

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT – 27 April 2017

MARCH 2017 QUARTERLY ACTIVITIES REPORT

Sale of Barbara Copper Project to JV partner CopperChem to fund expanded exploration program at Monument Gold Project in WA as exploration review reveals multiple new target areas

Highlights

Gold Exploration – Monument Gold Project, WA (SMD: 100%)

- The prospectivity of the 100%-owned Monument Gold Project to host banded iron formation (BIF) hosted gold mineralisation associated with sulphides, similar to that at Dacian Gold's (ASX: DCN) nearby Mt Morgans Gold Project, confirmed by ongoing exploration programs.
- The presence of gold mineralisation has been established at three locations along the 16km long Korong-Waihi corridor (Korong, Waihi and A1 North), demonstrating the effectiveness of IP as an exploration tool in detecting zones of sulphide-hosted gold mineralisation.
- Multiple new target areas identified following the completion of a comprehensive geological review including construction of a new structural, geophysical and geochemical interpretation of the area which will help to vector into larger accumulations of sulphide gold mineralisation.
- Planning commenced for a new exploration program including up to 10,000m of Aircore drilling and up to 40 line kilometres of IP commencing in the June Quarter. This will aim to identify areas of high-grade mineralisation along the prospective Korong-Waihi corridor, initially focusing on a 7km strike length of this Trend.

Corporate

- Agreements finalised subsequent to Quarter-end for Syndicated to sell its 50% interest in the Barbara Copper Project in North Queensland to its joint venture partner, CopperChem Limited.
- Consideration comprises a \$2.3M cash payment upon completion of the definitive Sale and Purchase Agreement (SPA) plus a 1-2% net smelter return royalty on the first 10,000t of copper-in-concentrate (or equivalent ore) sold from the Barbara Copper Project, subject to the copper price.
- The transaction allows Syndicated to crystallise upfront value from its share of the Barbara Copper Project, with the cash proceeds to be applied to ongoing exploration and evaluation of its 100%-owned Monument Gold Project in WA's Laverton District and exploration and asset maintenance activities on the remaining Queensland tenure.
- Syndicated enters option agreement with private vendor to explore and acquire two strategic tenements, P39/5456 and P39/5457, located adjacent to the Monument Project. The tenements lie adjacent to and west of the Korong-A1 North prospects and along strike to the north-west of the Waihi prospect, with the acquisition increasing Syndicated's total footprint to 215km².

Exploration and Evaluation

Monument Gold Project (WA)

The Monument Gold Project was acquired by the Company in July 2016 and comprises a 215km² tenement package located approximately 55km west of Laverton in the Laverton gold district of WA, which hosts numerous multi-million ounce gold mines such as Sunrise Dam (+10Moz), Wallaby (+8Moz), Granny Smith (+2Moz) and Lancefield (+2Moz).

The package comprises eight contiguous tenements (all of which are granted) which lie immediately to the north-west of the 3.3Moz Mount Morgans Gold Project, currently being explored and developed by Dacian Gold Limited (ASX: DCN) (refer Dacian Gold announcement 25 July 2016) (see Figure 1).

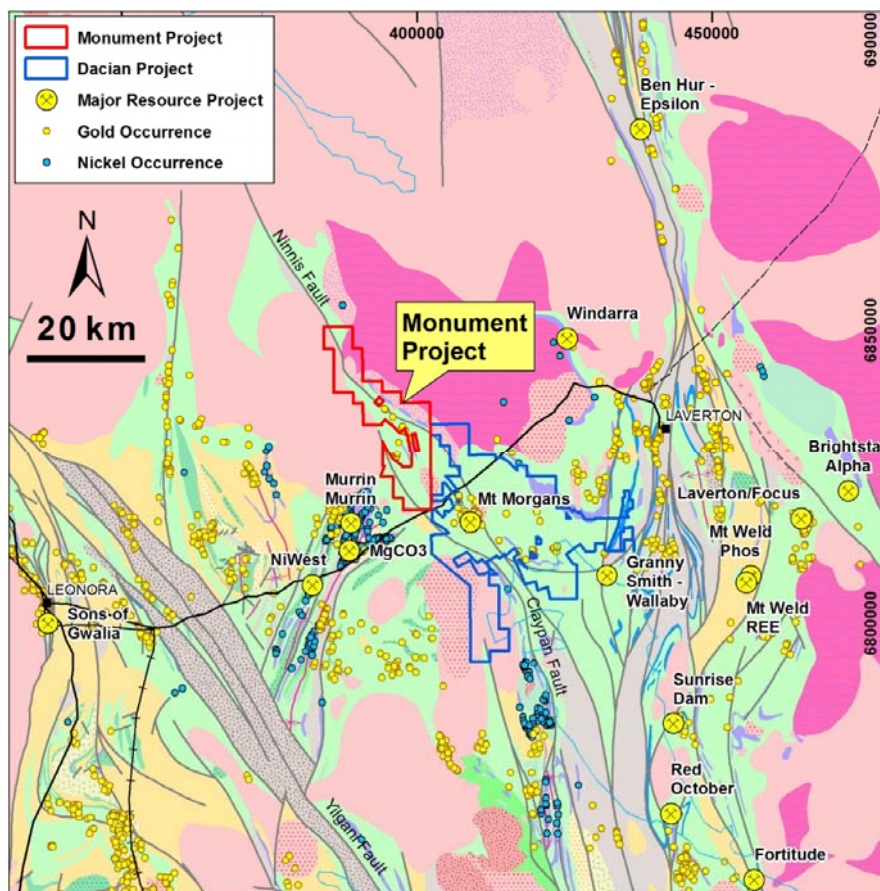


Figure 1 – Location of the Monument Gold Project showing regional geology and nearby mining operations

Geological, Structural, Geophysical Review

During the Quarter, Syndicated completed a comprehensive geological, structural, geophysical and geochemical review of the Monument Project area.

The review, which was undertaken by Southern Geoscience Consultants and Vectorex Consultants, has culminated in a new geological and structural interpretation as illustrated in Figure 2 below.

The review highlighted new target positions along the Korong-Waihi Trend which warrant more detailed geophysical and drill testing as well as other conceptual targets that warrant geochemical assessment.

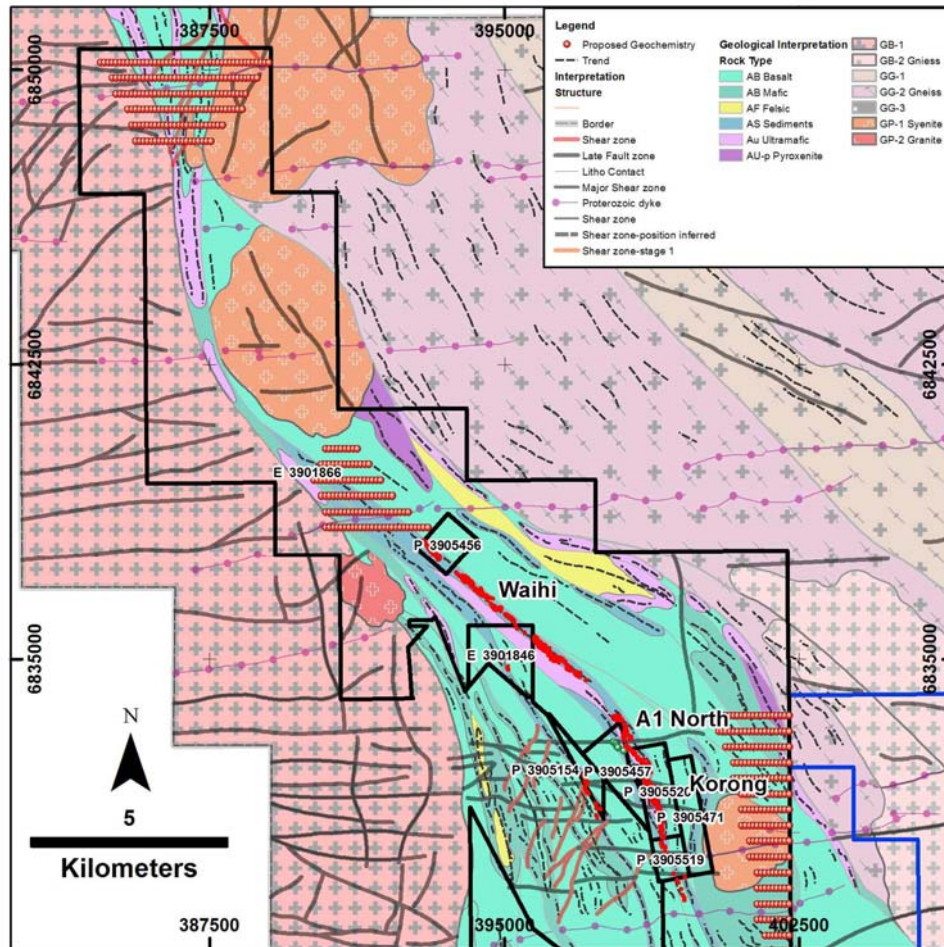


Figure 2 – Updated Geological and Structural interpretation of the Monument Gold Project. Advanced Targets lie along the Korong-Waihi Trend. Conceptual Targets are proposed to be tested with soil sampling.

During the December Quarter, Syndicated completed drilling at the Korong Prospect with an initial program comprising 29 RC holes and 7 diamond holes.

This program confirmed the presence of BIF-hosted gold mineralisation associated with pyrite in shallow-dipping, north-plunging shoots of mineralisation. Significant assay results from the various programs were reported in the ASX announcements dated 28 November and 9 December 2016, and included results such as:

- o MRC003 6m @ 7.28g/t from 79m
- o MRC004 9m @ 1.92g/t from 88m
- o MRC005 8m @ 1.54g/t from 111m
- o MRC008 10m @ 1.21g/t from 63m
- o MRC028 3m @ 5.41g/t from 112m

At Korong, detailed analysis by WMC of the Korong mineralisation indicated two distinct stages of gold mineralisation associated with pyrite:

- Early, fine grained pyrite associated with low grade gold and anomalous silver-lead-zinc; and
- Later, coarse grained pyrite associated with high grade gold, copper and sericite alteration.

At Waihi, historical RC drilling under old workings intersected pyrite and iron-rich (in the oxide zone) gold mineralisation associated with the BIF/Shale unit. The unit has been mapped over 4km either side of Waihi. Better assay results from the historical programs at Waihi included results such as (refer ASX announcement dated 27 July 2016):

- o MK32 2m @ 8.80g/t from 38m
- o MK33 1m @ 10.8g/t from 91m
- o MK34 2m @ 6.07g/t from 36m

A1 North Drilling Program

During the March Quarter Syndicated completed modelling and interpretation of the Induced Polarisation (IP) geophysical survey completed last Quarter which revealed a new drilling target at A1 North, located 1.2km north of the previously drilled Korong prospect.

The known gold (and associated pyrite) mineralisation at the Korong prospect, which was targeted by Syndicated last year in its maiden drilling program shows a weak IP and resistivity response which is well correlated with the strength and position of the mineralisation encountered in the drilling.

The A1 North IP target is located down-dip from the surface expression of the mapped continuation of the Korong BIF/Shale unit. The strong IP anomaly was targeted because of the clear correlation between gold, pyrite and IP geophysics encountered at Korong.

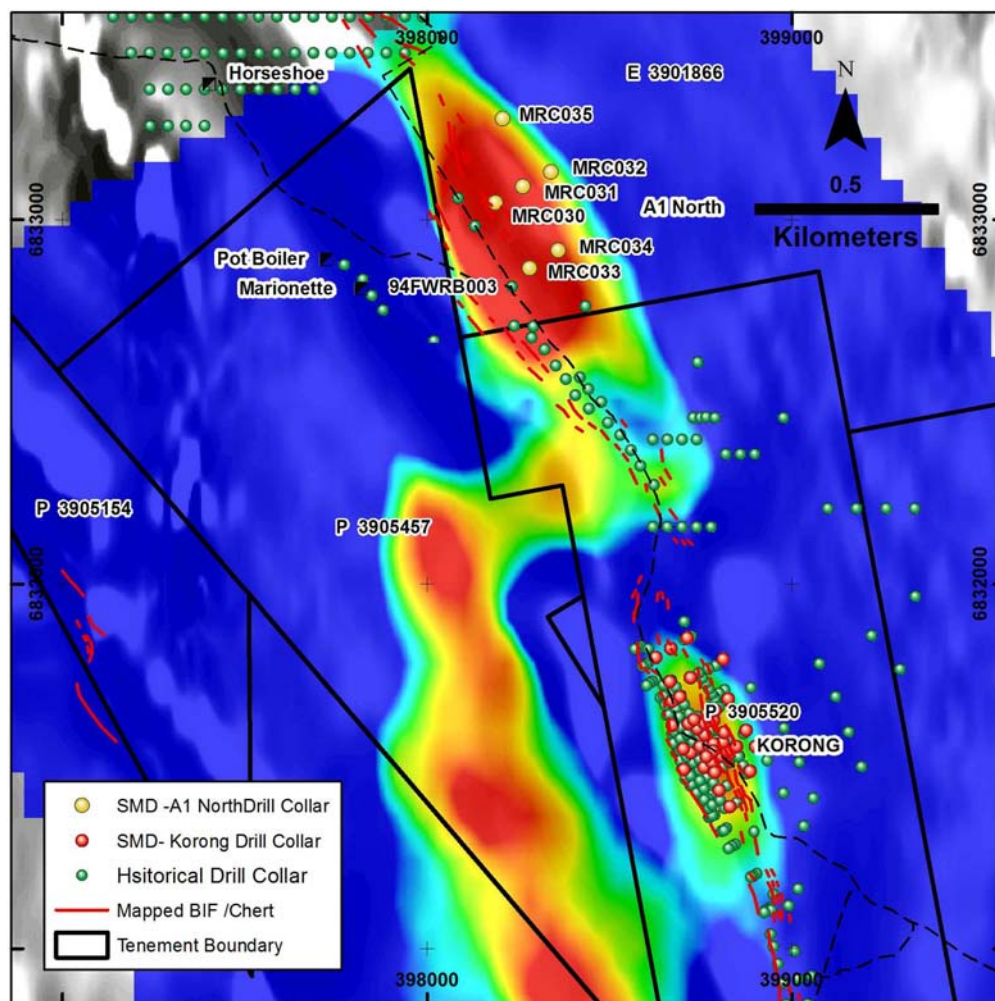


Figure 3 – Korong and A1 North Prospects. Drill hole locations and mapped BIF/Chert outcrop over IP-3D slice image.

In March, the Company completed a program of Reverse Circulation (RC) drilling at A1 North to test this recently identified gold target. The program comprised six holes drilled in three fences at 200m spacings, but was curtailed by the heavy rainfall experienced in March and did not fully test the prospective horizon(s) at A1 North.

The A1 North drilling intersected the BIF/Shale unit in all six holes completed. Narrow zones of high-grade gold mineralisation were intersected associated with the pyrite-rich shales and shear zones in the expected BIF/Chert positions. Gold mineralisation is also present down-dip of the Marionette and Pot Boiler surface workings located to the east of the A1 North Target (Figure 3).

Zones of banded pyrite mineralisation with low grade (0.2ppm to 0.9ppm) gold in BIF/Shales are interpreted to be the source of the IP anomaly. The mineralisation in these positions is similar in appearance to the Korong prospect mineralisation. Intercepts included (refer ASX announcement dated 26 April 2017):

- MRC033 3m at 3.76g/t Au from 212m
- MRC034 1m at 1.65g/t Au from 207m
- MRC035 6m at 0.86g/t Au from 179m

The pyrite mineralisation associated with the BIF/shale unit(s) at A1 North is anomalous in silver and base metals. The A1 North drilling is considered to contain the early stage mineralisation as was encountered at Korong. Ongoing exploration activities at Monument will be focused on identifying accumulations of later stage, high grade gold mineralisation.

New Exploration Program

The recent exploration activities have given Syndicated a much clearer understanding of the geological controls and distribution of gold mineralisation on the Monument Project, highlighting the two distinct phases of gold mineralisation and their associated structural controls and alteration indicators across the project.

This clearer understanding, coupled with the updated geological and structural interpretation work, will be tested with upcoming exploration programs over the coming months including:

- Broad-spaced soil sampling programs over previously untested terrane (see Figure 2):
 - Along the Korong-Waihi Trend to the north of Waihi and at the far northern end of the tenement package; and
 - East of Korong over rocks altered and deformed by a late stage Syenite intrusion.
- A targeted aircore drilling program over the Korong-Waihi Trend where previous close-spaced soil sampling has highlighted several areas of anomalous gold mineralisation where little or no drill testing has occurred. This drilling includes Old Copper, Korong South and numerous prospects between A1 North and Waihi (see Figure 4).

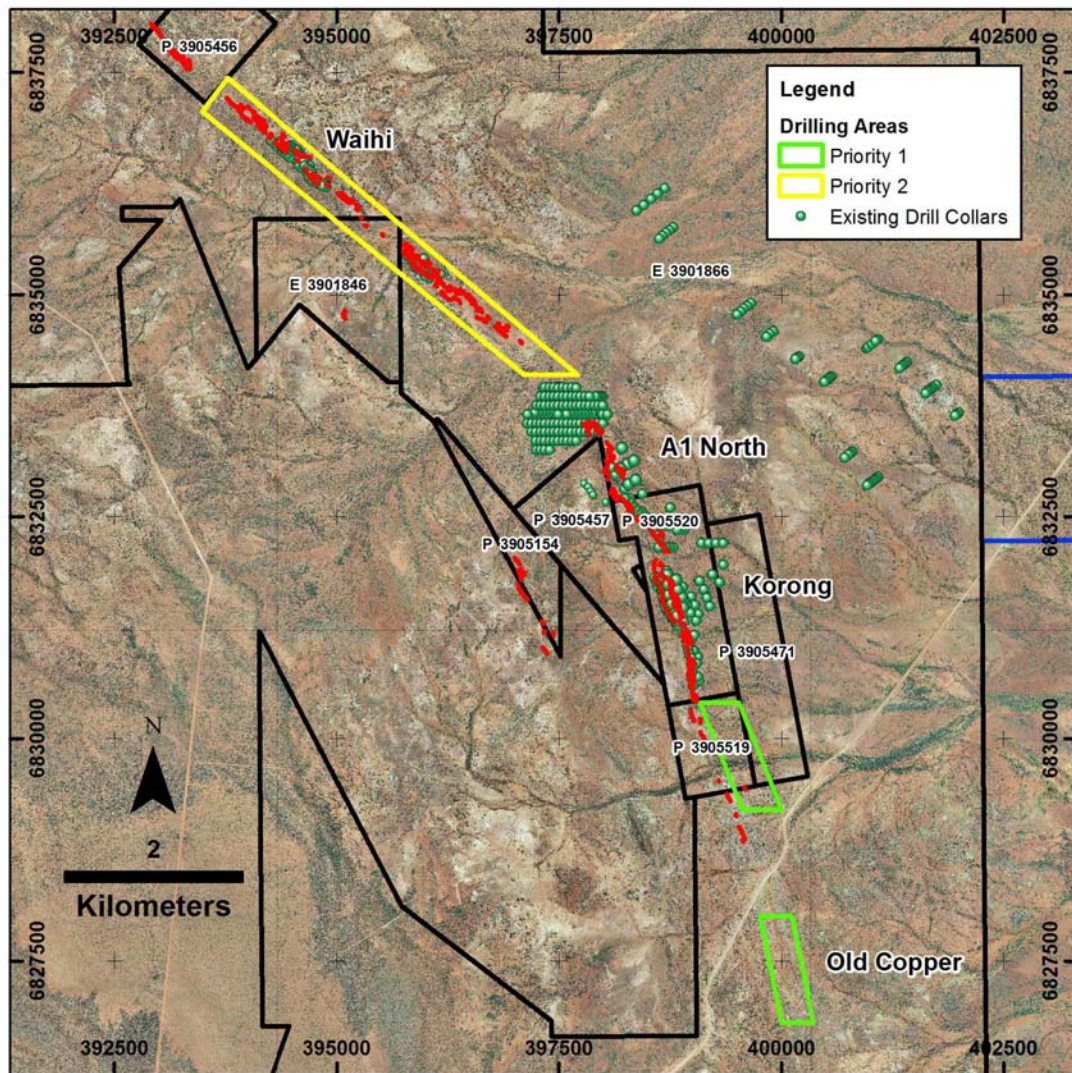


Figure 4 – Korong-Waihi Trend mineralised zones – proposed aircore drilling program locations are illustrated

Extended IP surveys will also be undertaken between A1 North and Waihi including a northern extension of the Korong-Waihi Trend, to complement the aircore drilling program. The extended IP survey will highlight where higher grade, near surface mineralisation encountered in aircore extends to depth (see Figure 5).

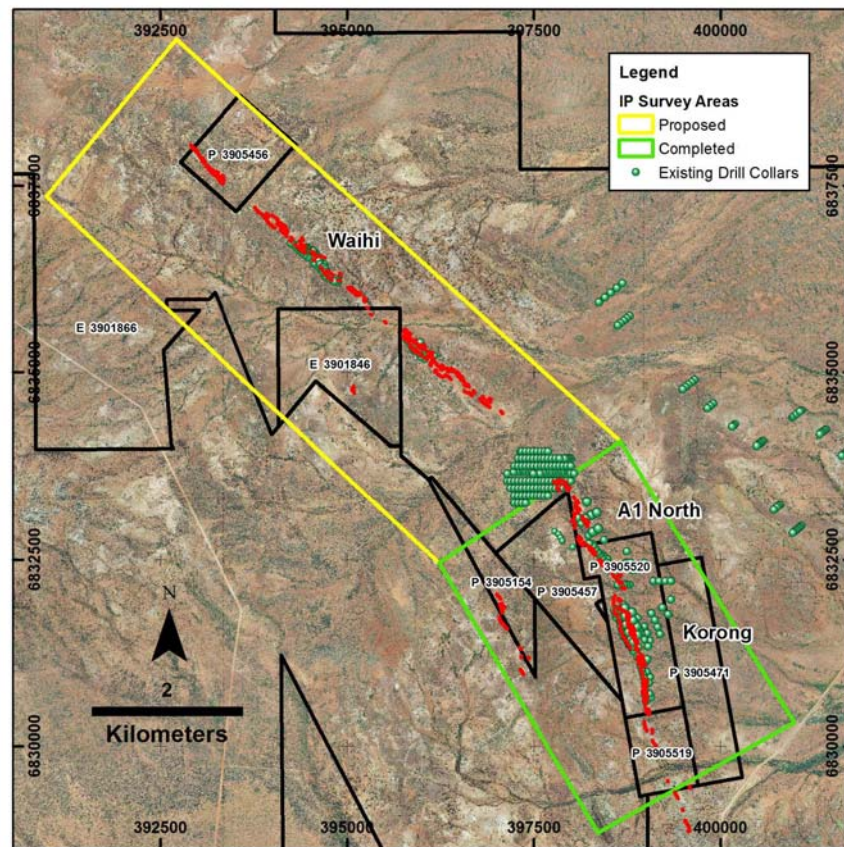


Figure 5 – Korong-Waihi Trend mineralised zones – proposed IP survey program locations are illustrated

The Company will provide further information on the upcoming exploration programs in the near future.

Tenement Acquisition

During the period the Company reached agreement to acquire two strategically located tenements immediately adjacent to its existing 100%-owned tenements in the area (see Figure 6).

Following due diligence, Syndicated acquired Prospecting Licences P39/5456 and P39/5457 from a private vendor under a 5-year option agreement allowing it to immediately commence exploration activities to evaluate the potential of the tenements.

The tenements are strategically located immediately adjacent to and just west of the recently identified A1 North IP anomaly and along strike to the north-west of the Waihi prospect at the Monument Project (see Figure 6).

This important strategic addition to Syndicated's tenement package at the Monument Project further consolidated its position in the Laverton district and potentially strengthens its pipeline of exploration opportunities in this exciting emerging district. The consideration for the acquisition comprised a combination of cash and shares, payable in two tranches:

- Tranche 1 (paid in February) – \$10,000 in cash and 100,000 fully-paid ordinary shares in the Company at a deemed issue price of 2.3c per share; and
- Tranche 2 (payable on a Decision to Mine on the tenements) – \$250,000 in cash and 200,000 fully-paid ordinary shares in the Company at a deemed issue price of 2.3c per share.

A 2% royalty on gross revenue on production from the tenements will also be payable.

Together with the purchase of Prospecting Licences P39/5471 and P39/5154 in the December Quarter, also from a private vendor (which lie adjacent to the Korong-Waihi trend), Syndicated has increased the total size of its tenement holding in the Laverton district to 215 square kilometres, as shown in Figure 6 below.

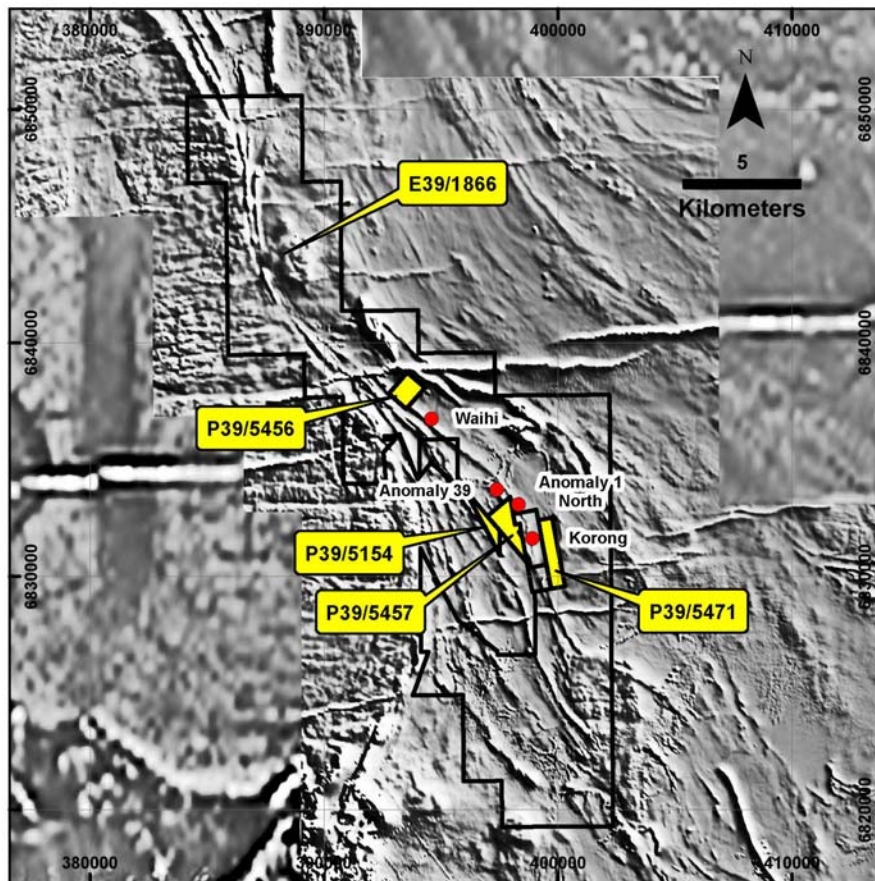


Figure 6 – Monument Gold Project showing new and existing tenements over regional magnetics, including location of the Korong-Waihi trend and newly discovered IP anomalies

Barbara Copper Project (Syndicated 50%) (Qld)

The Barbara Copper Project is part of the Barbara Joint Venture, which covers approximately 100km² of tenure within the Mt Remarkable Project area. The Barbara JV is a 50/50 joint venture between CopperChem Limited (CopperChem) and Syndicated with CopperChem being the Manager of the Project.

Subsequent to the end of the Quarter, Syndicated finalised agreements to sell its 50% share of the Barbara Copper Project in North Queensland to its joint venture partner, CopperChem Limited.

The Barbara Copper Project is located 60km north-east of Mt Isa and contains a JORC 2012 Mineral Resource (refer to ASX Announcement dated 18 July 2014 for full details). Syndicated has been in joint venture with CopperChem at the project since September 2013. Syndicated and CopperChem each hold a 50% interest in the Barbara Copper Project pursuant to the Barbara Joint Venture.

An Off-Site Processing Study was completed by the Joint Venture in October 2015 based on the development of two open pits with processing to be undertaken under a toll-treatment scenario as part of a two-year project life.

While the study defined a viable development pathway, it also demonstrated that the Barbara Copper Project is sensitive to copper price movements and contingent upon acceptable processing terms from toll-treatment providers. At the time, the project partners agreed to pursue alternative avenues to realise value from the project.

As part of this revised corporate strategy, Syndicated subsequently acquired the Monument Gold Project in Western Australia in mid-2016, and has since focused its efforts on gold exploration in the highly prospective Laverton District of Western Australia.

Agreement Terms and Consideration

The consideration payable for the acquisition of Syndicated's 50% share of the Barbara Copper Project is:

- A\$2.3 million in cash payable in one instalment upon completion of the Sale and Purchase Agreement (**SPA**); and
- A production royalty payable on the first 10,000 tonnes of copper-in-concentrate (or ore equivalent) produced by the Barbara Copper Project. The royalty will be payable as follows:
 - o 1% of the net smelter return (**NSR**) generated from the sale of concentrate or ore equivalent subject to a minimum invoiced copper price of US\$2.50/lb;
 - o 2% of the NSR generated from the sale of concentrate or ore equivalent subject to a minimum invoiced copper price of US\$3.00/lb;
 - o Where no production royalties are payable due to the invoiced price being below US\$2.50/lb, copper sold from the Barbara Copper Project does not count towards the 10,000 tonne production royalty cap;
 - o NSR in relation to copper concentrate is defined as net revenue received from the sale of the products, excluding credits from other metals; and
 - o NSR in relation to ore sales is defined as net revenue received from the sale of the products, excluding credits from other metals and less processing costs.

The Transaction remains subject to the following conditions precedent:

- Approval by Syndicated shareholders, as required under Chapter 10 of the ASX Listing Rules; and
- Indicative approval from the Queensland Minister of Mines for the transfer of Syndicated's interest in the Barbara Copper Project to CopperChem.

The SPA contains customary representations and warranties for a transaction of this nature. Completion of the Transaction is scheduled to occur within 5 business days of the satisfaction or waiver of all of the conditions precedent (or such other date agreed between Syndicated and CopperChem).

Syndicated has commissioned Stantons International to prepare an independent expert's report in relation to the Transaction (**IER**). The IER will accompany the notice of meeting to be provided to all shareholders. The IER will opine on whether the disposal of the Company's 50% share of the Barbara Copper Project under the Transaction is fair and reasonable to Shareholders not associated with CopperChem.

The Company will schedule a shareholders' meeting to approve the Transaction with a notice of meeting to be sent to all shareholders in the near future.

Mt Remarkable/Northern Hub (Syndicated 100%) (Qld)

The Mt Remarkable Project consists of eleven EPM tenements covering approximately 1,000km² of tenure and straddles the Mt Remarkable Fault from the Barkley Hwy to Kajabbi.

During the Quarter, enquiries and proposals were received from groups seeking earn-in joint venture arrangements over the project.

Syndicated is seeking to partially divest the project via an exploration earn-in joint venture.

Fountain Range/Southern Hub (Syndicated 100%) (Qld)

The Fountain Range Project consists of sixteen EPM tenements covering approximately 460km² of tenure 100km south-east of Mt Isa.

During the Quarter, enquiries and proposals were received from groups seeking earn-in joint venture arrangements over the project.

Syndicated is seeking to partially divest the project via an exploration earn-in joint venture or fully divest via outright sale.

Corporate

Issue of Shares for Tenement Acquisition

In February the Company issued 100,000 Shares at 2.3 cents per share to the vendor of tenements P39/5456 and P39/5457 as consideration for the purchase of these tenements which adjoin Syndicated's existing Monument Gold Project tenements (\$2,300 total share consideration plus \$10,000 cash).

Expiry of Options

On 9 January 2017, 5,000,000 unlisted options exercisable at \$0.064 expired.

Cash Reserves

As at 31 March 2017, Syndicated had cash reserves of \$0.804 million and has no corporate debt and minimal long-term commitments.

Shareholder Information

As at 31 March, Syndicated had 634,484,141 fully-paid ordinary shares on issue and approximately 1,039 shareholders. The top 20 shareholders held 55% of the Company. Syndicated also had 60,164,182 unlisted options on issue exercisable at 1.2 cents each and expiring on 8 February 2018, and 5,182,682 performance rights with various vesting conditions and expiry dates.

For further information on Syndicated Metals please view our website at: syndicatedmetals.com.au or contact:

Andrew Munckton

Managing Director

T: 08 9380 9440

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Andrew Munckton who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Munckton is a full-time employee of Syndicated Metals Limited and consents to the inclusion in the report of the Exploration Results in the form and context in which they appear.

Additional Information Required by Listing Rule 5.3.3

Mining tenements held at the end of the Quarter and their location:

Northern Hub (Mt Remarkable) – Mt Isa, Qld	
EPM 14281	Granted
EPM 16197	Granted
EPM 17638	Granted
EPM 17914	Granted
EPM 17947	Granted
EPM 18492 (part)	Granted
EPM 19049	Granted
EPM 19733 (part)	Granted
EPM 25824	Granted
EPM 25915	Granted
EPM 26026	Granted
Southern Hub (Fountain Range) – Mt Isa, Qld	
EPM 9083	Granted
EPM 11013	Granted
EPM 14362	Granted
EPM 14366	Granted
EPM 14369	Granted
EPM 17637	Granted
EPM 18078	Granted
EPM 18082	Granted
EPM 18223	Granted
EPM 18671	Granted
EPM 18980	Granted
EPM 19008	Granted
EPM 25435	Granted
EPM 25439	Granted
EPM 25853	Granted
EPM 25972	Granted

Barbara Joint Venture – Mt Isa, Qld	
EPM 16112	Granted
EPM 18492 (part)	Granted
EPM 19733 (part)	Granted
ML 90241	Granted

Monument Gold Project – Laverton, WA	
E39/1846	Granted
E39/1866	Granted
P39/5519	Granted
P39/5520	Granted
P39/5154	Granted
P39/5471	Granted
P39/5456	Granted*
P39/5457	Granted*

*Tenements are currently awaiting transfer to Monument Exploration Pty Ltd, a 100% owned subsidiary of Syndicated Metals Limited.

Mining tenements acquired during the Quarter and their location:

During the Quarter the Company purchased tenements P39/5456 and P39/5457. Both tenements are located in the Laverton region of WA.

Mining tenements disposed of during the Quarter and their location:

Nil.

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the Quarter:

Farm-in Agreements

Nil.

Farm-out Agreements

Syndicated is in Joint Venture with CopperChem over portions of tenements EPM19733 and EPM18492 and all of EPM16112 and ML90241. CopperChem has earned a 50% interest in these tenements by funding and managing a feasibility study over the Barbara Project. Under the terms of the Joint Venture and Acquisition Agreement the Feasibility Period has now ended and the joint venture participants have entered the Decision Period. The Decision Period ends on the earlier of the date on which a participant gives notice to the other participant that it has made a Decision to Mine and the date three years from the start of the Decision Period.

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the Quarter:

Nil.