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March 1<sup>st</sup> 2010

Manager Announcements  
Companies Announcements Office  
Australian Securities Exchange Limited  
Level 4, 20 Bridge Street  
Sydney NSW 2000

**BARBARA RESOURCES INCREASE TO 47,000 TONNES OF COPPER  
MAIDEN RESOURCE REPORTED TO JORC STANDARDS BASED ON EARLY  
STAGE DRILLING AT BARBARA NORTH LODE**

- Maiden Indicated and Inferred Mineral Resource estimated for the Barbara North Lode to the limit of early stage drilling of 740,000 tonnes at 1.23% Cu containing 9,100 tonnes of copper;
- Resource complements Syndicated's 100% owned Barbara South Lode resource of 38,000 tonnes of copper;
- Combined Indicated and Inferred resource for Barbara South and North Lodes increases to 3.1 million tonnes at 1.5% Cu at a 0.5% Cu cut-off containing an estimated 47,000 tonnes of copper;
- Both deposits remain open at depth with multiple targets along strike and in close proximity providing excellent potential for a significant expansion of Syndicated's existing resource inventory;
- Intensive campaign comprising 12,000 metres of resource expansion and exploration drilling to commence in March with regular flow of results anticipated.

***BARBARA NORTH LODE RESOURCE ESTIMATE***

**Syndicated Metals Limited (ASX:SMD) ("Syndicated")** is pleased to announce a Maiden Indicated and Inferred Mineral Resource Estimate based on the limit of early stage drilling of 740,000 tonnes at 1.23% Cu containing 9,100 tonnes of copper for the North Lode at its Barbara Copper Project in Northwest Queensland.

Hellman & Schofield Pty Ltd ("H&S"), an independent geological consultancy, was contracted by Syndicated Metals Limited ("Syndicated") to provide a resource estimate for the Barbara North Lode copper deposit.

The North Lode resource lies within the Leichhardt Joint Venture tenement (EPM16112) and is owned 51% by Syndicated and 49% by Mount Isa Metals Limited.

The deposit is approximately 300 metres along strike to the north of Syndicated's 100% owned Barbara South Lode resource of an estimated 38,000 tonnes of copper within EPM 15564. (Refer to the Appendix for details of the Barbara South Lode resource estimate.)

The total combined Indicated and Inferred resource for Barbara North and South Lodes is now approximately 3.1 million tonnes at 1.5% Cu at a 0.5% cut off containing an estimated 47,000 tonnes of copper.

The Barbara deposits are situated 50 kilometres northeast of Mount Isa within a structural zone termed the Barbara Fault consisting of semi-massive sulphide and stringer veins hosted in Mesoproterozoic-aged rhyodacitic volcanics. Refer to Figure 1 and Figure 2.

The early stage 2009 North Lode drilling focused on a limited area of the total Barbara mineralized zone and was carried out to a depth of 150 metres. Two RC drilling programs for 3125 metres in 27 holes were carried out at Barbara North Lode.

The mineralisation defined to date at North Lode has a 300 metre strike length, dips 50° to 60° to the south west and appears to have a moderate plunge to the south east to a depth of approximately 150 metres below surface. Refer to Figures 3 and 4. The mineralisation is open down plunge. Approximately 10% of the resource (in terms of tonnes) is within the oxidised and partially oxidised domains.

*Syndicated's Managing Director, Mr Russell Davis said the Company was encouraged by the results of its early stage drilling programs which had seen it build a substantial resource inventory in a short period of time.*

*"We believe we are well advanced towards achieving our goal of copper production and we are confident that our 2010 drilling program will give these plans a further boost," Mr Davis said. "We hold an extensive block of tenements in the highly prospective Mount Isa mining province and to date we have only scratched the surface."*

The Barbara North Lode resource estimates based on a 0.5% copper and 1% copper cut-off are tabulated below:

**Table 1: Barbara North Lode Resource Estimates – 0.5% Cu cut off**

Category	Tonnes	Cu %	Au g/t	Cu Tonnes	Au Ounces
Indicated	281,000	1.35	0.1	3,790	900
Inferred	459,000	1.16	0.1	5,310	1,480
<b>Total</b>	<b>740,000</b>	<b>1.23</b>	<b>0.1</b>	<b>9,100</b>	<b>2,380</b>

*(average density of 2.89t/m<sup>3</sup> for sulphide, 2.59t/m<sup>3</sup> for oxide; minor rounding errors; significant figures quoted do not imply precision and are used to minimize round-off errors)*

**Table 2: Barbara North Lode Resource Estimates - 1% Cu cut off**

Category	Tonnes	Cu %	Au g/t	Cu Tonnes	Au Ounces
Indicated	137,000	2.04	0.1	2,800	440
Inferred	185,000	1.83	0.1	3,380	600
<b>Total</b>	<b>322,000</b>	<b>1.92</b>	<b>0.1</b>	<b>6,180</b>	<b>1,040</b>

*(average density of 2.89t/m<sup>3</sup> for sulphide, 2.59t/m<sup>3</sup> for oxide; minor rounding errors; significant figures quoted do not imply precision and are used to minimize round-off errors)*

## **FORWARD PROGRAM**

Syndicated is set to commence a 12,000 metre RC and diamond drilling program aimed at expanding the resources at Barbara as well as testing a number of other advanced copper-gold targets in close proximity.

Initially work will focus on defining the down-plunge extensions of the high grade core of the Barbara South Lode outside the existing resource envelope.

The Company is confident this program, expected to commence in early March, will lead to a significant expansion of Syndicated's resource inventory in the Mount Isa province.

In addition we intend to progress regional exploration programs on the Company's extensive tenement holdings surrounding the Barbara and Kalman projects where outstanding potential exists for major new mineral discoveries.

Yours faithfully,



Russell Davis  
Managing Director

## **COMPANY BACKGROUND**

Syndicated is focused on the discovery and development of base metal deposits, principally in the mineral-rich Mount Isa region in Northwest Queensland.

Syndicated listed on the ASX in December 2007 and has since generated a significant metal resource inventory in the Mount Isa region comprising its interests in the Barbara (copper-gold) and Kalman South (molybdenum-rhenium-copper-gold) deposits.

The Mount Remarkable Project (including the Barbara copper deposit) comprises a group of mostly contiguous tenements covering over 1100 square kilometres. The project tenements are located about 60 kilometres northeast of Mount Isa within close proximity to existing infrastructure and are considered prospective for copper-gold and sediment hosted lead-zinc-silver style mineralisation. Historical uranium prospects are also present within the tenements.

Syndicated holds an interest in EPM13870 forming part of the Kalman molybdenum-copper-gold-rhenium deposit, where Syndicated is free carried to completion of a final feasibility study. An updated resource estimate was announced in September 2008 for the Kalman South project and scoping study work on the entire Kalman deposit is currently being undertaken by the joint venture partner.

In addition Syndicated has a 100% interest in the Exmouth project in Western Australia which is considered prospective for silver, base metals and uranium as well as phosphate.

Korea Zinc Company Ltd, through its Australian subsidiaries holds a 14.9% interest in Syndicated.

For further information on the Company, contact the Managing Director, Russell Davis on 0419195087 or view our website at: [www.syndicatedmetals.com.au](http://www.syndicatedmetals.com.au)

## **COMPETENT PERSONS' STATEMENTS**

The data in this report that relates to Exploration Results, the accuracy and quality of data forming the basis of all resource estimates, and the interpretation of mineralisation at Barbara North, are based on information compiled by Mr Mark Whittle 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 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Whittle is a full-time employee of Syndicated Metals Limited during the undertaking of the exploration work and he consents to the inclusion in the report of the Mineral Resource in the form and context in which they appear.

The data in this report that relates to Mineral Resources for the Barbara North Deposit is based on information evaluated by Mr Simon Tear 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 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Tear is a full-time employee of Hellman & Schofield Pty Ltd and he consents to the inclusion in the report of the Mineral Resource in the form and context in which they appear.

## MODELLING PARAMETERS

The Barbara North deposit is a series of structurally controlled sulphide lodes within rhyodacitic volcanics of the Tewinga Group. Mineralisation comprises semi-massive pyrrhotite/pyrite with chalcopyrite and chalcopyrite stringer veins hosted in Mesoproterozoic-aged volcanics.

The new resources are based on drilling results from Syndicated's 2009 RC drilling campaign. Syndicated supplied the drillhole database for the deposit, which H&S has accepted in good faith as an accurate, reliable and complete representation of the available data. H&S performed some validation of the data but responsibility for the quality of the data rests with Syndicated. The quality control procedures for assay and sampling used by Syndicated were reviewed by H&S and are considered appropriate, but responsibility for quality control resides solely with Syndicated.

The composite data used for modelling was selected by using approximate 0.2% Cu mineralisation wireframes with input from geological considerations. Resource estimation is based on 451 1m composites from 32 drillholes using a combination of Multiple Indicator Kriging ("MIK") and Ordinary Kriging for the Main Lode and Inverse Distance Squared for the two sub sections of the L2 Lode. Density for the fresh rock material was based on diamond drillcore density measurements from Barbara South that were used to establish a regression equation between iron, copper and also taking into account sulphur and oxidation. Details of the search parameters for the MIKmodel are included below:

<b>MIK Search 1 with 50% Expansion</b>	<b>Pass No 1</b>	<b>Pass No 2</b>	<b>Pass No 3</b>
X	10m	15m	15m
Y	40m	60m	60m
Z	40m	60m	60m
<b>Composite Data Requirements</b>			
Min Data	8	8	4
Max Data	32	32	16
Octants	4	4	2

The MIK model used a 20 by 10 by 5m panel with a 5 by 5 by 5m single mining unit. Classification of the resources is based on the following table:

	<b>Pass</b>
Indicated	1
Inferred	2-3

Reporting of the resources is based on a 0.5% copper cut off, constrained to within the mineralisation shapes using a volume adjustment factor. In addition a separation was made between fresh rock and weathered rock based on surfaces designed from the drillhole logging. H&S understand that Syndicated plans to selectively mine the copper deposit by an open pit method and the resources have been classified on this assumption.

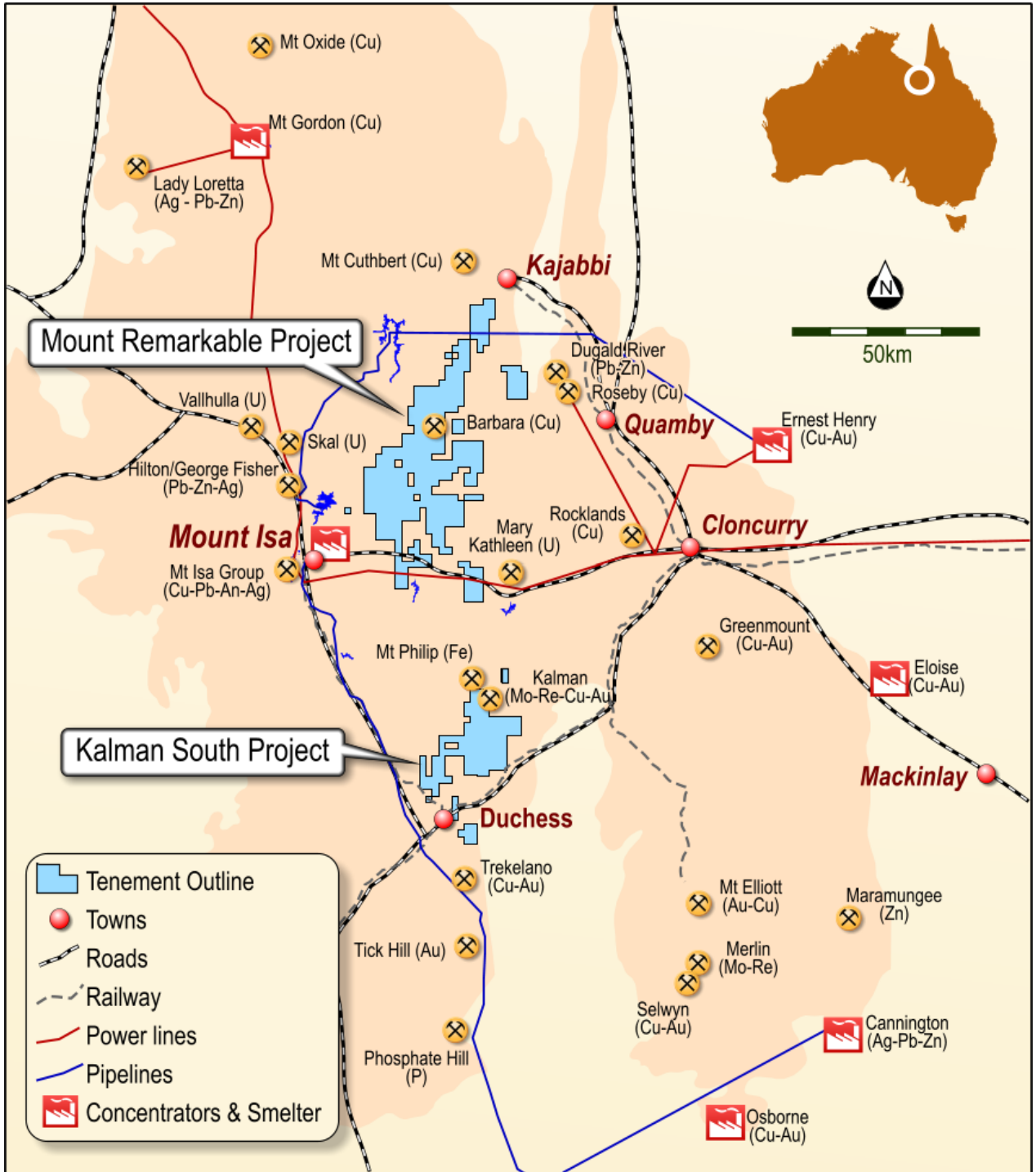


Figure 1: Project Location

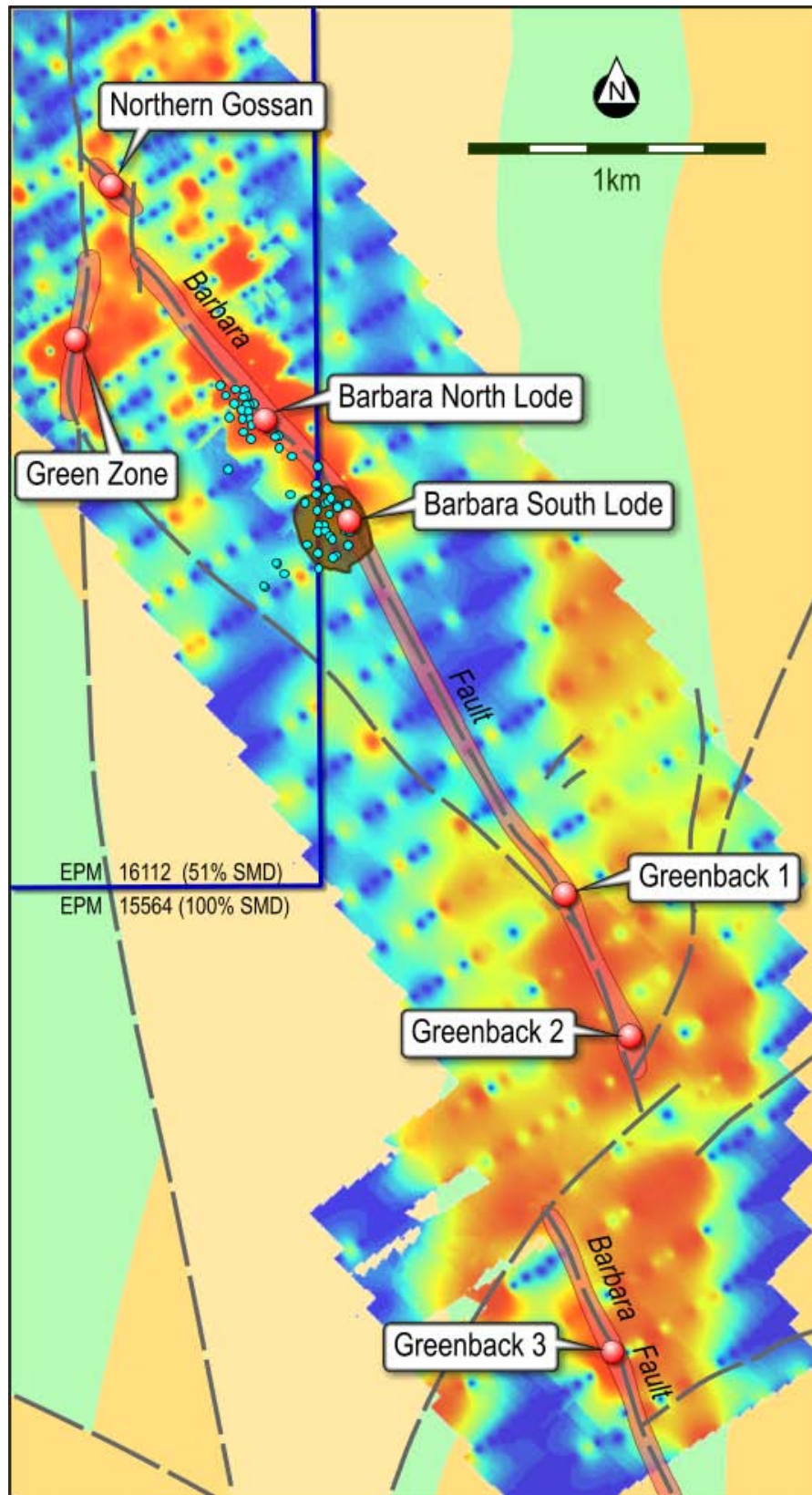


Figure 2: Barbara Copper Prospect – with Copper in Soils

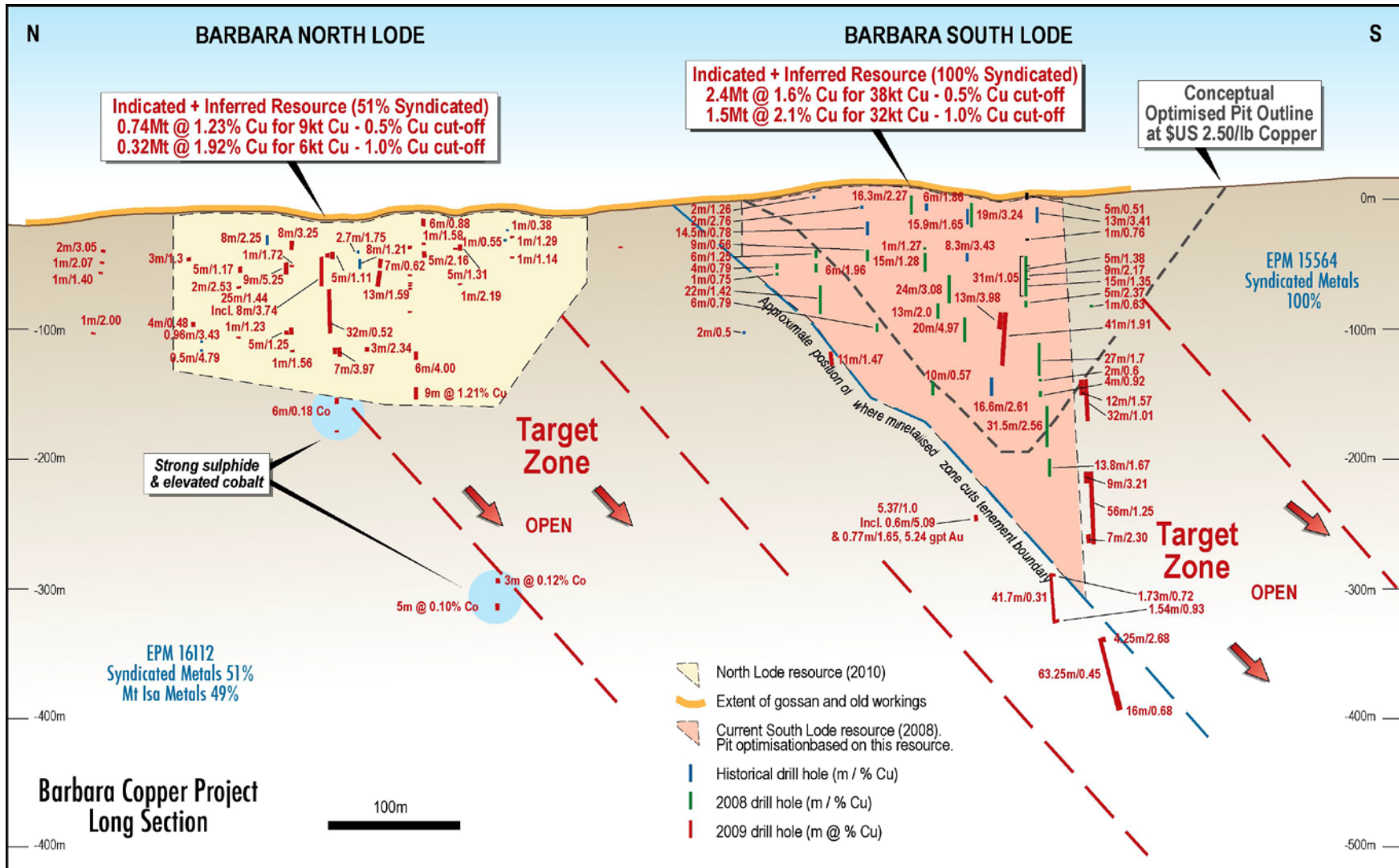


Figure 3: Barbara North and South Lodes Long Section

## APPENDIX

The Indicated and Inferred Mineral Resources for the Barbara Deposit (South Lode) as at October 2008 are tabulated below. Refer also to Syndicated's ASX announcement dated October 28<sup>th</sup> 2008 for details.

<b>0.5% Cu cut-off</b>					
<b>Category</b>	<b>Tonnes</b>	<b>Cu %</b>	<b>Au g/t</b>	<b>Cu Tonnes</b>	<b>Au ozs</b>
Indicated	400,000	1.51	0.17	6,000	2,200
Inferred	1,970,000	1.63	0.15	32,000	9,400
<b>Total</b>	<b>2,370,000</b>	<b>1.61</b>	<b>0.15</b>	<b>38,000</b>	<b>11,600</b>

<b>1% Cu cut-off</b>					
<b>Category</b>	<b>Tonnes</b>	<b>Cu %</b>	<b>Au g/t</b>	<b>Cu Tonnes</b>	<b>Au ozs</b>
Indicated	250,000	1.99	0.21	5,000	1,700
Inferred	1,280,000	2.11	0.19	27,000	7,600
<b>Total</b>	<b>1,530,000</b>	<b>2.09</b>	<b>0.19</b>	<b>32,000</b>	<b>9,300</b>

*(Based on modelled density, minor rounding errors may occur; significant figures quoted do not imply precision and are used to minimize round-off errors)*