

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT – 15 February 2017

SYNDICATED EXPANDS STRATEGIC FOOTPRINT IN WA'S HIGHLY PROSPECTIVE LAVERTON DISTRICT WITH ACQUISITION OF NEW TENEMENTS

Expands Monument Gold Project footprint with option agreement over neighbouring tenements

Highlights

- **Syndicated enters option agreement with private vendor to explore and acquire two strategic tenements, P39/5456 and P39/5457, located adjacent to its 100%-owned Monument Gold Project in WA.**
- **Tenements lie adjacent to and west of the recently identified A1 North IP anomaly and along strike to the north-west of the Waihi prospect at the Monument Project.**
- **Consideration for the 5-year option is \$10,000 plus 100,000 fully-paid Syndicated shares, with a further payment of \$250,000 and 200,000 fully-paid ordinary shares to be made on a Decision to Mine with a 2% royalty on gross revenue on production from the tenements.**
- **Together with the recently acquired prospecting licence P39/5471, Syndicated has now increased its total footprint at the Monument Project to 215 sq km. The Monument Project is located near Dacian Gold's (ASX: DCN) 3.2Moz Mt Morgans Gold Project.**
- **Exploration Licence E39/1866, which includes the A1 North IP anomaly and encompasses the majority of the Korong-Waihi trend, has now been granted, clearing the way for ground-based exploration programs to proceed.**
- **Preparations well underway to commence drilling of the A1 North IP anomaly, as outlined in the ASX Announcement of 9 February 2017.**

Syndicated Metals Limited (ASX: SMD – **Syndicated** or **the Company**) is pleased to advise that it has further consolidated its strategic position in the highly prospective Laverton gold district of Western Australia after reaching agreement to acquire two strategically located tenements immediately adjacent to its 100%-owned Monument Gold Project (see Figure 2).

Subject to completion of due diligence, Syndicated will acquire Prospecting Licences P39/5456 and P39/5457 from a private vendor under a 5-year option agreement which will allow it to immediately commence exploration activities to evaluate the potential of the tenements.

The tenements are strategically located immediately adjacent to and just west of the recently identified A1 North IP anomaly (see ASX Announcement – 9 February 2017) and along strike to the north-west of the Waihi prospect at the Monument Project (see Figure 1).

This is an important strategic addition to Syndicated's tenement package at the Monument Project, further consolidating its position in the Laverton district and potentially strengthening its pipeline of exploration opportunities in this exciting emerging district.

The consideration for the acquisition comprises a combination of cash and shares, payable in two tranches:

- Tranche 1 (payable at completion) – \$10,000 in cash and 100,000 fully-paid ordinary Syndicated shares at a deemed issue price of 2.3c; and
- Tranche 2 (payable on a Decision to Mine on the tenements) – \$250,000 in cash and 200,000 fully-paid ordinary Syndicated shares at a deemed issue price of 2.3c.

A 2% royalty on gross revenue on production from the tenements will also be payable.

Shareholder approval will not be sought for the issue of the Syndicated shares to the Vendor.

Together with the recently completed purchase, also from a private vendor, of Prospecting Licences P39/5471 and P39/5154 (which lie adjacent to the Korong-Waihi trend), Syndicated has increased the total size of its tenement holding in the Laverton district to 215 square kilometres, as shown in Figure 1 below.

This gives the Company a strong position in one of the most exciting gold districts in Australia, with the Monument Gold Project located just 20km from Dacian Gold's (ASX: DCN) 3.2Moz Mount Morgans Gold Project, where development of a significant new mine is currently underway.

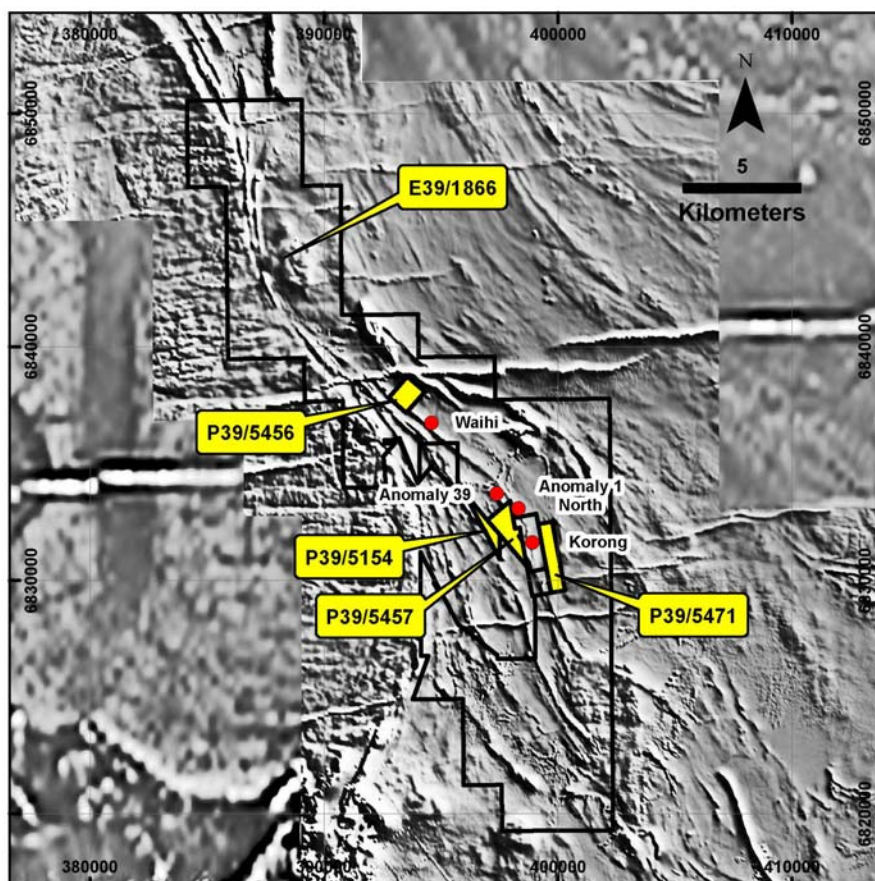


Figure 1 – Monument Gold Project showing new and existing tenements over regional magnetics, including location of the Korong-Waihi trend and newly discovered IP anomalies

Syndicated's Managing Director, Andrew Munckton, said the Company was pleased to have completed these strategic acquisition agreements, further strengthening its position in the exciting Laverton gold district.

"These are important additions to our ground-holding and, importantly, will allow us to adopt a more holistic view of the exploration potential of the area and formulate an exploration approach which is geared to unlocking the potential of the entire Korong-Waihi trend and potential parallel structures," he said.

"With the recent granting of Exploration Licence E39/1866, we are now focused on preparing for the imminent drilling campaign at the newly identified A1 North IP anomaly which, as outlined recently, represents a compelling exploration opportunity for the Company as well as a systematic assessment of the 16km long Korong-Waihi Trend."

About the Monument Project

The Monument Gold Project comprises a 215km² tenement package located approximately 55km west of Laverton in the 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 eight contiguous tenements (all of which are granted) which lie 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 2).

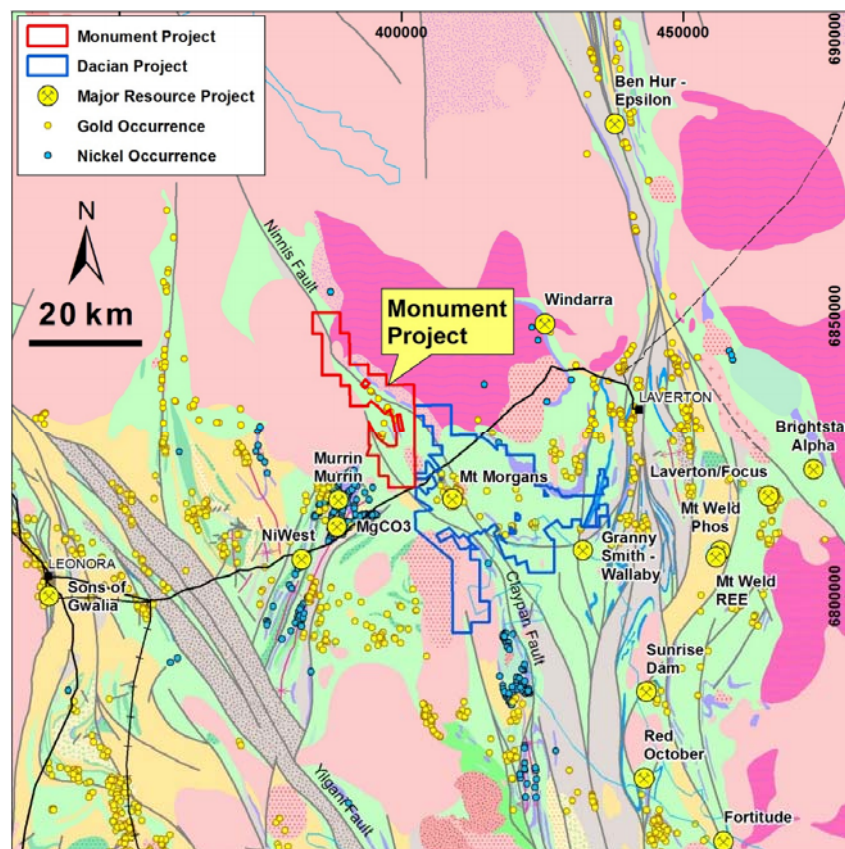


Figure 2 – Location of the Monument Gold Project showing regional geology and nearby mining operations

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