted will form part of the Shortfall and will be dealt with in accordance with section 1.9 of this Prospectus.

If Eligible Shareholders do not take up their entitlement, their existing interest in the Company will be diluted. Please refer to sections 2.4 and 3.2 of this Prospectus for further details.

Taxation Implications

Shareholders should obtain independent advice on the taxation implications arising out of their participation in the Entitlement Offer.

Further queries

If you have any queries regarding your Entitlement, please contact the Company Secretary by telephone on +61 8 9380 9440 or your stockbroker, financial or other professional adviser.

PLEASE NOTE IF YOU DO NOT ACCEPT YOUR ENTITLEMENT IN FULL IN ACCORDANCE WITH THE INSTRUCTIONS SET OUT ABOVE, ANY PART OF AN ENTITLEMENT NOT ACCEPTED IN FULL WILL FORM PART OF THE SHORTFALL.

1.9 Shortfall under the Entitlement Offer

Any Shares and Options not taken up by Eligible Shareholders may become available as Shortfall, the offer of which is a separate offer made pursuant to this Prospectus (**Shortfall Offer**).

The Directors reserve the right, subject to the requirements of the Listing Rules and the Corporations Act, to place any Shortfall at their discretion within three months after the Closing Date. Shares and Options offered pursuant to the Shortfall Offer will be issued at the same issue price as the Shares and Options offered to Eligible Shareholders under the Entitlement Offer.

1.10 Issue of Shares and Options under the Entitlement Offer

The Shares and Options are expected to be issued by no later than 8 February 2016. Shares and Options issued pursuant to the Shortfall Offer under section 1.9 may be issued within three months after the Closing Date. Until issue of the Shares and Options under this Prospectus, the application monies will be held in trust in a separate bank account opened and maintained for that purpose only. Any interest earned on application monies will be for the benefit of the Company and will be retained by it irrespective of whether issue of the Shares and Options takes place.

1.11 Applications under the Option Offer

The number of Options which you can subscribe for under the Option Offer is shown in the Option Application Form.

Your application for Options under the Option Offer must be made on the Option Application Form accompanying this Prospectus.

Your completed Option Application Form must be mailed to:

Computershare Investor Services Pty Limited
GPO Box 505
Melbourne Victoria 3001
Australia

and received by no later than **5.00pm (WST) on the Closing Date**.

1.12 Issue of Options under Options Offer

The Options are expected to be issued under the Options Offer by no later than 8 February 2016.

The issue of Options to Tranche 2 Placement Subscribers under the Option Offer is subject to Shareholder Approval.

The issue of Options to CopperChem under the Option Offer is subject to any shareholder approvals that may be required by ASX under the Listing Rules to issue the Options to CopperChem.

1.13 ASX listing

Application for Official Quotation of the Shares issued pursuant to this Prospectus will be made to ASX within seven days following the date of this Prospectus.

If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus within three months after the date of this Prospectus (or such period as varied by ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time period prescribed under the Corporations Act, without interest.

A decision by ASX to grant Official Quotation of the Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company, or the Shares now offered for subscription.

An application for Official Quotation of the Options issued pursuant to this Prospectus will not be made.

1.14 Overseas investors

The Company is of the view that it is unreasonable to make the Entitlement Offer under this Prospectus to Shareholders outside of Australia and New Zealand (**Excluded Shareholders**) having regard to:

- (a) the number of Shareholders outside of Australia and New Zealand;
- (b) the number and value of the securities to be offered to Shareholders outside of Australia and New Zealand; and
- (c) the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, the Company is not required to, and does not, make any offer under the Prospectus to Shareholders outside of Australia and New Zealand.

The Entitlement Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2002* (New Zealand).

Members of the public in Australia and New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any Shares and Options under the Entitlement Offer.

All Entitlements that would have been offered to Excluded Shareholders will be allowed to lapse and will form part of the Shortfall.

1.15 Market prices of Shares on ASX

The highest and lowest closing market sale prices of Shares on ASX during the three (3) months immediately preceding the date of this Prospectus and the respective dates of those sales were \$0.024 on 15 October 2015 and \$0.004 on 9 December 2015.

The latest available market sale price of Shares on ASX at the close of trading on the date of this Prospectus was \$0.005 on 10 December 2015.

1.16 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and such other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company and the Directors.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause actual results to differ materially from the results expressed or anticipated in these statements. Some of these risk factors are set out in section 3 of this Prospectus.

2 Effect of the Offers on the Company

2.1 Effect of the Offers

The principal effects of the Entitlement Offer on the Company, assuming all Entitlements are accepted, no Existing Options are exercised or Performance Rights are converted prior to the Record Date and no Top-up Shares are issued to CopperChem prior to the Record Date, are as follows:

- (a) the Company will issue up to 66,707,350 Shares and the total number of Shares on issue will increase to:
 - (i) 466,951,450 Shares; or
 - (ii) 480,951,450 Shares if 14,000,000 Shares have been issued pursuant to the Tranche 2 Placement; or
 - (iii) 498,831,450 Shares if 17,880,000 Top-up Shares have been issued to CopperChem;
- (b) the Company will issue up to 33,353,675 Options and the total number of Options on issue will increase to 45,110,432; and
- (c) the cash reserves of the Company will increase by \$333,537 (less the expenses of the Offers) immediately after completion of the Offers.

The principal effect of the Option Offer on the Company, assuming all Options are issued, is the Company will issue up to 28,940,000 Options and the total number of options on issue will increase to 74,050,432 (which assumes full subscription under the Entitlement Offer).

2.2 Condensed Statement of Financial Position

Set out as follows is the unaudited Condensed Statement of Financial Position of the consolidated entity as at 30 November 2015.

The independent auditor's review report accompanying the consolidated entity's financial report for the year ended 30 June 2015 contained an emphasis of matter paragraph in respect of a material uncertainty regarding the consolidated entity's continuation as a going concern.

The pro-forma Condensed Statement of Financial Position of the consolidated entity as at 30 November 2015 has been adjusted for the following transactions:

- gross proceeds of \$200,000 from the Placement;
- the issue of 66,707,350 Shares and 33,353,675 Options under the Entitlement Offer pursuant to this Prospectus to raise \$333,537 (which assumes the Entitlement Offer is fully subscribed); and
- the estimated expenses of the Offers of approximately \$45,320.

Pro-forma Condensed Statement of Financial Position

	Consolidated 30 November 2015 (unaudited) \$	Pro-forma Consolidated 30 November 2015 (unaudited) \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	543,842	1,077,379
Trade and other receivables	134,772	134,772
TOTAL CURRENT ASSETS	678,614	1,212,151
NON-CURRENT ASSETS		
Property, plant and equipment	122,466	122,466
Exploration & Evaluation	11,612,449	11,612,449
TOTAL NON-CURRENT ASSETS	11,734,915	11,734,915
TOTAL ASSETS	12,413,529	12,947,066
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	165,978	211,298
Provisions	25,000	25,000
TOTAL CURRENT LIABILITIES	190,978	236,298
NON-CURRENT LIABILITIES		
Provisions	3,035	3,035
TOTAL NON-CURRENT LIABILITIES	3,035	3,035
TOTAL LIABILITIES	194,013	239,333
NET ASSETS	12,219,516	12,707,733
EQUITY		
Contributed equity	23,294,933	23,783,150
Share based payments reserve	1,075,125	1,075,125
Accumulated losses	(12,150,542)	(12,150,542)
TOTAL EQUITY	12,219,516	12,707,733

Notes to the pro-forma Condensed Statement of Financial Position

The Pro Forma Condensed Statement of Financial Position has been prepared by the Company and is presented in an abbreviated form insofar as it does not comply with all the disclosures required by Australian Accounting Standards applicable to general purpose financial reports prepared in accordance with the Corporations Act.

The pro-forma Condensed Statement of Financial Position:

- 1 includes \$288,217 comprising gross proceeds raised pursuant to the Entitlement Offer (less estimated Offer costs of \$45,320);
- 2 includes \$200,000 comprising gross proceeds raised pursuant to the Placement;

- 3 assumes that no Existing Options are exercised, no Performance Rights are converted to Shares and no Top-up Shares are issued to CopperChem prior to the Record Date for the Entitlement Offer. No Performance Rights are currently capable of vesting; and
- 4 does not take into account any transactions between 30 November 2015 and the date of this Prospectus. The pro-forma Condensed Statement of Financial Position reflects only the transactions the subject of this Prospectus.

2.3 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming:

- (a) all Entitlements are accepted;
- (b) no Existing Options are exercised, no Performance Rights are converted to Shares and no Top-up Shares are issued to CopperChem prior to the Record Date;
- (c) Shareholder Approval is obtained and the Tranche 2 Placement Shares are issued;
- (d) the Top-up Shares are issued (with shareholder approval under the Listing Rules if required by ASX); and
- (e) all Options offered under the Option Offer are subscribed for (which assumes that Shareholder Approval is obtained for the issue of 7 million Options under the Option Offer and that the Top-up Shares are issued), is set out below.

Shares

	Number
Shares currently on issue	400,244,100
Shares to be issued pursuant to the Entitlement Offer*	66,707,350
Shares to be issued pursuant to the Tranche 2 Placement**	14,000,000
Top-up Shares that may be issued to CopperChem***	17,880,000
Shares on issue after completion of the Offers	498,831,450

Note:

* If all Existing Options that are currently capable of being exercised are exercised prior to the Record Date, a further 1,959,460 Shares will be offered pursuant to this Prospectus. If 11,622,000 Top-up Shares are issued to CopperChem before the Record Date a further 1,937,000 Shares will be offered pursuant to this Prospectus. There are no Performance Rights that are currently capable of vesting. Please refer to the table below for details of those Performance Rights which are currently subject to vesting conditions.

** As at the date of this Prospectus, the Tranche 2 Placement remains subject to Shareholder Approval. If Shareholder Approval is not obtained, these Shares will not be issued.

*** The Top-up Shares will not be issued unless any shareholder approval under the Listing Rules as required by ASX is obtained.

Options - unquoted

Exercise Price (cents)	Expiry Date	Number
16.4	29/05/2016	2,252,250
20.5	29/05/2016	2,252,250

Exercise Price (cents)	Expiry Date	Number
24.6	29/05/2016	2,252,257
6.4	09/01/2017	5,000,000
Options to be issued pursuant to the Entitlement Offer		33,353,675
Options to be issued pursuant to the Options Offer		28,940,000
Options on issue after completion of the Offers		74,050,432

Performance Rights

Number	Vesting Conditions	Expiry Date
2,500,000	When the Company's 10 day VWAP exceeds \$0.30	29/05/2016
4,750,000	When the Company's 10 day VWAP exceeds \$0.45	29/05/2016
4,750,000	When the Company's 10 day VWAP exceeds \$0.60	29/05/2016
250,000	When the Company's 10 day VWAP exceeds \$0.30	08/11/2016
250,000	When the Company's 10 day VWAP exceeds \$0.45	08/11/2016
250,000	When the Company's 10 day VWAP exceeds \$0.60	08/11/2016
150,000	When the Company's 10 day VWAP exceeds \$0.30	19/02/2017
150,000	When the Company's 10 day VWAP exceeds \$0.45	19/02/2017
150,000	When the Company's 10 day VWAP exceeds \$0.60	19/02/2017
2,452,473	When the Company's 10 day VWAP exceeds \$0.06675	21/10/2018
3,471,231	When the Company's 10 day VWAP exceeds \$0.11125	21/10/2018

No Shares or Existing Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

2.4 Potential dilutionary impact of Offers

Assuming no Existing Options are exercised, no Performance Rights are vested and converted to Shares and no Top-up Shares are issued to CopperChem prior to the Record Date, the maximum number of Shares which will be issued pursuant to the Entitlement Offer is 66,707,350. This equates to approximately 14% of all the issued Shares in the Company following completion of the Entitlement Offer.

If all Eligible Shareholders take up their Entitlements under the Entitlement Offer, each Eligible Shareholder's percentage interest in the total issued shares of the Company will remain the same and will not be diluted as a result of the Entitlement Offer.

In addition, Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by up to approximately 16.67% as a result of the Entitlement Offer (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below.

Holding as at Record Date	% at Record Date	Entitlement under the Entitlement Offer	Holding if Entitlement Offer not taken up	% post completion of the Entitlement Offer*
100,000,000	24.98	16,666,667	100,000,000	21.42
50,000,000	12.49	8,333,333	50,000,000	10.70
15,000,000	3.75	2,500,000	15,000,000	3.21
4,000,000	0.99	666,667	4,000,000	0.86
2,000,000	0.50	333,333	2,000,000	0.43

*This assumes the entire Shortfall is placed with other investors and does not take into account the following Shares that may be issued between the date of this Prospectus and completion of the Entitlement Offer: 14,000,000 Shares under the Tranche 2 Placement and 17,880,000 Top-up Shares.

Assuming all Options the subject of the Entitlement Offer and the Option Offer are exercised (and assuming no Existing Options are exercised), the maximum number of Shares that would be issued would be 62,293,675 Shares.

2.5 Potential impact of Entitlement Offer on control of the Company

If all Eligible Shareholders take up their Entitlements under the Offer each Eligible Shareholder's percentage interest in the total issued shares of the Company will remain the same and will not be diluted as a result of the Entitlement Offer, and the Entitlement Offer will have no effect on the control of the Company.

CopperChem Limited

CopperChem is the Company's largest and only substantial shareholder.

CopperChem has indicated to the Company that it is its current intention to take up its Entitlement, to the extent that it is permitted under the Corporations Act and in particular the takeover provisions in Chapter 6 of the Corporations Act. CopperChem has also indicated to the Company that it is its current intention to take up Top-up Shares (subject to any shareholder approvals that may be required by ASX under the Listing Rules) and to participate in any Shortfall, to the extent that it is permitted under the Corporations Act (and again, subject to any shareholder approvals that may be required by ASX under the Listing Rules).

Based on substantial shareholder notices lodged with ASX, CopperChem has held at least 19% of the Shares in the Company throughout the 6 months prior to the date of this Prospectus. Accordingly, CopperChem may rely on the exception in Section 611 item 9 of the Corporations Act to increase its shareholding in the Company by 3% from the level held six months prior (**3% Creep Rule**) without contravening the takeover prohibition in section 606 of the Corporations Act. Based on the Form 604 *Notice of change of interests of substantial holder* dated 21 April 2015, CopperChem's voting power in the Company six months prior to the date of this Prospectus was 30.89%. Based on this figure, CopperChem could increase its shareholding in the Company to 33.89% in reliance on the 3% Creep Rule. CopperChem's participation in the Entitlement Offer will be limited to the extent that it can rely on the 3% Creep Rule.

The following Table 1 shows CopperChem's voting power in the Company in different scenarios depending on the extent to which Eligible Shareholders take up their Entitlement, and assuming:

- CopperChem's relevant interest in Shares is as disclosed in a Form 604 *Notice of change of interests of substantial holder* dated 21 April 2015;
- CopperChem takes up its full Entitlement;
- CopperChem is not issued any Top-up Shares; and
- CopperChem does not participate in any Shortfall.

The following analysis does not consider the potential for Options or Existing Options to be exercised following their issue. The exercise of any Options issued under this Prospectus are subject to the Corporations Act, including the takeover prohibition in section 606 of the Corporations Act:

Table 1:

Scenario	Shares	CopperChem voting power %
Date of Prospectus	115,609,192	28.88
Offer is fully subscribed (no Shortfall)	134,877,391	28.88
75% subscribed (25% Shortfall)	134,877,391	29.95
50% subscribed (50% Shortfall)	134,877,391	31.10
29% subscribed (71% Shortfall)	134,877,391	32.14

As shown in Table 1 above, and based on the assumptions outlined above, the maximum voting power CopperChem will have in the Company following completion of the Entitlement Offer is 32.14%. However, it is unlikely that no Eligible Shareholders, other than CopperChem, will take up their Entitlement.

Top-up Right

However, as announced to ASX on 16 September 2013, the Company entered into a Placement Agreement with CopperChem which includes a "top-up" right. Under this right, for as long as CopperChem holds 15% or more of the Company, if the Company makes an offer of equity securities (excluding certain exempt issues) (**New Issue**), it must also offer CopperChem, to the maximum extent permitted by law, that number of equity securities as will ensure that it maintains its same percentage interest in the Company (**Top-up Right**). The offer made to CopperChem must be on the same terms of issue applicable to the New Issue.

The Company obtained a waiver of Listing Rule 6.18 on 25 October 2013 (as amended on 21 November 2013) to permit the Top-up Right, which waives compliance with Listing Rule 6.18 to the extent necessary to permit CopperChem to maintain, by way of a right to participate in any issue of shares or to subscribe for shares, its percentage interest in the issued capital of the Company in respect of a diluting event which occurs or is announced following entry into the Placement Agreement (**Waiver**). The Waiver will continue for so long as the strategic relationship between the Company and CopperChem continues, and

CopperChem's interest (and any of its related bodies corporate) in the Company is 15% or more.

Following the Tranche 1 Placement, the Company offered to issue CopperChem 11,622,000 Shares pursuant to the Top-up Right, subject to obtaining any shareholder approval as may be required by ASX under the Listing Rules, which was accepted by CopperChem. In accordance with the Placement Agreement, an offer will also be made by the Company to CopperChem following the Tranche 2 Placement.

The following Table 2 shows CopperChem's voting power in the Company in different scenarios depending on the extent to which Eligible Shareholders take up their Entitlement on the basis of the same assumptions outlined above for Table 1 but also that CopperChem is issued 17,880,000 Top-up Shares.

The following analysis does not consider the potential for Options or Existing Options to be exercised following their issue. The exercise of any Options issued under this Prospectus are subject to the Corporations Act, including the takeover prohibition in section 606 of the Corporations Act:

Table 2:

Scenario	Shares	CopperChem voting power %
Date of Prospectus	115,609,192	28.88
Shares after Tranche 1 Placement Top-up	127,231,192	30.89
Shares after Tranche 2 Placement Top-up	133,489,192	30.89
Offer is fully subscribed (no Shortfall)	152,757,391	30.62
75% subscribed (25% Shortfall)	152,757,391	31.68
50% subscribed (50% Shortfall)	152,757,391	32.82
29% subscribed (71% Shortfall)	152,757,391	33.84

As shown in Table 2 above, and based on the assumptions outlined above, the maximum voting power CopperChem will have in the Company following completion of the Entitlement Offer if it is also issued Top-up Shares is 33.84%.

CopperChem may apply to participate in any Shortfall. However, if CopperChem does participate in any Shortfall, its participation will be limited to the extent that it can rely on the 3% Creep Rule (and its participation may also be subject to any shareholder approvals that may be required by ASX under the Listing Rules).

3 Risk factors

3.1 Introduction

This section identifies the areas the Directors regard as the major risks associated with an investment in the Company. Investors should be aware that an investment in the Company involves many risks, which may be higher than the risks associated with an investment in other companies. Intending investors should read the whole of this Prospectus in order to fully appreciate such matters and the manner in which the Company intends to operate before any decision is made to apply for Shares.

There are numerous widespread risks associated with investing in any form of business and with investing in the share market generally. There is also a range of specific risks associated with the Company's business. These risk factors are largely beyond the control of the Company and its Directors because of the nature of the business of the Company. The following summary, which is not exhaustive, represents some of the major risk factors which potential investors need to be aware of.

3.2 Risks specific to the Entitlement Offer

Control

As detailed in section 2.5 of this Prospectus, based on publicly available information as at the date of this Prospectus, CopperChem (together with its associates) may potentially increase its voting power in the Company as a result of the Entitlement Offer to a maximum of 32.14% (assuming that CopperChem does not participate in any Shortfall or the Top-up Issue) or 33.84% (assuming that CopperChem does not participate in any Shortfall but does participate in the Top-up Issue) depending on take up by Shareholders of their Entitlements.

As noted in section 2.5 of this Prospectus, CopperChem could potentially increase its shareholding in the Company to 33.89% in reliance on the 3% Creep Rule under the Entitlement Offer if it participates in the Shortfall.

Potential for significant dilution

Upon completion of the Offer, assuming all Entitlements are accepted and no Existing Options are exercised, no Performance Rights are vested and converted to Shares and no Top-up Shares are issued to CopperChem prior to the Record Date, the number of Shares in the Company will increase from 400,244,100 to 466,951,450. This increase equates to approximately 14% of all the issued Shares in the Company following completion of the Entitlement Offer.

This means that each Share will represent a significantly lower proportion of the ownership of the Company. It is not possible to predict what the value of the Company or a Share will be following the completion of the Entitlement Offer and the Directors do not make any representation to such matters.

The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.005 is not a reliable indicator as to the potential trading price of Shares following completion of the Entitlement Offer.

Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 16.67% as a result of the Entitlement Offer (as compared to their holdings and number of Shares on issue as at the date of the

Prospectus). Please refer to section 2.4 of this Prospectus for examples of how the potential dilutionary effect of the Entitlement Offer may impact Shareholders.

Use of funds

There is no minimum subscription to the Entitlement Offer and the Entitlement Offer is not underwritten. The amount of funds raised from the Entitlement Offer will depend on the extent to which Eligible Shareholders accept their Entitlements. The proposed use of funds raised from the Entitlement Offer is set out in section 1.2 of this Prospectus. Should the Entitlement Offer not be fully subscribed, the directors may need to prioritise the use of the funds raised, which is currently anticipated to be in the order of the uses as listed in section 1.2. Depending on the amount raised under the Entitlement Offer, the Company may need to raise further funds, whether by debt or equity instruments, should it seek to continue to meet the remaining current stated objectives.

3.3 Risks specific to the Company

Exploration and operational risks

Mineral exploration and production is inherently risky and speculative in nature. There is no guarantee that base metal or gold deposits will be discovered in the locations being explored by the Company. In the event that deposits are discovered, there is no guarantee that they will be in commercially viable quantities or economically profitable.

In addition, the Company's operations and profitability are subject to the successful outcome of its exploration activities and will be affected by operational risks. These risks include geological conditions, technical difficulties, securing and maintaining tenements, weather and construction of efficient processing facilities. The operation may be affected by force majeure, engineering difficulties and other unforeseen events.

Further, the Company may require approvals and licences necessary to conduct exploration and mining, which may impose conditions the Company must satisfy in order to proceed with the exploration or production of the base metals or gold deposit. It may not be possible for the Company to satisfy these conditions.

These factors affect the Company's ability to establish mining operations, continue with its projects and earn income from its operations and will affect the Company's share price.

Mineral Resource estimates may be inaccurate

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates that were valid when made may change significantly when new information becomes available.

In addition, resource estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should the Company encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Company's operations.

Fluctuation in commodity prices

International factors such as inflation, exchange rates, supply and demand and political and economic events, amongst other things, impact on base metal and gold prices, particularly in the current global economic market. As the Company is currently not in production, future revenue that may come from the sale of these mineral products and the

Company's future profits are related to and influenced by the market price of the base metals.

If the price of base metals and gold seriously declines in the future, this will materially impact on the Company's ability to continue with its projects and the Company may be forced to discontinue some or all of its operations.

The Company gives no assurance that the fluctuations in the commodity prices will not affect timing and viability of the projects.

Access to land

The Company will experience delays and cost overruns in the event it is unable to access the land required for its operations. This may be as a result of weather, environmental restraints, native title, landholder's activities or other factors.

The Company's exploration activities are also dependent upon the grant, or as the case may be, the maintenance or renewal of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. The maintenance, renewal and granting of tenements often depends on the Company being successful in obtaining required statutory approvals. There is no assurance that the Company will be granted all the mining tenements for which it has applied or that licences, concessions, leases, permits or consents will be renewed as and when required or that new conditions will not be imposed in connection therewith. To the extent such approvals, consents or renewals are not obtained, the Company may be curtailed or prohibited from continuing with its exploration activities or proceeding with any future exploration or development.

Environmental regulation risk

The Company's operations are subject to environmental regulations in Australia. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Government approvals and permits are required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be delayed or prohibited from proceeding with planned exploration or development of its mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions (including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed) and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

Amendments to current laws, regulations and permits governing the Company's operations and activities, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or require abandonment or delays in the development of new properties.

Environmental liabilities risk

The Company's activities are subject to potential risks and liabilities associated with the potential pollution of the environment and the necessary disposal of mining waste

products resulting from mineral exploration and production. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) is not generally available to the Company (or to other companies in the minerals industry) at a reasonable price. To the extent that the Company becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to the Company and could have a material adverse effect on the Company. Laws and regulations intended to ensure the protection of the environment are constantly changing, and are generally becoming more restrictive.

Land rehabilitation requirements

Although variable, depending on location and the governing authority, land rehabilitation requirements are generally imposed on mineral exploration companies, as well as companies with mining operations, in order to minimise long term effects of land disturbance. Rehabilitation may include requirements to control dispersion of potentially deleterious effluents and to reasonably re-establish pre-disturbance land forms and vegetation. In order to carry out rehabilitation obligations imposed on the Company in connection with its mineral exploration, the Company must allocate financial resources that might otherwise be spent on further exploration and/or development programs.

Native Title

The High Court of Australia, the *Native Title Act 1993* (Cth) and State legislation recognise Aboriginal heritage and land rights. The risks include the following:

- (a) the Company may have to seek permits or licences to access land the subject of an Aboriginal heritage or land right claim. There is no guarantee that any such permit or licence will be granted;
- (b) the Company may have to comply with restrictions or conditions on accessing land the subject of an Aboriginal heritage or land right claim. This may result in the Company facing unplanned expenditure or delays. Failure to comply with any conditions on the permits may result in the Company losing its title to its tenements or forfeiting its permits;
- (c) the Company may have to pay compensation in order to settle native title claims. It is not possible to quantify the amount of compensation which may have to be paid at this stage; and
- (d) in the event the Company discovers evidence of Aboriginal heritage on land accessed by the Company, the Company must comply with regulations prohibiting the disturbance of physical evidence of prehistoric or historical significance without statutory permission and legislation prohibiting or restricting access to Aboriginal cultural heritage or native title land. Accordingly, delays or additional costs in the exploration or production of the Company's business may be experienced. Further, the disturbance of any such land or objects may expose the Company to additional fines or other penalties.

Metallurgical risks

The economic viability of base metal and gold recovery depends on a number of factors such as the development of an economic process route for metal concentrates. Further, changes in mineralogy may result in inconsistent metal recovery.

3.4 General Risks

Economic Risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

Further, share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (a) general economic outlook;
- (b) interest rates and inflation rates;
- (c) currency fluctuations;
- (d) changes in investor sentiment toward particular market sectors;
- (e) the demand for, and supply of, capital; and
- (f) terrorism or other hostilities.

Additional requirements for capital

The Company may require further financing. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations. There is however, no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

Insurance coverage risk

Exploration and development operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, ground or slope failures, fires, floods, earthquakes and other environmental occurrences, political and social instability that could result in damage to or destruction of mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining caused by industrial accidents or labour disputes, changes in regulatory environment, monetary losses and possible legal liability.

It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and development is not generally available to the Company or to other companies in the industry on acceptable terms. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and a decline in the value of the securities of the Company.

Unforeseen expenses

The Company may be subject to significant unforeseen expenses or actions.

This may include unplanned operating expenses, future legal actions or expenses in relation to future unforeseen events. The Directors expect that the Company will have

adequate working capital to carry out its stated objectives however there is the risk that additional funds may be required to fund the Company's future objectives.

Litigation risk

The Company is subject to litigation risks. All industries, including the minerals exploration industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit.

Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company is or may become subject could have a material effect on its financial position, results of operations or the Company's activities.

Share market risk

The market price of the Company's Shares could fluctuate significantly. The market price of the Company's Shares may fluctuate based on a number of factors including the Company's operating performance and the performance of competitors and other similar companies, the public's reaction to the Company's press releases, other public announcements and the Company's filings with the various securities regulatory authorities, changes in earnings estimates or recommendations by research analysts who track the Company's Shares or the shares of other companies in the resource sector, changes in general economic conditions, the number of the Company's Shares publicly traded and the arrival or departure of key personnel, acquisitions, strategic alliances or joint ventures involving the Company or its competitors.

In addition, the market price of the Company's Shares are affected by many variables not directly related to the Company's success and are therefore not within the Company's control, including other developments that affect the market for all resource sector shares, the breadth of the public market for the Company's Shares, and the attractiveness of alternative investments.

Reliance on key personnel

The Company's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. The loss of the services of one or more of such key management personnel could have a material adverse effect on the Company. The Company's ability to manage its exploration and development activities, and hence its success, will depend in large part on the efforts of these individuals. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

Joint venture parties, contractors and agents

The Directors are unable to predict the risk of:

- (a) financial failure or default by a participant in any joint venture to which the Company is or may become a party;
- (b) insolvency or other managerial failure by any of the contractors used by the Company in any of its activities; or
- (c) insolvency or other managerial failure by any of the other service providers used by the Company for any activities.

3.5 Speculative nature of investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares and Options offered under this Prospectus.

4 Additional information

4.1 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) and is subject to the regime of continuous disclosure and periodic reporting requirements. Specifically as a listed company, the Company is subject to the Listing Rules which require continuous disclosure to the market of any information possessed by the Company which a reasonable person would expect to have a material effect on the price or value of its Shares.

The board of Directors have adopted a policy on compliance with the Listing Rules which sets out the obligations of the Directors, officers and employees to ensure the Company satisfies the continuous disclosure obligations imposed by the Listing Rules and the Corporations Act. The policy provides information as to what a person should do when they become aware of information which could have a material effect on the Company's securities and the consequences of non-compliance.

4.2 Legal framework of this Prospectus

As a "disclosing entity", the Company has issued this Prospectus in accordance with section 713 of the Corporations Act applicable to prospectuses for an offer of securities which are quoted enhanced disclosure (**ED**) securities and the securities are in a class of securities that were quoted ED securities at all times in the 12 months before the issue of this Prospectus.

This Prospectus is a "transaction specific prospectus". In general terms, a transaction specific prospectus is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the requirements of ASX as applicable to disclosing entities from time to time, and which require the Company to notify ASIC of information available to the stock market conducted by ASX, throughout the 3 months before the issue of this Prospectus.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The ASX maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at ASX in Perth during normal working hours. In addition, copies of documents lodged by, or in relation to, the Company with ASIC may be obtained from, or inspected at, any regional office of ASIC.

4.3 Information available to Shareholders

The Company will provide a copy of each of the following documents, free of charge, to any investor who so requests during the application period under this Prospectus:

- (a) the Annual Financial Report for the Company for the year ending 30 June 2015;
- (b) the Interim Financial Report of the Company for the half-year ending 31 December 2014; and
- (c) the following documents used to notify ASX of information relating to the Company during the period after lodgement of the Annual Financial Report of the Company for the period ending 30 June 2015 and before the issue of this Prospectus:

Date	Announcement
10 Dec 15	Entitlement Offer – Amended Timetable and Appendix 3B
8 Dec 15	Placement – Appendix 3B & s708A Notice
7 Dec 15	Appendix 3B
7 Dec 15	Placement and Entitlement Offer to raise \$0.533M
3 Dec 15	Trading Halt
26 Nov 15	Results of Meeting
18 Nov 15	Response to ASX Price and Volume Query
29 Oct 15	Quarterly Cashflow Report
29 Oct 15	Quarterly Activities Report
28 Oct 15	New Strategic Direction For Syndicated
28 Oct 15	Mining and Off-Site Processing Study for Barbara Completed
21 Oct 15	Notice of Annual General Meeting/Proxy Form
14 Sep 15	New Regional Drilling Program Commences
28 Aug 15	Northern Hub Tenement Ownership Consolidated
20 Aug 15	Corporate Governance Statement and Appendix 4G

4.4 Corporate Governance

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent that they are applicable to the Company, the Board has adopted the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where, after due consideration, the Company's corporate governance practices depart from a recommendation, the Board has disclosed the reasons for the departure in its Corporate Governance Statement for the financial year ended 30 June 2015. This can be found on the Company's website at www.syndicatedmetals.com.au/corporate-governance.php,

together with the governance related documentation as referred to in the Corporate Governance Statement.

4.5 Rights attaching to Shares

The Shares to be issued pursuant to this Prospectus will rank equally in all respects with existing Shares in the Company.

Full details of the rights attaching to the Company's Shares are set out in its Constitution, a copy of which can be inspected at the Company's registered office.

The following is a summary of the principal rights which attach to the Company's Shares:

(a) Voting

Every holder of Shares present in person or by proxy, attorney or representative at a meeting of Shareholders has one vote on a vote taken by a show of hands, and, on a poll every holder of Shares who is present in person or by proxy, attorney or representative has one vote for every Share held by him or her, and a proportionate vote for every Share, registered in such shareholder's name on the Company's share register.

A poll may be demanded by the chairman of the meeting, by at least five Shareholders entitled to vote on the particular resolution present in person or by proxy, attorney or representative, or by any one or more Shareholders who together hold not less than 5% of the total voting rights of all Shareholders having the right to vote on the resolution.

(b) Dividends

Dividends are payable out of the Company's profits and are declared by the Directors.

(c) Transfer of Shares

A Shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by the Listing Rules or the Corporations Act for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or in any other usual form or in any form approved by the Directors.

The Directors of the Company may refuse to register any transfer of Shares, (other than a market transfer) where the Company is permitted or required to do so by the Listing Rules or the ASX Settlement Operating Rules. The Company must not prevent, delay or interfere with the registration of a proper market transfer in a manner which is contrary to the provisions of any of the Listing Rules or the ASX Settlement Operating Rules.

(d) Meetings and notice

Each Shareholder is entitled to receive notice of and to attend general meetings for the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution of the Company, the Corporations Act or the Listing Rules.

(e) Liquidation rights

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any

property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

(f) Shareholder liability

As the shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(g) Alteration to the Constitution

The constitution can only be amended by a special resolution passed by at least three quarters of shareholders present and voting at the general meeting. At least 28 days' written notice, specifying the intention to propose the resolution as a special resolution must be given.

(h) ASX Listing Rules

If the Company is admitted to the Official List, then despite anything in the constitution of the Company, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the constitution to contain a provision or not to contain a provision the constitution is deemed to contain that provision or not to contain that provision (as the case may be). If a provision of the constitution is or becomes inconsistent with the Listing Rules, the constitution is deemed not to contain that provision to the extent of the inconsistency.

4.6 Terms and conditions of Options

The following are the terms and conditions of the Options:

- (a) Each Option entitles the holder to subscribe for one ordinary share in the Company upon payment of 1.2 cents.
- (b) The Options will lapse at 5pm Western Standard Time on 8 February 2018 (**Expiry Date**).
- (c) There are no participating rights or entitlements inherent in the Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Options.
- (d) Subject to paragraph (j), Option holders have the rights to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company, made during the currency of the Options.
- (e) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of issued capital of the Company, the Options will be re-organised as required by the ASX Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (f) Subject to paragraph (j) the Options shall be exercisable at any time before the Expiry Date (**Exercise Period**) by the delivery to the registered office of the Company of a notice in writing (**Notice**) stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option Certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company

during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holders to the balance of Options held by him or her.

- (g) The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holder's identification number within 5 business days of exercise of the Options.
- (h) The Shares allotted shall rank, from date of allotment, equally with the existing ordinary Shares of the Company in all respects.
- (i) There is no right to change the exercise price of the Options or the number of underlying fully paid ordinary shares over which the Options can be exercised, if the Company completes any bonus or pro rata issue.
- (j) The exercise of the Options by an Option holder is subject at all times to the Corporations Act.

4.7 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

4.8 Interests of Directors

- (a) Directors' holdings

At the date of this Prospectus the relevant interest of each of the Directors in the securities of the Company are as follows:

Director	Number of Shares		Number of Existing Options		Number of Performance Rights	
	Direct	Indirect	Direct	Indirect	Direct	Indirect
Peter Langworthy	-	4,984,205 ¹	-	913,514 ²	2,000,000 ³	-
Andrew Munckton	-	6,306,306 ⁴	-	2,364,864 ⁵	-	7,798,209 ⁶
David Morgan	-	8,061,915 ⁷	-	2,027,027 ⁸	-	5,000,000 ⁹
Robert Cooper	-	-	-	-	-	-

Notes:

- ¹ The shares are held by Jericho Exploration Pty Ltd <The Langworthy Family A/C>. Mr Langworthy is a director and shareholder of Jericho Exploration Pty Ltd.
- ² 237,838 options exercisable at \$0.164 expiring 29 May 2016, 337,838 options exercisable at \$0.205 expiring 29 May 2016 and 337,838 options exercisable at \$0.246 expiring 29 May 2016. These options are held by Jericho Exploration Pty Ltd.
- ³ 500,000 performance rights vest when the 10 day VWAP exceeds 30 cents, 750,000 performance rights vest when the 10 day VWAP exceeds 45 cents and 750,000 performance rights vest when the 10 day VWAP exceeds 60 cents. All performance rights expire on 29 May 2016.
- ⁴ These shares are held by Metamorphic Investments Pty Ltd, of which Mr Munckton is a director and shareholder.
- ⁵ These options are held by Metamorphic Investments Pty Ltd as trustee for Munckton Superannuation Fund. Mr Munckton is a director and shareholder of Metamorphic Investments Pty Ltd and is a member of the Munckton Superannuation Fund. 788,288 options exercisable at \$0.164 expiring 29 May 2016, 788,288 options exercisable at \$0.205 expiring 29 May 2016 and 788,288 options exercisable at \$0.246 expiring 29 May 2016.
- ⁶ 2,798,209 performance rights are held by Metamorphic Investments Pty Ltd. 1,158,478 performance rights vest when the 10 day VWAP exceeds \$0.06675 and 1,639,731 performance rights vest when the 10 day VWAP exceeds \$0.11125. These performance rights expire on 21 October 2018. 5,000,000 performance rights are held by Metamorphic Investments Pty Ltd as trustee for Munckton

Superannuation Fund. 1,000,000 performance rights vest when the 10 day VWAP exceeds 30 cents, 2,000,000 performance rights vest when the 10 day VWAP exceeds 45 cents and 2,000,000 performance rights vest when the 10 day VWAP exceeds 60 cents. These performance rights expire on 29 May 2016.

- 7 *5,405,409 shares are held by Emlyn Holdings Pty Ltd as trustee for Glyn Dwr Trust. Mr Morgan is a director of Emlyn Holdings Pty Ltd and a beneficiary of the Glyn Dwr Trust. 2,656,506 shares are held by Mr Morgan and Mrs FM Morgan as trustees for Morgold Superannuation Fund. Mr Morgan is a member of the Morgold Superannuation Fund.*
- 8 *1,486,487 options are held by Emlyn Holdings Pty Ltd as trustee for Glyn Dwr Trust (495,496 options exercisable at \$0.164 expiring 29 May 2016, 495,496 options exercisable at \$0.205 expiring 29 May 2016 and 495,495 options exercisable at \$0.246 expiring 29 May 2016). 540,540 options are held by Mr Morgan and Mrs FM Morgan as trustees for Morgold Superannuation Fund (180,180 options exercisable at \$0.164 expiring 29 May 2016, 180,180 options exercisable at \$0.205 expiring 29 May 2016 and 180,180 options exercisable at \$0.246 expiring 29 May 2016).*
- 9 *The performance rights are held by Emlyn Holdings Pty Ltd as trustee for Glyn Dwr Trust. 1,000,000 performance rights vest when the 10 day VWAP exceeds 30 cents, 2,000,000 performance rights vest when the 10 day VWAP exceeds 45 cents and 2,000,000 performance rights vest when the 10 day VWAP exceeds 60 cents. All performance rights expire on 29 May 2016.*

(b) Director interests in Tranche 2 Placement and Option Offer

Subject to Shareholder Approval, the following Shares will be issued to Director associated entities under the Tranche 2 Placement:

- 10,000,000 Shares at an issue price of 0.5 cents per Share to Jericho Exploration Pty Ltd <The Langworthy Family A/C>, an entity associated with Peter Langworthy; and
- 4,000,000 Shares at an issue price of 0.5 cents per Share to Emlyn Holdings Pty Ltd as trustee for Glyn Dwr Trust, an entity associated with David Morgan.

If Shareholder Approval is obtained for the issue of these Shares under the Tranche 2 Placement, the Tranche 2 Placement Subscribers will be able to apply for Options under the Option Offer, and may be issued up to the following number of Options under the Option Offer:

- 5,000,000 Options to Jericho Exploration Pty Ltd <The Langworthy Family A/C>, an entity associated with Peter Langworthy; and
- 2,000,000 Options to Emlyn Holdings Pty Ltd as trustee for Glyn Dwr Trust, an entity associated with David Morgan.

Any Shares issued to Directors through their participation in the Tranche 2 Placement (subject to Shareholder Approval) will not be taken into account in determining those Directors' Entitlements as they will be issued after the Record Date.

(c) Director participation in Entitlement Offer

As at the date of this Prospectus, it is the current intention of Mr Langworthy, Mr Munckton and Mr Morgan to subscribe (via their associated entities) for some or all of their respective Entitlements offered to them under this Prospectus. All Directors may or may not purchase additional Shares prior to the Record Date.

Mr Langworthy, Mr Munckton and Mr Morgan have also indicated their current intention to participate in any Shortfall (via their associated entities) up to the following maximum number of securities:

- Jericho Exploration Pty Ltd <The Langworthy Family A/C>, an entity associated with Director, Peter Langworthy, up to 4,000,000 Shares and 2,000,000 free attaching Options;
- Emlyn Holdings Pty Ltd as trustee for Glyn Dwr Trust, an entity associated with Director David Morgan, up to 2,000,000 Shares and 1,000,000 free attaching Options; and
- Metamorphic Investments Pty Ltd as trustee for the Munckton Superannuation Fund, a company associated with Director Andrew Munckton, up to 5,000,000 Shares and 2,500,000 free attaching Options.

(d) Remuneration of Directors

The Constitution of the Company provides that the non-executive Directors may collectively be paid as remuneration for their services a fixed sum not exceeding the aggregate maximum sum per annum from time to time determined by the Company in general meeting (which is currently \$300,000 per annum).

A Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Details of remuneration provided to Directors and their associated entities during the financial years ended 30 June 2014 and 30 June 2015 and the current financial year ending 30 June 2016 to date are as follows:

Director	Financial Year End	Fees/ Salaries (including leave entitlements (\$))	Super-annuation (\$)	Equity based payments (\$)	Other non-monetary remuneration (\$)	Total (\$)
Peter Langworthy	2016 ¹	22,785	2,165	-	-	24,950
	2015	63,000	5,985	-	-	68,985
	2014	63,000	5,828	-	-	68,828
Andrew Munckton	2016 ¹	91,339	11,454	-	-	102,793
	2015	259,560	24,658	85,265	-	369,483
	2014	251,310	24,000	-	-	275,310
David Morgan	2016 ¹	15,087	1,433	-	-	16,520
	2015	41,715	3,963	-	-	45,678
	2014	86,293	6,322	-	-	92,615
Robert Cooper ²	2016 ¹	15,087	1,433	-	-	16,520
	2015	6,953	660	-	-	7,613
	2014	Nil	Nil	Nil	Nil	Nil

Notes:

1 The amounts shown for the financial year ending 30 June 2016 relate to remuneration provided to Directors and their associated entities as at the date of this Prospectus.

2 Mr Cooper was appointed on 4 May 2015.

(e) Directors' interests

Except as disclosed in this Prospectus, no Director (whether individually or in consequence of a Director's association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- (i) the formation or promotion of the Company;
- (ii) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- (iii) the Offers.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, Options or otherwise) have been paid or agreed to be paid to any Director or to any company or firm with which a Director is associated to induce him to become, or to qualify as, a Director, or otherwise for services rendered by him or his company or firm with which the Director is associated in connection with the formation or promotion of the Company or the Offers.

The Company has paid insurance premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings while acting in the capacity of a Director.

4.9 Interests of named persons

Except as disclosed in this Prospectus, no promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus, holds, or during the last two years has held, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- (c) the Offers,

and no amounts of any kind (whether in cash, Shares, Options or otherwise) have been paid or agreed to be paid to a promoter or any person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus for services rendered by that person in connection with the formation or promotion of the Company or the Offers.

4.10 Consents

Each of the other parties referred to in this section 4.10:

- (a) has not authorised or caused the issue of this Prospectus;
- (b) does not make, or purport to make, any statement in this Prospectus or on which a statement made in the Prospectus is based other than as specified in this section; and
- (c) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

CopperChem has given its written consent to the inclusion in section 2.5 of this Prospectus of the statements made by it or attributed to or derived from those statements in the form and context in which they are included. CopperChem has not withdrawn such consent before lodgement of this Prospectus with ASIC.

Computershare Investor Services Pty Limited has had no involvement in the preparation of any part of the Prospectus other than being named as the Company's share registry. Computershare Investor Services Pty Ltd has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for any part of the Prospectus.

There are a number of persons referred to elsewhere in this Prospectus who are not experts and who have not made statements included in this Prospectus nor are there any statements made in this Prospectus on the basis of any statements made by those persons. These persons did not consent to being named in the Prospectus and did not authorise or cause the issue of the Prospectus.

4.11 Expenses of the Offers

The estimated expenses of the Offers are as follows:

Expense	\$
ASIC fees	\$2,320
ASX fees (assuming full subscription under the Entitlement Offer)	\$8,000
Legal expenses	\$25,000
Share registry fees (including printing and mailing costs)	\$10,000
Total	\$45,320

4.12 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the relevant Entitlement and Acceptance Form and/or Option Application Form (as the case may be). If you have not, please phone the Company on +61 9380 9440 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.syndicatedmetals.com.au.

The Company reserves the right not to accept an Entitlement and Acceptance Form or Option Application Form from a person if it has reason to believe that when that person was given access to the electronic Entitlement and Acceptance Form or Option Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

5 Directors' authorisation

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Dated: 10 December 2015



Andrew Munckton
Managing Director
For and on behalf of
Syndicated Metals Limited

6 Defined terms

A\$ and \$	Australian dollars, unless otherwise stated
Additional Shares and Options	Shares and Options in addition to an Eligible Shareholder's Entitlement for which an Eligible Shareholder applies for pursuant to an Entitlement and Acceptance Form
Applicant	a person who submits an Entitlement and Acceptance Form or an Option Application Form
ASX Settlement	ASX Settlement Pty Ltd (ABN 49 008 504 532)
ASX Settlement Operating Rules	the operating rules of the settlement facility provided by ASX Settlement as amended from time to time
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited (ABN 98 008 624 691) or the financial market operated by it, as the context requires
Board	the board of Directors
Business Day	every day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day
Closing Date	1 February 2016 (unless extended)
Company	Syndicated Metals Limited (ABN 61 115 768 986)
Constitution	the constitution of the Company as at the date of this Prospectus
CopperChem	CopperChem Ltd ACN 130 641 691
Directors	the directors of the Company as at the date of this Prospectus
Corporations Act	Corporations Act 2001 (Cth)
Corporations Regulations	Corporations Regulations 2001 (Cth)
Eligible Option Subscribers	the Placement Subscribers and CopperChem
Eligible Shareholder	a Shareholder whose details appear on the Register as at the Record Date and who is not an Excluded Shareholder
Entitlement	the entitlement of an Eligible Shareholder to apply for Shares and Options pursuant to the Entitlement Offer
Entitlement and Acceptance Form	the entitlement and acceptance form either attached to or accompanying this Prospectus
Entitlement Offer	the non-renounceable entitlement offer of Shares and Options pursuant to this Prospectus
Equity Securities	has the same meaning as in the Listing Rules
Excluded Shareholder	a Shareholder who does not reside in Australia or New Zealand
Existing Options	an option to acquire a Share on issue as at the date of this Prospectus
Listing Rules	the Listing Rules of ASX
Offers	Entitlement Offer and Option Offer
Official List	the Official List of the ASX
Official Quotation	quotation on the Official List
Option	an option to acquire a Share on the terms and conditions set out in section 4.6 of this Prospectus
Option Application Form	the option application form either attached to or accompanying this Prospectus

Option Offer	the offer of Options made to Eligible Option Subscribers pursuant to this Prospectus
Placement	the Tranche 1 Placement and the Tranche 2 Placement
Placement Agreement	The agreement between the Company and CopperChem dated 13 September 2013
Placement Subscribers	those persons who subscribed for Shares under the Placement
Prospectus	this prospectus
Record Date	17 December 2015
Register	the register of Shareholders
Share	an ordinary fully paid share in the capital of the Company
Shareholder Approval	Shareholder approval for the purposes of Listing Rule 10.11 for the issue of Shares and Options to Tranche 2 Placement Subscribers under the Tranche 2 Placement
Shareholder	the registered holder of a Share
Shortfall	the Shares and Options offered by this Prospectus, not accepted by Eligible Shareholders
Shortfall Offer	the offer of the Shortfall on the terms and conditions set out in section 1.9 of this Prospectus
Top-up Issue	an issue of Shares to CopperChem pursuant to the Top-up Right following the Tranche 1 Placement and/or the Tranche 2 Placement
Top-up Right	the right summarised in section 2.5 of the Prospectus
Top-up Shares	up to 17,880,000 Shares that may be issued to CopperChem under the Top-up Issue
Tranche 1 Placement	26,000,000 Shares issued to Placement Subscribers on 8 December 2015.
Tranche 2 Placement	14,000,000 Shares subscribed for by the Tranche 2 Placement Subscribers on 7 December 2015, the issue of which are subject to Shareholder Approval.
Tranche 2 Placement Subscribers	Jericho Exploration Pty Ltd (a company of which Mr Peter Langworthy is a director) and Emlyn Holdings Pty Ltd <Glyn Dwr A/C> (a company associated with Mr David Morgan)
Waiver	The ASX waiver described in section 2.5 of the Prospectus
WST	Australian Western Standard Time

Corporate directory

Directors	Peter Langworthy – Non-executive Chairman Andrew Munckton – Managing Director David Morgan – Non-executive Director Robert Cooper – Non-executive Director
Chief Financial Officer & Company Secretary	Paul Bridson
Registered and principal office	68A Hay Street Subiaco WA 6008 Telephone: +61 8 9380 9440 Facsimile: +61 8 9380 9449 Email: info@syndicatedmetals.com.au Website: www.syndicatedmetals.com.au
Share Registry*	Computershare Investor Services Pty Limited Level 11, 172 St Georges Terrace Perth WA 6000 Telephone: +61 8 9323 2000 Facsimile: +61 8 9323 2033 Investor Enquiries: +61 8 9380 9440
ASX CODE	SMD

**This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.*