

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT – 31 July 2019

JUNE 2019 QUARTERLY ACTIVITIES REPORT

Syndicated Metals (“Syndicated”) completes acquisition of high-quality Newington Gold Project in WA’s Southern Cross greenstone belt and commences farm-in and maiden drill program

Highlights**Completion of Project Acquisition – Newington Gold Project, Southern Cross WA**

- Syndicated secures major land-holding in the under-explored northern part of the Southern Cross Greenstone Belt in WA, with a farm-in agreement for the advanced Newfield Gold Project and an option agreement over the adjacent Carterton Gold Project.
- The combined projects, re-named the Newington Gold Project, represent a key exploration and growth opportunity for Syndicated moving forward.
- Maiden RC drilling program commences at Newington subsequent to quarter-end.

Gold Exploration – Monument Gold Project, Laverton WA

- Review of the Monument Gold Project, which includes the Korong 50,000oz Inferred Mineral Resource, continued during the quarter, with the aim of establishing the optimal exploration methodologies for the project and developing funding options to progress exploration.

North Queensland Copper-Gold Projects

- Completion of transaction with ASX-listed company Carnaby Resources (ASX: CNB) to divest an 82.5% interest in the Southern Hub tenements for 5,128,205 fully-paid shares at a deemed price of \$0.078 per share, giving the Company a 5% stake in Carnaby. The shares are escrowed for 12 months.
- In addition to this 5% stake in Carnaby Resources, Syndicated retains a 17.5% free-carried interest in the Southern Hub tenements.
- Transaction completes the rationalisation of Syndicated’s North-West Queensland copper exploration portfolio – consistent with its focus on its WA gold assets including the recently acquired Newington Gold Project in the Southern Cross Greenstone Belt.

Corporate

- Cash on hand of \$0.51M at Quarter-end with no corporate debt and minimal long-term commitments.
- Net funds of \$206,000 received subsequent to Quarter-end from the sale of listed securities.

Exploration and Evaluation

Newington Gold Project – Southern Cross, WA

In April the Company announced that it had secured an outstanding new growth opportunity in Western Australia's Eastern Goldfields through the dual acquisition of an advanced high-grade gold project and high-quality regional exploration tenement package at the northern end of the Southern Cross Greenstone Belt.

The Company executed:

- A farm-in agreement with Newfield Resources Limited (ASX: NWF) over the Newfield Gold Project (M77/422 & M77/846), an advanced high-grade exploration opportunity with previous production history; and
- A separate Option Agreement with Gateway Mining Limited (ASX: GML) over the Carterton Gold Project, an adjacent, highly-prospective exploration tenement (E77/2309) at the northern end of the Southern Cross Greenstone Belt.

The dual agreements give Syndicated a commanding position in a highly prospective, yet-under-explored portion of the world-class Yilgarn Craton, with immediate walk-up drilling targets and a strong pipeline of highly promising exploration targets and opportunities.

The Newington Project lies at the northern end of the Southern Cross Greenstone Belt, which is located around 380km east of Perth and hosts more than 150 known gold deposits which have produced over 15Moz of gold (Figure 1).

The region has recently attracted strong interest following Ramelius Resources' (ASX: RMS) major acquisitions in the area surrounding its operating Edna May Gold Mine, including the 1Moz Tampia Hill Project (acquired through its takeover of Explaurum Ltd) and the 0.5Moz Marda Gold Project.



Figure 1: Regional location of the Newington Gold Project

ACQUISITION TERMS & COMMENCEMENT OF FARM-IN

Newfield Gold Project (Newfield Resources Limited)

Under the terms of the farm-in agreement with Newfield Resources Limited, Syndicated has the right to earn up to 85% of the Newfield Project. On the reporting of a JORC 2012 Mineral Resource estimate containing >150,000oz of gold, a further milestone payment of \$250,000 is then payable to Newfield Resources.

During the Quarter the Company:

- Made an initial cash payment of \$25,000 and completed due diligence on the project;
- Following satisfaction of all conditions precedent, exercised the option to purchase the right to earn up to 85% of the project by making a further cash payment of \$25,000 and issuing 30 million Syndicated shares at a deemed price of 1.0c per share and 10 million Syndicated options to Newfield.

The shares and options are subject to a 12-month escrow restriction from the date of allotment (20 May 2019) while the Options have an exercise price of 3.0c each and expire on 20 May 2022.

Shareholder approval was not sought for the issue of the shares and options and they were issued under the Company's available Listing Rule 7.1 capacity; and

- Commenced the farm-in agreement for staged exploration expenditure of \$900,000 over two years.

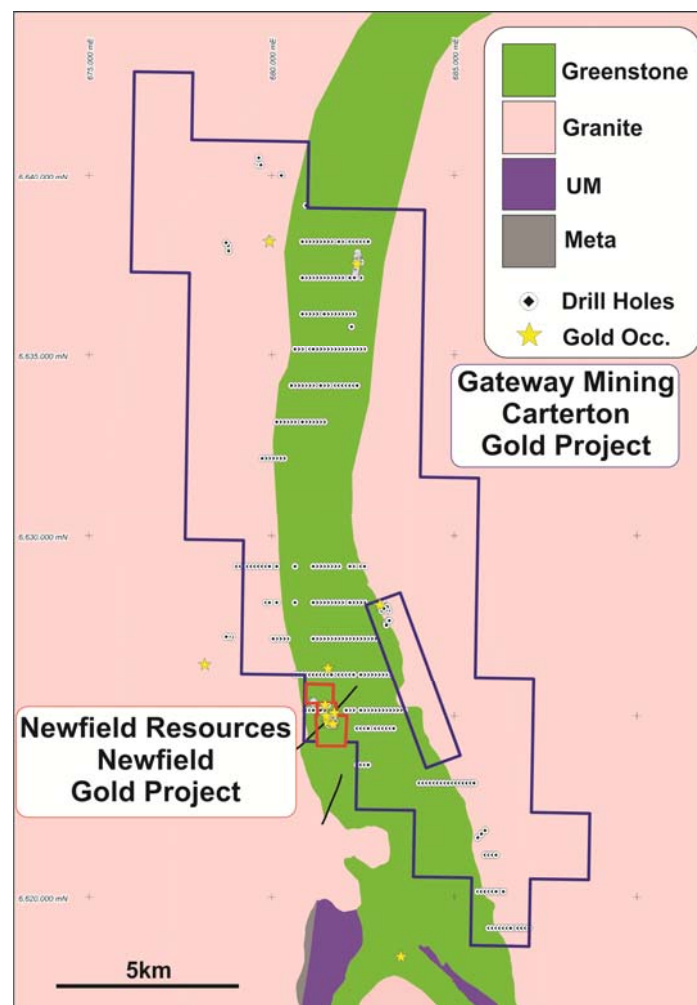


Figure 2: Location of Newfield Project and Carterton Project (E77/2309)

Carterton Project (Gateway Mining Limited)

During the Quarter the Company secured an option to purchase the adjacent Carterton Gold Project (tenement E77/2309) (see Figure 2) from Gateway Mining Limited via the payment of \$10,000 for a 12-month Right to Purchase, with the combined projects (Newfield and Carterton) to be referred to as the Newington Gold Project moving forward.

Completion of the Right to Purchase is based upon the following consideration:

- Optional 12-month extension – \$10,000 cash;
- Maintaining the tenement in good standing for the duration of the option period; and
- Purchase price of \$300,000 in cash or shares (based on the 5-day VWAP at the date of execution of the option) plus a 1.5% royalty.

NEWINGTON PROJECT DESCRIPTION

The acquisition of the Newfield and Carterton Projects was the result of an extensive review of multiple projects across Western Australia where Syndicated targeted large areas of largely unexplored Archean Greenstone Belt that also had strong indications of the potential for development of high-grade gold systems.

Key factors driving the selection of the Newfield and Carterton Projects included:

- The northern extension of the Southern Cross Greenstone Belt is considered particularly under-explored. The southern 75% of the Belt has a gold endowment of +15Moz of gold, while the northern 25% currently lacks any major discovery (Figure 1).
- The production history and existing drilling data from the Newfield prospects demonstrate that a high-grade gold system is present. This is demonstrated by historical production from the Newfield Central deposit of 41,039 tonnes at a recovered grade of 24.53g/t Au for 32,366 recovered gold ounces.^{1,2,3}
- The high-grade gold mineralisation at the Newfield prospect remains open in all directions and drilling has also identified the potential for parallel and cross-linking structures. Additional targets identified in drilling include:

Newfield East Prospect⁴:

- 13m @ 4.47g/t Au from 8m (ENFRC01)
- 6m @ 3.79g/t Au from 23m (ENFRC07)
- 12m @ 2.13g/t Au from 56m (97RC02)

Dawson Prospect⁴:

- 3m @ 11.03g/t Au from 51m (CSRC021)
- 4m @ 16.60g/t Au from 83m (incl. 2m @ 29.95g/t Au) (CSRC031)
- 1m @ 20.01g/t Au from 105m (CSRC036)
- The Newfield Central deposit is contained within a high-grade (Norseman-style) laminated quartz reef, within the Newfield Central Fault Zone.
- The Gateway Option ground covers the immediate northern extension of the Newfield gold mineralisation under cover to the north as well as covering 21 strike kilometres of the greenstone belt (Figure 2).

1. *Pre-2000 production data sourced from the Dept of Mines, Industry, Regulation and Safety (DMIRS) open file databases. (7,807 tonnes @ 32.4g/t Au recovered grade for 8,132oz).*
2. *The 2001-2005 production records sourced from the Newfield Resources Limited Prospectus lodged with ASX on 27 April 2012 and Newfield Central Pty Ltd records (33,232 tonnes @ 22.68g/t Au recovered grade for 24,234 oz).*
3. *Combined historical production (pre-2000 & 2001 – 2005) of 41,039 tonnes @ 24.53g/t Au recovered grade for 32,366oz.*
4. *The previous drilling results were sourced from the DMIRS open file databases and Newfield Central Pty Ltd records.*

- The majority of previous exploration across the wider project area has focused on base metal exploration. While base metal exploration is not a priority for Syndicated, the project is considered prospective for nickel, copper and lithium.
- Extensive zones of transported cover has limited the effectiveness of historical prospecting activities and therefore has not provided early exploration targets.
- The core part of the Newington Project is covered by the granted Newfield Mining Leases (M77/422 and M77/846).

MAIDEN RC DRILLING PROGRAM

Subsequent to the end of the Quarter, the Company commenced its maiden drilling program at the Newington Gold Project.

The initial 12-hole Reverse Circulation (RC) program is targeting extensions of the previously mined Newfield Central deposit, which delivered 32,366oz at an average recovered head grade of 24.53g/t.

The Company is currently awaiting assays and will announce these results once finalised in the coming weeks.

The Newington Gold Project also hosts a number of walk-up drill targets that will be progressively tested, with the aim of more accurately defining the extent of the gold system and defining an initial high-grade Mineral Resource estimate.

In addition, Syndicated intends to conduct mapping programs to establish the key geological drivers for mineralisation across the Newington Project area and assess the potential for repeated systems in the immediate vicinity of the Newfield prospects.

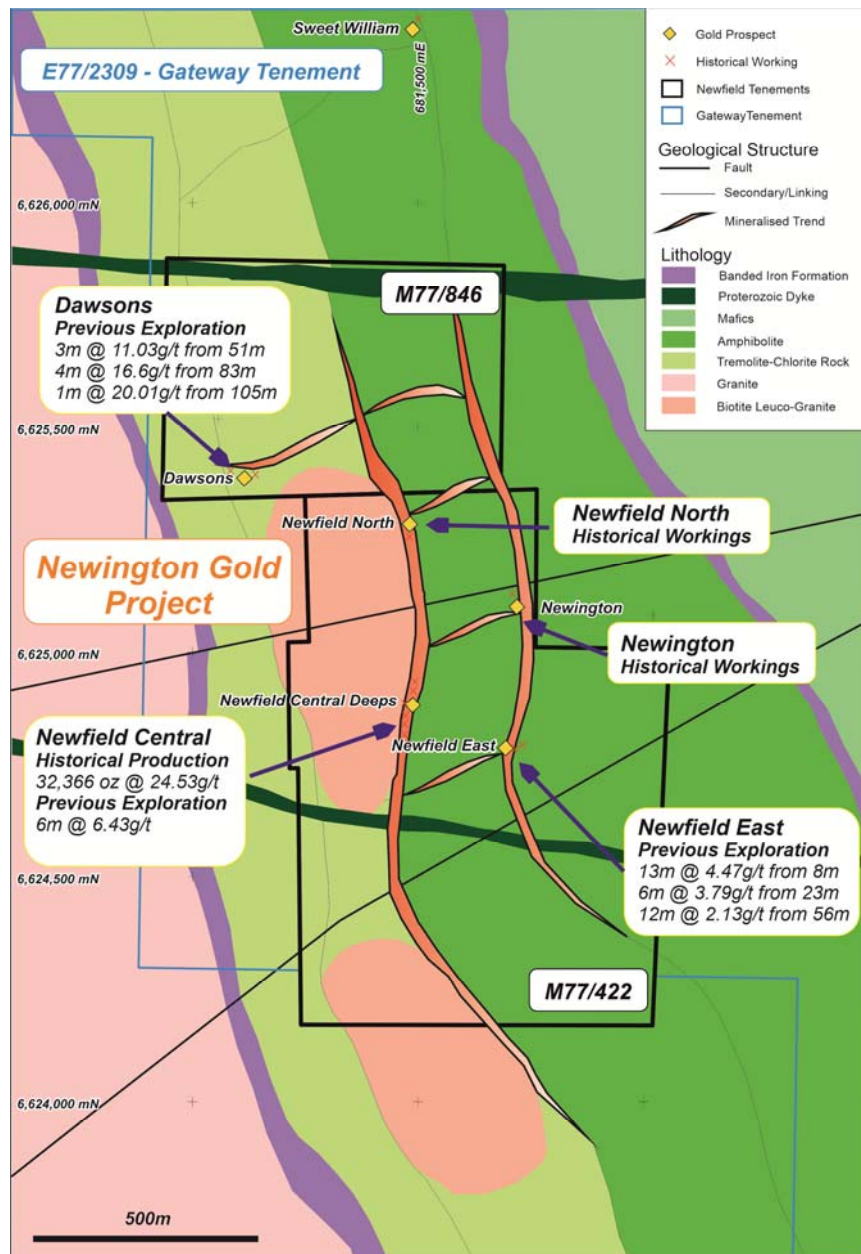


Figure 3: Newfield Prospects

Monument Gold Project – Laverton, 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 20 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 4).

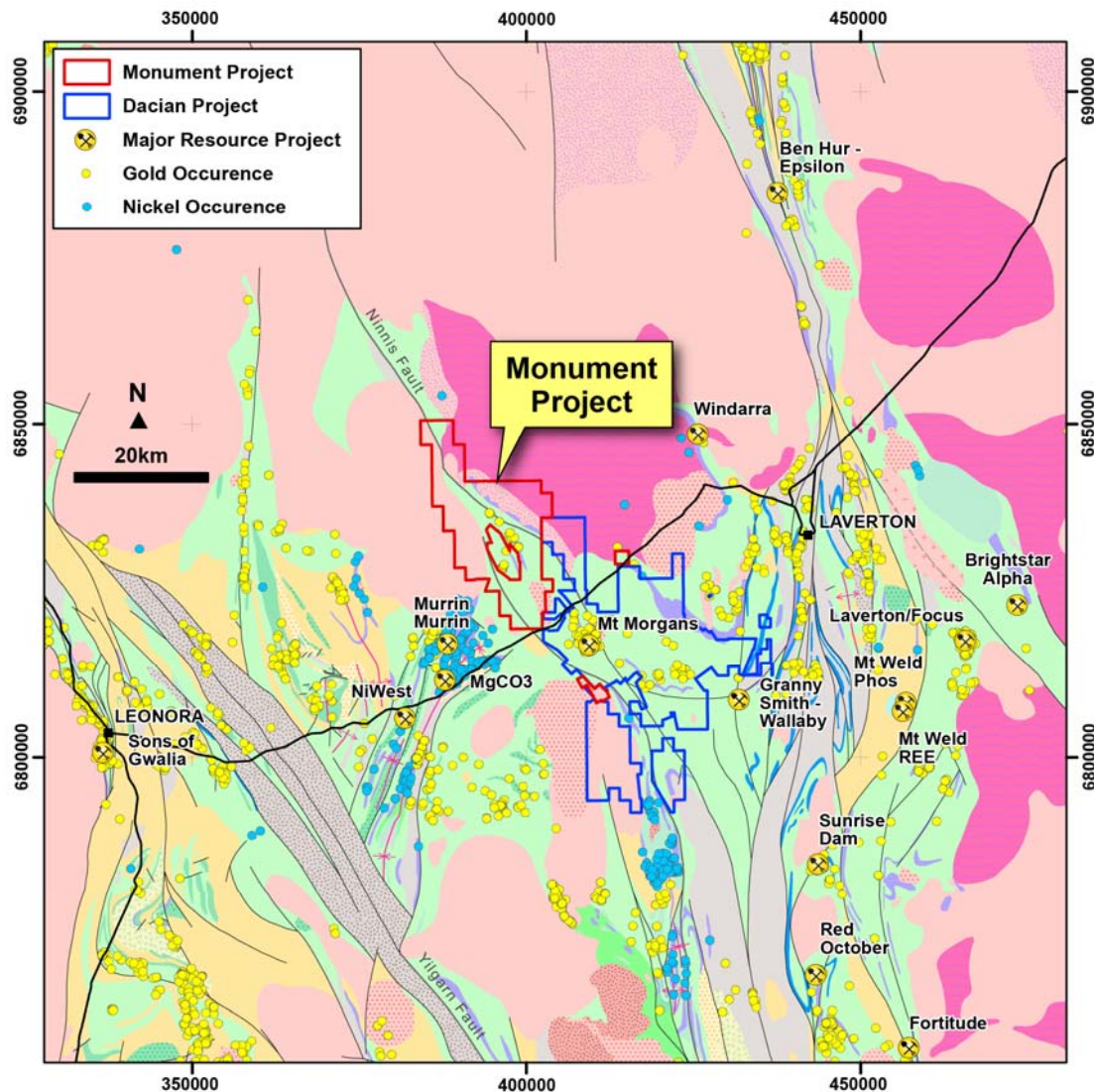


Figure 4 – Location of the Monument Gold Project showing regional geology and nearby mining operations.

In September 2018, 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).

During the Quarter, the Company continued the review of exploration strategies. 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 maximize value for shareholders.

This work is currently still in progress.

Southern Hub / (Fountain Range) (Queensland)

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

During the Quarter the Company completed the sale of an 82.5% interest in its Southern Hub exploration tenements in North-West Queensland to ASX-listed explorer Berkut Minerals Limited (ASX: BMT; Berkut).

All conditions precedent to the agreement were satisfied, with Berkut receiving shareholder approval on 18 April to acquire 100% of the issued capital of Carnaby Resources Limited, the original counter-party in the deal, and to change its name to Carnaby Resources (ASX: CNB).

The consideration for the sale comprised the issue of 5,128,205 fully-paid ordinary shares in Carnaby at a deemed issue price of \$0.078 per share, representing a stake of 5.34%. The shares are escrowed for a period of 12 months.

In addition to its holding in Carnaby Resources, Syndicated retains a 17.5% free-carried interest in the Southern Hub tenements.

The completion of the agreement marked the final stage of the rationalisation of the Company's copper exploration portfolio in North-West Queensland and is consistent with Syndicated's strategy of crystallising value from its former extensive North-West Queensland exploration portfolio, while maintaining its focus on its WA-based gold projects.

Corporate**Cash Reserves**

As at 30 June 2019, Syndicated had cash reserves of \$511,000, no corporate debt and minimal long-term commitments.

Subsequent to the end of the Quarter, the Company received net funds of \$206,000 from the sale of listed securities.

Issue of Shares and Options to Newfield Resources Limited

On 20 May, the Company issued 30,000,000 fully paid ordinary shares and 10,000,000 unlisted options to Newfield Resources Limited as consideration for the exercise of the option to purchase the right to farm-into the Newfield Gold Project. The shares had a deemed issue price of 1 cent each and are subject to voluntary escrow expiring 20 May 2020. The options have an exercise price of 3.0 cents each, vested immediately and expire on 20 May 2022.

Shareholder Information

As at 30 June, Syndicated had 665,492,379 fully-paid ordinary shares on issue and approximately 1,058 shareholders.

The top 20 shareholders held approximately 55% of the Company's shares. Syndicated also had 28,666,666 unlisted options on issue exercisable at prices between 1.35 cents and 3.12 cents and expiring in August 2021, May 2022 and September 2022.

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

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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:

Monument Gold Project – Laverton, WA	
E39/1846	Granted
E39/1866	Granted
E39/2024	Granted
E39/2035	Granted
E39/2036	Granted
P39/5456	Granted
P39/5457	Granted
P39/5471	Granted
P39/5519	Granted
P39/5520	Granted
P39/5837	Granted
P39/5880	Granted
P39/5899	Granted
P39/5910	Granted

Mining tenements acquired during the Quarter and their location:

Tenement P39/5880 located at the Monument Gold Project near Laverton, WA was granted during the Quarter.

Mining tenements disposed of during the Quarter and their location:

Tenement P39/5154 located at the Monument Gold Project near Laverton, WA was relinquished during the Quarter.

An 82.5% interest in the Southern Hub (Fountain Range) tenements near Mt Isa, Queensland was sold to Carnaby Resources Limited during the Quarter. The Company retains a 17.5% interest in the following tenements: EPM9083, EPM11013, EPM14366, EPM14369, EPM17637, EPM18223, EPM18980, EPM19008, EPM25435, EPM25439, EPM25853 and EPM25972.

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

Farm-in Agreements

Under the terms of the farm-in agreement with Newfield Resources Limited, Syndicated has the right to earn up to 85% of the Newfield Project comprising tenements M77/422 and M77/846. Refer to the full terms detailed above.

Under the terms of the option agreement with Gateway Mining Limited the Company has purchased a 12-month Right to Purchase the Carterton Gold Project comprising tenement E77/2309. Refer to the full terms detailed above.

Farm-out Agreements

Nil.

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

Under the terms of the farm-in agreement with Newfield Resources Limited, Syndicated has the right to earn up to 85% of the Newfield Project comprising tenements M77/422 and M77/846. Refer to the full terms detailed above.

Under the terms of the option agreement with Gateway Mining Limited the Company has purchased a 12-month Right to Purchase the Carterton Gold Project comprising tenement E77/2309. Refer to the full terms detailed above.