

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT – 31 January 2019

DECEMBER 2018 QUARTERLY ACTIVITIES REPORT

Strategic review confirms potential for both BIF- and syenite-hosted gold systems at Monument Gold Project in the world-class Laverton Gold District of WA – setting a strong foundation for Syndicated’s exploration activities in 2019

Highlights

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

- Project-level geological and strategic review commenced targeting the two established styles of mineralisation across the Monument Project.
- The review is focused on optimising the discovery potential for large-scale BIF and syenite-hosted gold systems, similar to some of the other Tier-1 deposits located in the district.
- Exploration targets currently being ranked and prioritised ahead of new exploration programs planned for this year.

North Queensland Copper-Gold Projects

- Relinquishment arrangement for the Barbara Copper Project Royalty approved by shareholders, realising \$460,000 in cash for Syndicated and crystallising additional value from its former North Queensland asset base.
- Extension granted to recently-established Australian gold company Carnaby Resources Limited to complete the conditions precedent required to allow Syndicated to divest an 82.5% interest in the Southern Hub exploration tenements in North Queensland.
- If the completion conditions are satisfied for the Carnaby agreement, Syndicated will receive 4,000,000 Carnaby shares at a deemed issue price of 25c per share at completion, which is expected to represent ~4% – 5.6% of Carnaby’s total issued share capital.

Corporate

- Cash on hand of \$0.77M at Quarter-end with no corporate debt and minimal long-term commitments.
- AGM held in October with all six resolutions receiving strong support and being passed on a show of hands.

Exploration and Evaluation

Monument Gold Project (WA)

The Monument Gold Project comprises a 288km² tenement package located approximately 55km west of Laverton in the world-class Laverton gold district of WA. The Project is located within the Laverton Tectonic Zone, a major mineralised domain within WA's Goldfields region which hosts numerous multi-million ounce, Tier-1 gold deposits such as Sunrise Dam (+10Moz), Wallaby (+8Moz), Granny Smith (+2Moz) and Lancefield (+2Moz).

The package comprises 14 contiguous granted tenements and 17 applications which lie immediately to the north-west of the 3.5Moz Mount Morgans Gold Operation, owned by Dacian Gold Limited (ASX: DCN) (see Figure 1).

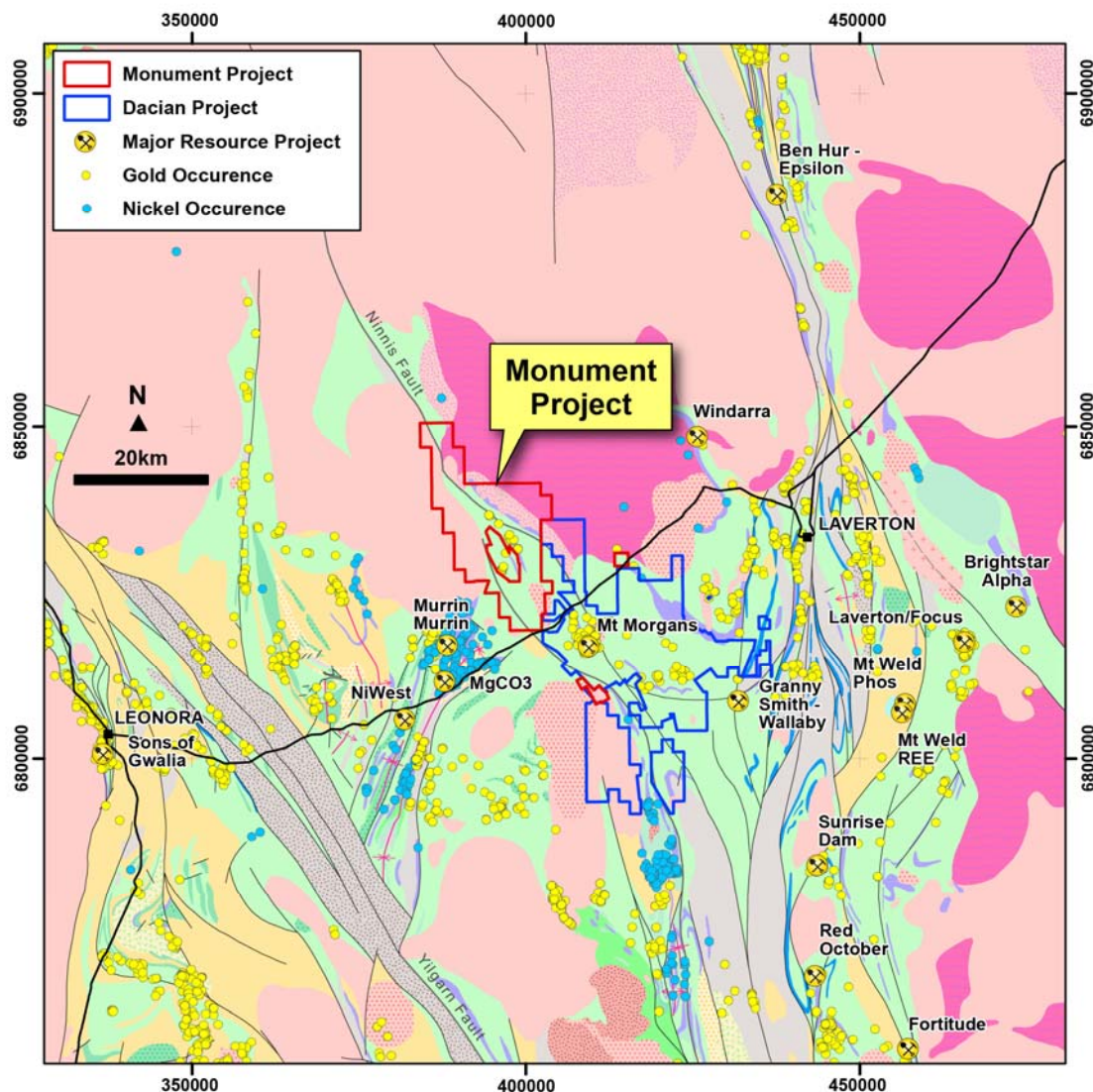


Figure 1 – Location of the Monument Gold Project showing regional geology and nearby mining operations.

During the September Quarter the Company announced a maiden Inferred Mineral Resource for the Korong deposit of 855,000 tonnes grading 1.8g/t Au for 50,000 ounces of contained gold (refer ASX announcement dated 10 September 2018 for full details of the Inferred Mineral Resource calculation). Refer to Table 1 and Figure 2.

Also during the September Quarter, Syndicated announced preliminary results from an independent geological review of the Monument Project (refer ASX announcement dated 13 September 2018).

This review confirmed the prospectivity for new discoveries at Monument by establishing the existence of both:

- An extensive mineralised Banded Iron Formation (or BIF)-hosted gold system with a strike length of over 12km (refer to Figures 3 and 4); and
- The recognition of a second style of mineralisation across the Project, namely, syenite-related gold mineralisation (refer to Figures 5 and 6).

Mapping undertaken by the Geological Survey of WA (GSWA), SMD, Geochemical Services Pty Ltd (GSPTY) and Southern Geoscience Consultants (SGC) identified a number of Felsic/Syenitic Intrusions within the Monument Project, which are depicted in Figure 5.

During the December Quarter, and based on the September Quarter work detailed above, the Company commenced an internal review of the current and future exploration strategies for the Monument Project.

The aim of this work is, firstly, to establish the optimal combined exploration methodologies for the two mineralisation styles and, secondly, to develop funding options to support the Project and maximise value for shareholders.

This work is currently still in progress.

Deposit	Cut-Off (g/t)	Inferred		
		Tonnes	Grade (g/t)	Au Ounces
Korong	0.5	650,000	1.6	33,000
Korong UG	2.0	205,000	2.5	17,000
Total		855,000	1.8	50,000

Table 1 – Korong – JORC Resource Overview

Inferred Mineral Resource Summary

- The in-situ, drill defined and developed Mineral Resource Inventory was reported inside an optimised pit-shell at a cut-off of 0.5g/t, and outside the optimised shell at a 2.0g/t cut-off.
- The modelled mineralised zones that form the basis of the resource show good continuity and were based on data from 22 diamond drill holes (5,008m), 50 percussion drill holes (1,788m) and 72 Reverse Circulation (RC) drill holes (5,126m). These holes include those drilled by previous operators as well as holes completed by Syndicated Metals.
- The mineralisation is interpreted as an easterly-dipping and north-plunging lode which has been delineated over a strike length of approximately 500m, a down-plunge extent of 200m and an average thickness of 5m. Drilling successfully defined this horizon and identified high-grade shoots which are likely controlled by folding and faulting.
- The Mineral Resource estimate was defined on a nominal drill spacing of 25m x 25m and 25m x 50m.

- Much of the dip and strike extensions to the ore body are classified as unclassified Mineral Resources and can be easily targeted by further drill programs to grow the Mineral Resource at Korong.
- Discrepancy in summation may occur due to rounding.
- The Mineral Resource was constrained by a A\$2,025 per ounce gold price conceptual optimised pit shell.
- Ordinary Kriging was utilised as the interpolation method for the mineralised domains and surrounding waste.
- Modelling and estimations were undertaken using Datamine software.
- Refer to the ASX announcement dated 10 September 2018 for further information in regard to the Inferred Mineral Resource. The Company is not aware of any new information or data that materially affects the information in this announcement and all material assumptions and technical parameters continue to apply and have not materially changed.

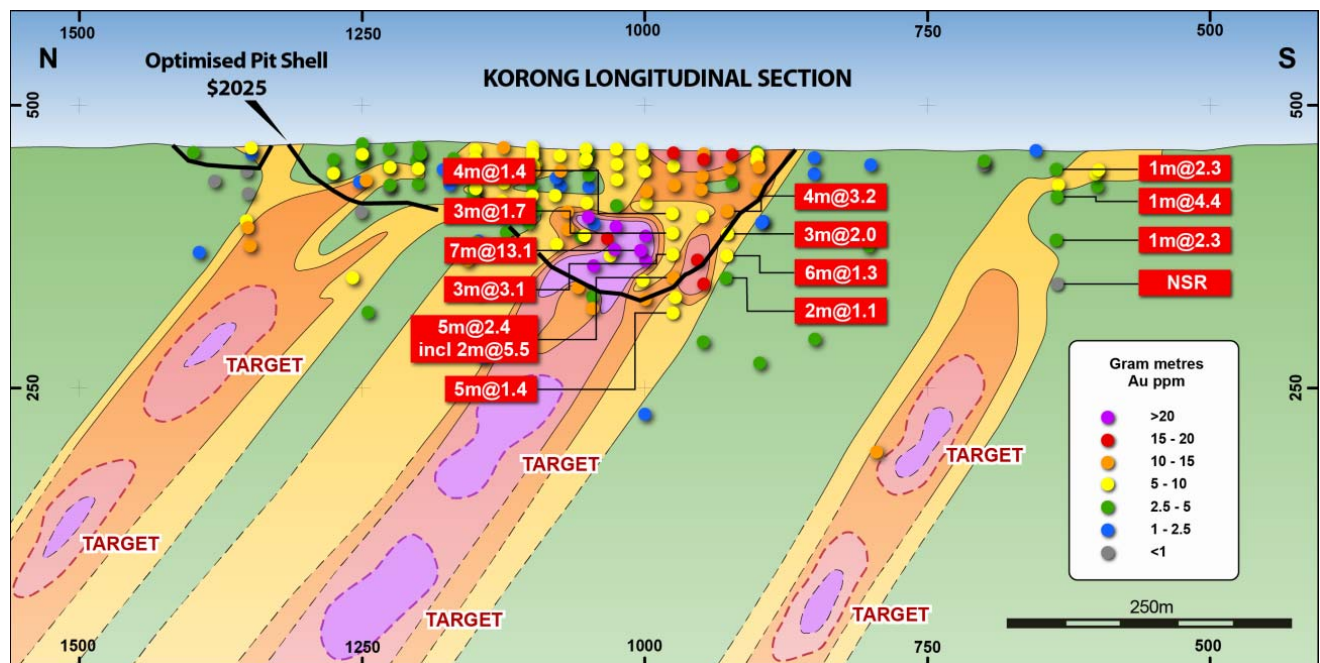


Figure 2 – Korong Longitudinal Section with Interpreted Gold Lodes.

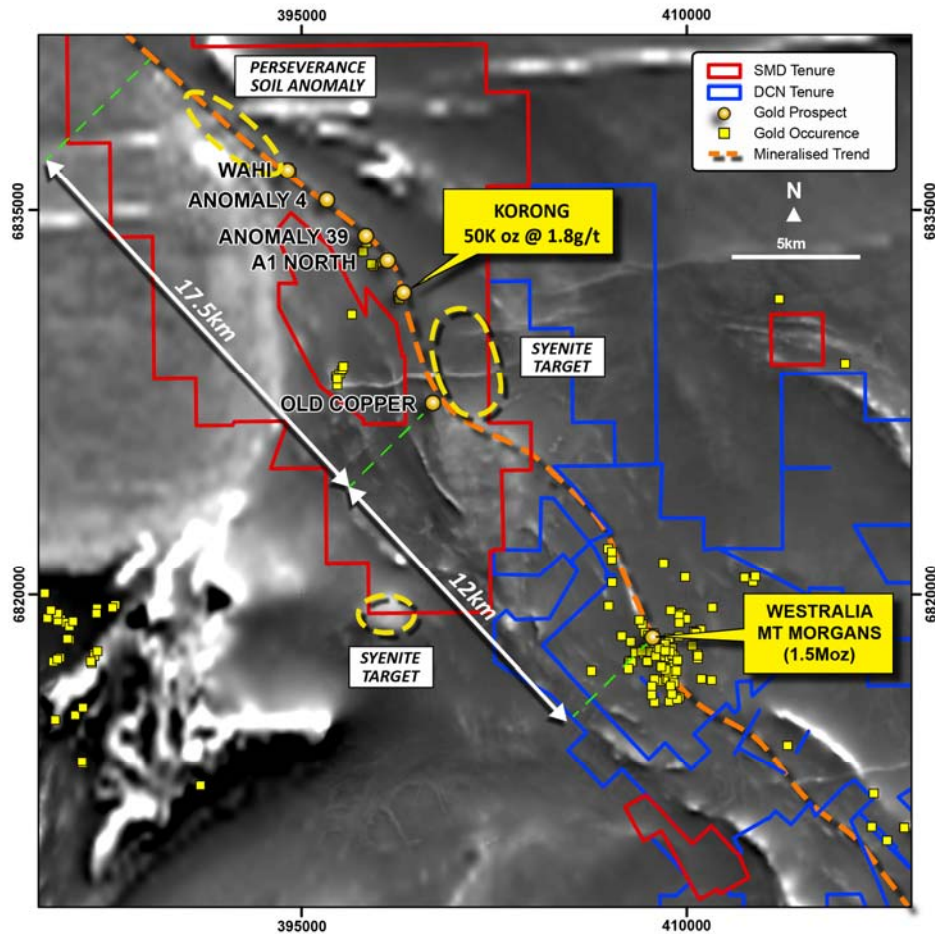


Figure 3 – Monument Project in Relation to Dacian Gold – BIF-Hosted Mineralisation Overview.

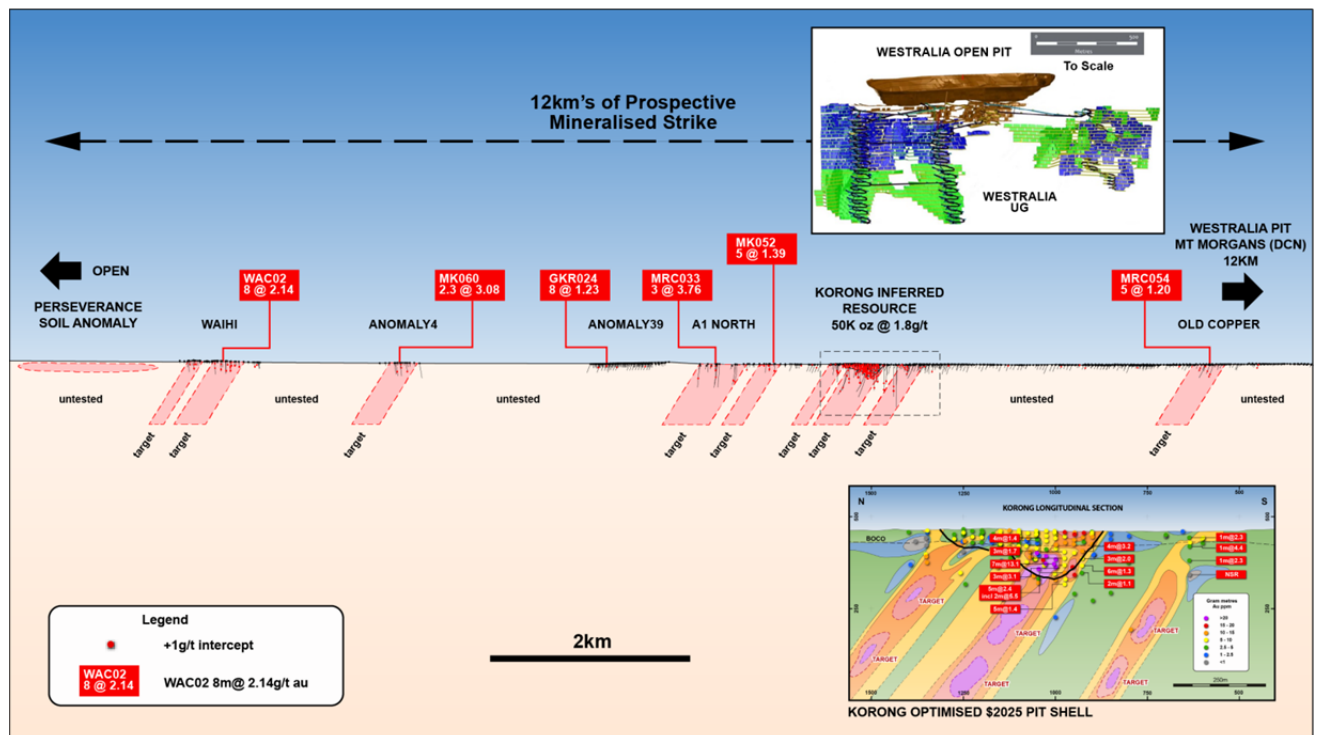


Figure 4 – Long Section of Monument Prospective Horizon – (Westralia (DCN) Inset).

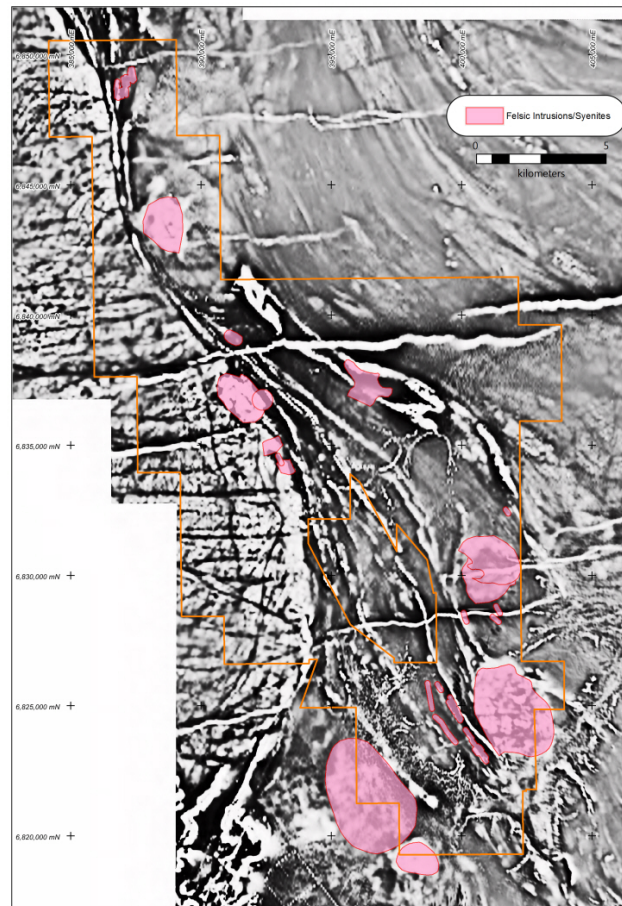


Figure 5 – Monument Project – Felsic/Syenite Intrusion Targets (SMD magnetics image overlain by SGC, GSPTY and GSWA mapping).

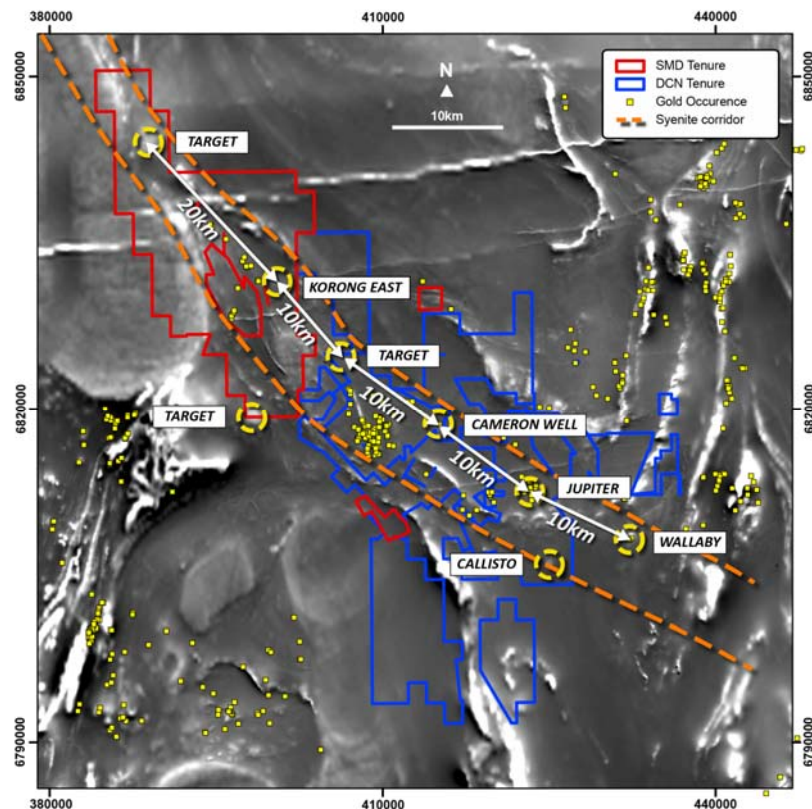


Figure 6 – Regional Syenite Related Prospectivity (GSWA magnetics image).

Barbara Copper Project Royalty

In June 2017, Syndicated sold its 50% share of the Barbara Copper Project, located 60km north-east of Mt Isa, to its joint venture partner Round Oak Minerals Pty Ltd (formerly CopperChem Limited) for A\$2.3 million in cash and a 1-2% net smelter return (NSR) production royalty, payable once the Barbara Project moves into production.

In September 2018, the Company entered into an agreement with Round Oak, which was subject to shareholder approval, to relinquish the royalty entitlement over the Barbara Copper Project for \$460,000 in cash.

Syndicated obtained shareholder approval to relinquish the royalty at the Company's AGM held on 25 October 2018 with the funds being received from Round Oak in early November 2018.

Southern Hub / (Fountain Range) (Queensland)

The Fountain Range Project consists of 12 EPM tenements covering approximately 293km² of tenure 100km south-east of Mt Isa in North Queensland.

In June 2018, Syndicated reached agreement with recently established Australian gold company Carnaby Resources Limited (Carnaby) for the sale of an 82.5% interest in the Southern Hub exploration tenements, under an option exercisable by Carnaby on or before 30 June 2018. Carnaby exercised its option to purchase the interest by the required date.

At the Company's AGM held on 26 October 2018, shareholders approved the relinquishment of the 82.5% interest in the project to Carnaby, thus satisfying the remaining condition precedent required to be satisfied by Syndicated.

In November, Syndicated granted Carnaby a further conditional extension to the timeframe for completion of the acquisition to 2 May 2019. All terms and conditions of the previously announced agreement remain unchanged except for the extension date and Carnaby accepting responsibility for the ongoing holding costs of the tenements and funding any further outgoings incurred by Syndicated in relation to the transaction.

Subject to the remaining conditions being satisfied, the transaction is expected to result in Syndicated holding a 4% to 5.6% stake in Carnaby, which is undertaking a new gold IPO, while retaining a 17.5% free-carried interest in the Southern Hub tenements. The transaction will provide the Company ongoing exposure to the consolidation of tenure around the Tick Hill Gold Project and future exploration upside in Carnaby's Western Australian and Queensland projects.

Key Terms of Agreement with Carnaby

Full details of the agreement with Carnaby were set out in the Company's ASX release of 5 June 2018. The consideration for the sale is 4,000,000 fully paid ordinary shares in Carnaby at a deemed issue price of 25c per share. The shares are expected to be escrowed for a period of 12 months from the date the shares are issued to Syndicated.

Following the exercise of the option by Carnaby, completion of the sale is conditional upon the satisfaction or waiver of several conditions precedent on or before 2 May 2019. These conditions were set out in the announcement of 5 June 2018 and include Carnaby lodging a Prospectus with ASIC for its proposed listing on the ASX.

Following completion, the parties will be deemed to have established a joint venture for the purpose of exploration and development of the tenements on the commercial terms set out in the agreement, under which Syndicated will retain a 17.5% free-carried interest in the Southern Hub tenements up to a Decision to Mine.

Corporate

Cash Reserves

As at 31 December 2018, Syndicated had cash reserves of \$770,000, no corporate debt and minimal long-term commitments.

Annual General Meeting

The Company's 2018 Annual General Meeting was held on 25 October 2018. All six resolutions received strong support and were passed on a show of hands.

Issue of Employee Options

On 26 October, the Company issued 5,000,000 unlisted Options as approved by shareholders at the Company's AGM. The Options were issued to the Managing Director, Mr David Morgan, who was appointed to the position in April 2018, to realign his remuneration from his previous Non-Executive role to the Executive position. The purpose of the issue of Options is to provide an ongoing incentive and retention tool for key personnel within the organisation.

The principal terms of the options are as follows:

Tranche 1 – 1,666,666 options with an exercise price of 1.35 cents each, vesting on the date of issue and expiring on 9 September 2022.

Tranche 2 – 1,666,667 options with an exercise price of 1.58 cents each, vesting 6 months from issue and expiring on 9 September 2022.

Tranche 3 – 1,666,667 options with an exercise price of 1.8 cents each, vesting 12 months from issue and expiring on 9 September 2022.

Shareholder Information

As at 31 December, Syndicated had 635,492,379 fully-paid ordinary shares on issue and approximately 1,100 shareholders. The top 20 shareholders held approximately 55% of the Company's shares. Syndicated also had 18,666,666 unlisted options on issue exercisable at prices between 1.35 cents and 3.12 cents and expiring in August 2021 and September 2022.

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

David Morgan

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 Peter Langworthy 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 Langworthy is the Chairman 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.

The information in this report that relates to the Estimation and Reporting of Mineral Resources has been compiled by Mr Matthew Karl BSc/MSc. Mr Karl is a full-time employee of Mining Plus Pty Ltd and has acted as an independent consultant on the Korong Deposit Mineral Resource estimation. Mr Karl is a Member of the Australasian Institute of Mining and Metallurgy and of the Australian Institute of Geologists and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activities undertaken 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 Karl consents to the inclusion in this report of the contained technical information relating to the Mineral Resource Estimation in the form and context in which it appears.

Additional Information Required by Listing Rule 5.3.3

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

Southern Hub (Fountain Range) – Mt Isa, Qld	
EPM 9083	Granted
EPM 11013	Granted
EPM 14366	Granted
EPM 14369	Granted
EPM 17637	Granted
EPM 18223	Granted
EPM 18980	Granted
EPM 19008	Granted
EPM 25435	Granted
EPM 25439	Granted
EPM 25853	Granted
EPM 25972	Granted

Monument Gold Project – Laverton, WA	
E39/1846	Granted
E39/1866	Granted
E39/2024	Granted
E39/2035	Granted
E39/2036	Granted
P39/5154	Granted
P39/5456	Granted
P39/5457	Granted
P39/5471	Granted
P39/5519	Granted
P39/5520	Granted
P39/5837	Granted
P39/5899	Granted
P39/5910	Granted

Mining tenements acquired during the Quarter and their location:

Tenements P39/5837, P39/5899 and P39/5910 located at the Monument Gold Project in Laverton, WA were granted during the Quarter.

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

During the Quarter, following the receipt of shareholder approval, the Company relinquished its rights to the Barbara Copper Project royalty from Round Oak Minerals over tenements EPM16112 and ML90241 for consideration of \$460,000.

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

Nil.