

CONFIRMATION OF NUMBER OF PERFORMANCE RIGHTS PROPOSED TO BE ISSUED TO MANAGING DIRECTOR

Syndicated Metals Limited (ASX: SMD) advises that further to the Company's Notice of Annual General Meeting released to ASX on 23 September 2016, the volume weighted average price (**VWAP**) of the Company's shares for the 10 trading days prior to today's Annual General Meeting to be used in the calculation of the proposed issue of performance rights to Mr Andrew Munckton pursuant to Resolution 14 at today's Annual General Meeting is \$0.031.

As detailed in the explanatory memorandum to the notice of meeting, the number of performance rights proposed to be issued has been determined by dividing the dollar amount (Tranche A - \$28,564 and Tranche B - \$28,564) by the value (determined in accordance with a hybrid employee share option pricing model) of a performance right determined by reference to the above-mentioned VWAP of a share for the 10 trading days before the Meeting.

Based upon the above, the number of performance rights that may (subject to the passing of Resolution 14 at today's Annual General Meeting) be issued to Mr Munckton is as follows:

<u>Tranche</u>	<u>Number of Performance Rights</u>	<u>Vesting Conditions</u>	<u>Performance Period</u>
Tranche A	1,142,560	Tranche A performance rights will vest when the Company's VWAP per share for 10 trading days exceeds 1.5 times the price equal to the VWAP per share for the 10 trading days before the Meeting, being \$0.047.	4 years
Tranche B	1,241,913	Tranche B performance rights will vest when the Company's VWAP per share for 10 trading days exceeds 2.5 times the price equal to the VWAP per share for the 10 trading days before the Meeting, being \$0.078.	4 years

ENDS