

ASX ANNOUNCEMENT – 28 October 2013

SYNDICATED ANNOUNCES ENTITLEMENT OFFER TO RAISE UP TO \$2.17M TO UNDERPIN QUEENSLAND COPPER-GOLD EXPLORATION

Overview

- **One-for-three non-renounceable Entitlements Issue at 3.2 cents per Share to existing shareholders to raise up to \$2.17M.**
- **The Directors (5.48%) to take up their full entitlements under the issue.**
- **The Company's largest shareholder, CopperChem Limited (18.9%) may take up its entitlements under the offer to the extent that its interest does not exceed 19.9% of the Company's issued capital on completion of the Entitlements Issue.**
- **Existing shareholders, who take up their entitlements in full, may apply to participate in any shortfall which may be available under the Entitlement Issue. Shortfall shares will be placed at the discretion of the Directors.**
- **Proceeds from the Entitlements Issue to be used to continue exploration programs over the Company's key Queensland copper-gold projects as well as exploration activities associated with the Barbara Copper-Gold Project in joint venture with CopperChem.**
- **Entitlement Offer attractively priced to reward long-term shareholders.**
- **Blue Ocean Equities appointed as Lead Manager of the Offer and shortfall placement.**

Syndicated Metals Limited (ASX: SMD) ("Company") is pleased to announce that it is offering existing eligible shareholders the opportunity to participate in a non-renounceable entitlement offer on the basis of one fully paid ordinary share ("Share") for every three Shares held on the record date at an issue price of 3.2 cents per Share ("Entitlements Issue") to raise up to \$2.17 million. The issue price represents a 10.8% discount to the 10 day VWAP on the announcement date.

The funds raised will underpin ongoing copper-gold exploration programs at the Company's Barbara Project in North Queensland, including work associated with the recently announced Barbara Joint Venture with CopperChem Limited and regional exploration programs on surrounding tenements.

Under the Entitlement Issue, the Company will offer approximately 67.98 million Shares to shareholders with a registered address in Australia and New Zealand on the record date of 7 November 2013, on a 1-for-3 basis, at an issue price of 3.2 cents per Share.

CopperChem, which is Syndicated's cornerstone shareholder with a stake of 18.9% (38.6 million shares) may take up its entitlement to the extent it can without exceeding 19.9% of the expanded capital of the company on completion of the Entitlements Issue. The Company's Directors, and their associates, who have a combined holding of 5.84% (11.9 million shares) have indicated their intention to take up their entitlements in full.

The Entitlements Issue is not underwritten. Shareholders who apply for their full entitlement may also apply to participate in any shortfall available under the Entitlements Issue. Any shortfall will be placed at the discretion of the Directors.

Blue Ocean Equities are the Lead Manager to the issue and after allocation to existing shareholders will assist the Company with the placement of any remaining shortfall shares.

The Entitlements Issue will be undertaken pursuant to section 708AA of the Corporations Act and an offer document will be sent to eligible shareholders in accordance with the indicative timetable set out below.

Use of Proceeds

The funds raised from the Entitlements Issue will be applied to the following activities:

- exploration works associated with the Barbara Copper-Gold Project;
- exploration programs over the Company's Queensland copper-gold projects;
- corporate and working capital requirements; and
- the costs of the issue.

The Company's Managing Director, Andrew Munckton said the Entitlements Issue will provide all eligible shareholders with the opportunity to participate in a milestone capital raising.

"Following our recent deal with CopperChem, Syndicated has entered a new phase of its development, with an aggressive resource in-fill and extension drilling program underway at Barbara funded by CopperChem as part of their Barbara JV earn-in requirements, a Barbara JV exploration program covering exciting new prospects South West of Barbara, regional exploration due to commence in early 2014 and a Feasibility Study underway on developing the Barbara copper-gold deposit.

"With the backing and support of a strong and technically capable partner in CopperChem, the Company is in a strong position to move forward and realise value from its copper-gold assets in North Queensland while building a strong foundation to become a copper producer within the next 12-18 months."

Indicative timetable

An indicative timetable for the Entitlement Issue is set out below:

Release of Issue Document, Entitlements Issue Appendix 3B & Section 708AA Notice to ASX	28 October 2013
Letter to Shareholders	30 October 2013
“Ex” Date	31 October 2013
Record Date	7 November 2013
Despatch Issue Document and Entitlement and Acceptance Form to Eligible Shareholders	13 November 2013
Issue Opening Date	13 November 2013
Issue Closing Date	4 December 2013
Securities quoted on a deferred settlement basis	5 December 2013
ASX notified of under subscriptions	9 December 2013
Issue of New Shares under Entitlements Issue	12 December 2013
Normal ASX trading for New Shares commences	12 December 2013

These dates are indicative only. The Directors reserve the right to amend this timetable subject to the ASX Listing Rules and the Corporations Act.

ENDS

For further information:

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