

ASX ANNOUNCEMENT – 9 August 2016

SYNDICATED RAISES \$2.1M TO FAST-TRACK MAIDEN DRILL PROGRAM AT HIGHLY PROSPECTIVE WA GOLD PROJECT

RC and diamond drilling to commence within weeks at newly acquired Monument Gold Project

Key Points

- **\$2.1M capital raising at 2.1c comprising heavily oversubscribed \$1.995M share placement to sophisticated investor clients of Blue Ocean Equities and additional \$110,000 share placement to companies associated with Directors, subject to shareholder approval.**
- **Strongly supported placement sees the introduction of a number of prominent Australian institutional and high net worth investors to Syndicated’s share register.**
- **Proceeds will be used to fund the Company’s maiden drilling program at the recently acquired Monument Gold Project, located adjacent to Dacian Gold’s (ASX: DCN) Mount Morgans Gold Project in the Laverton region of WA.**
- **Initial phase of drilling planned to commence in September at the Korong prospect, to test the banded iron formation (BIF) horizon adjacent to and along strike from historical ore grade intercepts.**
- **Detailed geophysical (IP) programs will commence following the initial drilling covering the 16km strike length of the Korong – Waihi Trend to establish a pipeline of gold targets for subsequent drilling.**

Syndicated Metals Limited (ASX: SMD) (“Syndicated” or “the Company”) is pleased to announce that it has successfully raised a total of \$2.1 million to fast-track its maiden drilling program at the recently acquired **Monument Gold Project** in the Laverton region of Western Australia.

The capital raising, which is being undertaken at an issue price of 2.1 cents per share, comprises a heavily oversubscribed share placement to sophisticated and professional clients of Sydney-based Blue Ocean Equities, as well as some long-standing major shareholders of the Company, and an additional \$110,000 share placement to companies associated with its Directors, subject to shareholder approval.

The funds raised will allow Syndicated to immediately commence preparations for a planned 4,000m RC and diamond drilling program at the recently acquired Monument Project, which gives Syndicated a prime strategic position in one of Australia’s most prospective gold districts.

The Monument Project comprises a 210km² tenement package located 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).

The tenements contain a 16km strike length of the same banded iron formation (BIF) stratigraphy which hosts the key Westralia and Morgans North deposits at Mount Morgans.

Drilling is scheduled to commence in early September, to be followed by a major geophysical survey covering the entire prospective gold corridor at the Monument Project.

Syndicated's Managing Director, Mr Andrew Munckton, said the Company was delighted with the outstanding response from existing and new investors to the capital raising, with applications received for a total of more than \$4 million.

"This reflects the quality and potential of the Monument Gold Project – which represents a potentially transformational acquisition for Syndicated at a time when investor interest in the Australian gold sector is extremely high.

"The strategic location of the Monument Project, and the fact that it hosts similar geological structures to the nearby Mount Morgans Gold Project, is now well understood by investors. The proceeds of this capital raising will enable us to move rapidly to commence testing of the prospective horizon, with drilling commencing within weeks.

"The potential for us to make a significant new gold discovery in a prime Australian gold province is what is driving the very significant level of investor interest in Syndicated, including from a number of prominent institutional investors. We would expect this to increase further as we close in on our maiden drilling program.

"I would like to take this opportunity to thank the investors who have supported and participated in this important capital raising. We now have the financial capacity to move quickly to capitalise on this fantastic opportunity and deliver significant value for all of our shareholders."

Share Placement and Use of Proceeds

The share placement will be undertaken in two tranches. 95,000,000 fully paid ordinary shares in the capital of the Company will be issued shortly to sophisticated and professional clients of Blue Ocean Equities and some existing major shareholders of the Company under the Company's available placement capacity under Listing Rules 7.1 and 7.1A to raise \$1,995,000 (**Tranche 1 Placement**).

The balance of the Placement Shares (5,238,095 Shares) will be issued to companies associated with directors, subject to shareholder approval being obtained, also at an issue price of 2.1 cents per Share (**Tranche 2 Placement**) to raise \$110,000. It is expected that a meeting will be held in late September 2016 to seek this shareholder approval.

The Company will lodge Appendix 3B's in relation to the Placement upon settlement of the Tranche 1 Placement and Tranche 2 Placements respectively.

The funds raised will be used to fund the following activities:

- The Company's maiden drilling program at the Korong prospect, within the recently acquired Monument Gold Project located in the Laverton region of WA;
- A detailed geophysical survey of the entire 16km long Korong-Waihi trend;
- Follow-up drilling at Korong, Waihi and other identified targets following the maiden drilling and geophysical survey programs;
- Asset maintenance activities associated with the Company's Queensland copper-gold projects to ensure that the tenement holding is kept in good standing;

- General working capital and administrative expenses; and
- The expenses of the capital raising.

Syndicated has already commenced the process for drilling POW's (Program of Works) applications for the maiden drilling program at the Monument Gold Project, which will be undertaken on a granted Exploration Licence at the Korong prospect.

Subject to receipt of the required approvals, drilling should commence in September.

The initial program will comprise ~4,000m of Reverse Circulation and diamond drilling to test the mineralised horizon at Korong and drill through to the underlying footwall BIF. Further details regarding the upcoming drill program and planned IP geophysical survey will be provided in the lead-up to the exploration program.

About the Monument Project

The Monument Gold Project comprises a 210km² tenement package located ~55km west of Laverton in the world-class 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 four contiguous tenements (three of which are granted and one of which is pending) which lie immediately to the north-west of the 3.3Moz Mount Morgans Gold Project, currently being explored by Dacian Gold Limited (ASX: DCN) (refer Dacian Gold announcement 25 July 2016) (see Figure 1).

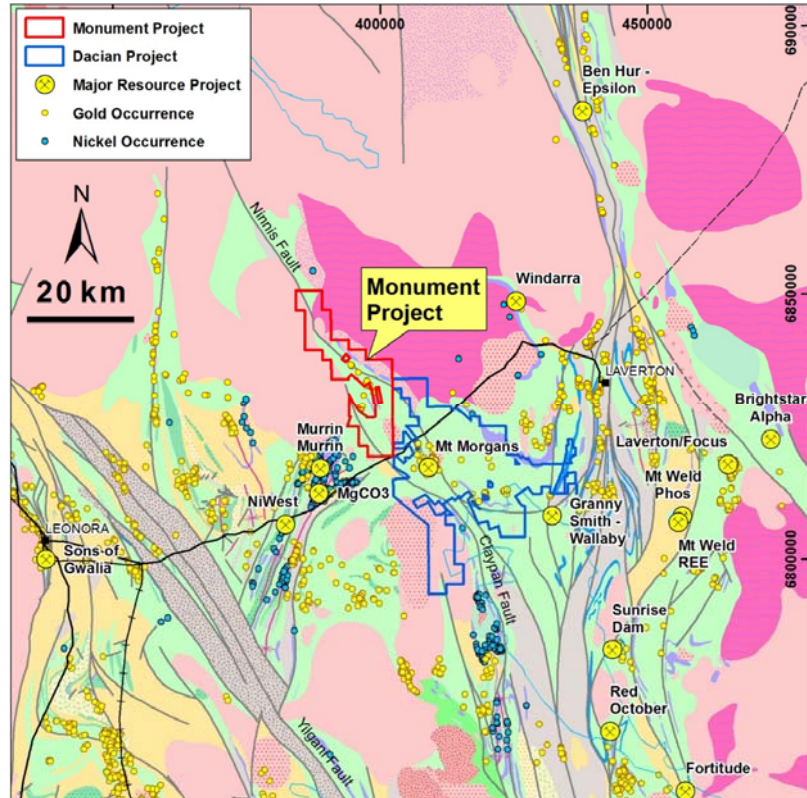


Figure 1 – Location of the Monument Gold Project showing regional geology and nearby mining operations

This area is a well-established mining district with excellent infrastructure and access including the sealed Leonora-to-Laverton road (which runs through the project), a new gas pipeline and a sealed airstrip at Laverton.

The Monument Gold Project tenements cover an approximate 25km strike length of the Ninnis and Claypan Fault Zones, the two significant regional geological structures which control gold and nickel mineralisation identified further south particularly at the Mount Morgans Gold Project (see Figure 1).

The acquisition provides Syndicated shareholders with exposure to an outstanding gold exploration opportunity in a world-class gold province. The Laverton Tectonic Zone has produced more than 30 million ounces of gold and yielded some of Australia's best known gold mines.

The last concerted phase of exploration on the Monument tenements was undertaken by Carpentaria Exploration and Western Mining Corporation in the late 1980s and early 1990s. Carpentaria Exploration drilled the Waihi and Korong prospects, both of which contain near surface historical gold workings, some dating back to the last century.

The Korong mine produced some 2,875t of ore at an average grade of 35.6g/t Au while the Waihi mine produced 424 tonnes of ore at an average grade of 67.9g/t Au. Most of these workings were abandoned by 1910.

A total of 142 historical drill holes have been recorded on the tenements, most of which were drilled under and immediately along strike of the historical workings at the Waihi and Korong prospects. Drilling rarely penetrated below the oxidized zone which in the area ranges from 20m to 80m. The last recorded drill hole was completed in 2003.

Exploration on the adjoining tenements by Dacian has highlighted the importance of the confluence of the Ninnis Fault Zones with the BIF/Ultramafic unit, which hosts the Westralia and Morgans North deposits in localizing high-grade gold mineralisation. The Korong and Waihi mineralisation further north displays similar quartz veining and sulphide alteration at contacts between the BIF/porphyry and ultramafic unit as seen at Westralia (see Figure 2).

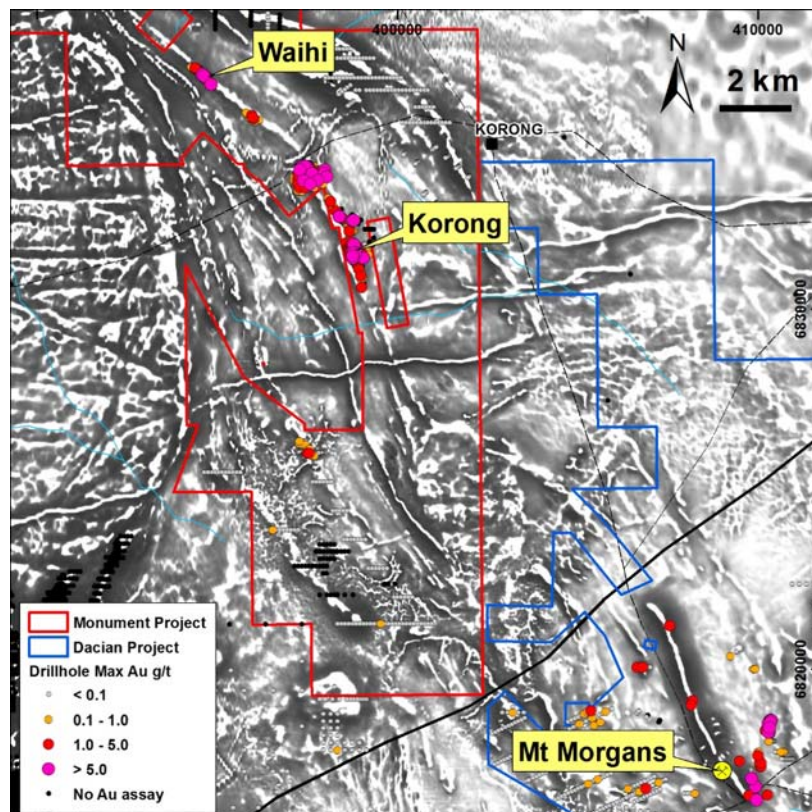


Figure 2 – Monument Project tenements showing the Korong and Waihi gold prospects over regional magnetics

Syndicated believes this horizon is highly prospective for gold discoveries, and intends to concentrate initially on the main 16km long Korong-Waihi trend as a focus for near-term exploration activities. For further information in relation to the Monument Gold Project please refer to the Company's ASX Announcement released on 27 July 2016.

Trading Halt

This Announcement ends the Company's trading halt requested on Friday 5 August 2016.

ENDS

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Competent Person's Statement

The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation 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.