

QUARTERLY REPORT December 2007



HIGHLIGHTS

Kalman South Project

- Maiden Inferred Mineral Resource estimate announced for Kalman South copper-molybdenum-rhenium-gold project near Mount Isa in Queensland - Syndicated free carried to completion of final feasibility by JV partner, Kings Minerals NL (earning up to 70%);
- Infill drilling of Kalman deposit by Kings ongoing, along with an intensive program of regional exploration;
- New zones of copper-gold-molybdenum mineralization identified by Kings on Syndicated's ground to the south of the Kalman South deposit.

Mt Remarkable Project

- Preparation well underway for commencement of drilling of copper-gold targets by Syndicated on a number of prospects on the company's Mount Remarkable Project, also located in the Mt Isa region;

Corporate:

- Syndicated Metals Limited listed on ASX December 13th 2007 having raised \$6 million in its initial public offering;
- Exploration Manager appointed.

ASX Code: SMD

ABN 61 115 768 986

Market Capitalization
(at 31/12/2007) - undiluted
\$18.9 million (at \$0.33 per share)

Issued Capital
(at 31/12/2007)
57.35 million ordinary shares
6 million unlisted \$0.30 options

Cash: \$6.06 million

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Bruce McCullagh –
Executive Chairman &
Company Secretary

Russell Davis –
Managing Director

Andrew Dinning –
Non-executive Director

Jan Hope –
Non-executive Director

Mark Whittle –
Exploration Manager

CONTACT DETAILS

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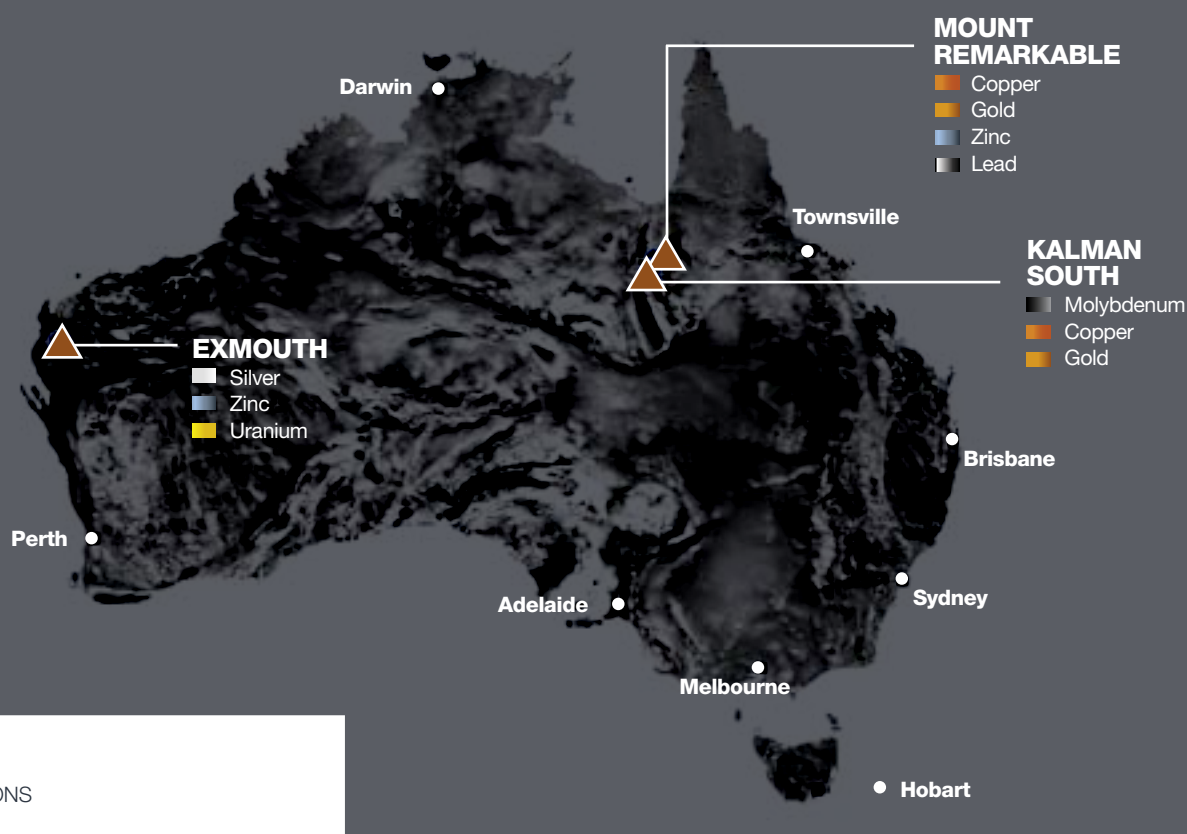


FIGURE 1
PROJECT LOCATIONS

Mount Isa Region Projects

Syndicated Metals Limited (“Syndicated” or “Company”) holds tenements covering over 1000 square kilometres within the Mount Isa Inlier. The Company considers the tenements to be prospective for copper-gold, copper-molybdenum-gold, lead-zinc-silver and uranium deposits.

The tenements form two project areas – the Kalman South Joint Venture located about 60 kilometres southeast of Mount Isa and the Mount Remarkable Project located about 60 kilometres to the northeast of Mount Isa. (Refer to Figure 2)

Kalman South Joint Venture (copper-molybdenum-gold)

The Kalman South Project comprises EPM 13870, a joint venture between Kings Minerals NL (“Kings”) (ASX: KMN) and Syndicated. EPM 13870 covers a significant portion of the Kalman copper-molybdenum-gold deposit which is open at depth and has significant potential for extensions along strike. The tenement also contains a number of other targets prospective for copper-gold+/- molybdenum that are yet to be drill tested.

Syndicated is free-carried on the Kalman South Project by Kings which has the right to earn a 51% interest in EPM 13870 by spending \$4 million, and up to a 70% interest in the tenement by completing a final feasibility study. (Refer to Figure 3)

Initial Mineral Resource Estimate

In a release to the Australian Securities Exchange (ASX) dated 20th December 2007, Kings announced an initial Inferred Mineral Resource estimate for the Kalman copper-molybdenum-rhenium-gold deposit. A copper domain and an internal molybdenum domain were modelled.

It should be noted that the initial resource estimate only reflects mineralisation modelled above the -100mRL level (approximately 500 metres below surface). However, mineralization has been intersected up to 700 metres below surface and the deposit remains open at depth.

The maiden Inferred Mineral Resource estimate reported by Kings for the Kalman Project totalled 49.7 million tonnes grading 0.35% Cu, 0.06% Mo and 0.16g/t Au, including a high grade “molybdenum domain” of 21.7 million tonnes grading 0.29% Cu, 0.12% Mo and 0.13g/t Au.

The southern part of the deposit as defined to date by Kings within EPM 13870 was reported at 29.4 million tonnes at 0.33% Cu, 0.06% Mo and 0.15g/t Au (See Table 1 below), including a high grade “molybdenum domain” of 13.5 million tonnes grading 0.25% Cu, 0.12% Mo and 0.12g/t Au.

TABLE 1: KALMAN INFERRRED MINERAL RESOURCE ESTIMATE WITHIN EPM 13870

| Domain | Cut-off Grade | Tonnes millions | Cu % | Mo % | Au g/t | Tonnes Cu | Tonnes Mo | Ounces Au |
|--------------|---------------|-----------------|-------------|-------------|-------------|---------------|---------------|----------------|
| Copper | 0.2 %Cu | 15.9 | 0.40 | 0.003 | 0.18 | 64,100 | 500 | 89,400 |
| Molybdenum | 0.02 %Mo | 13.5 | 0.25 | 0.12 | 0.12 | 34,100 | 16,200 | 51,300 |
| Total | | 29.4 | 0.33 | 0.06 | 0.15 | 98,200 | 16,700 | 140,700 |

For full details of the Mineral Resource Estimate, refer to the ASX release made by Kings on December 20th 2007.

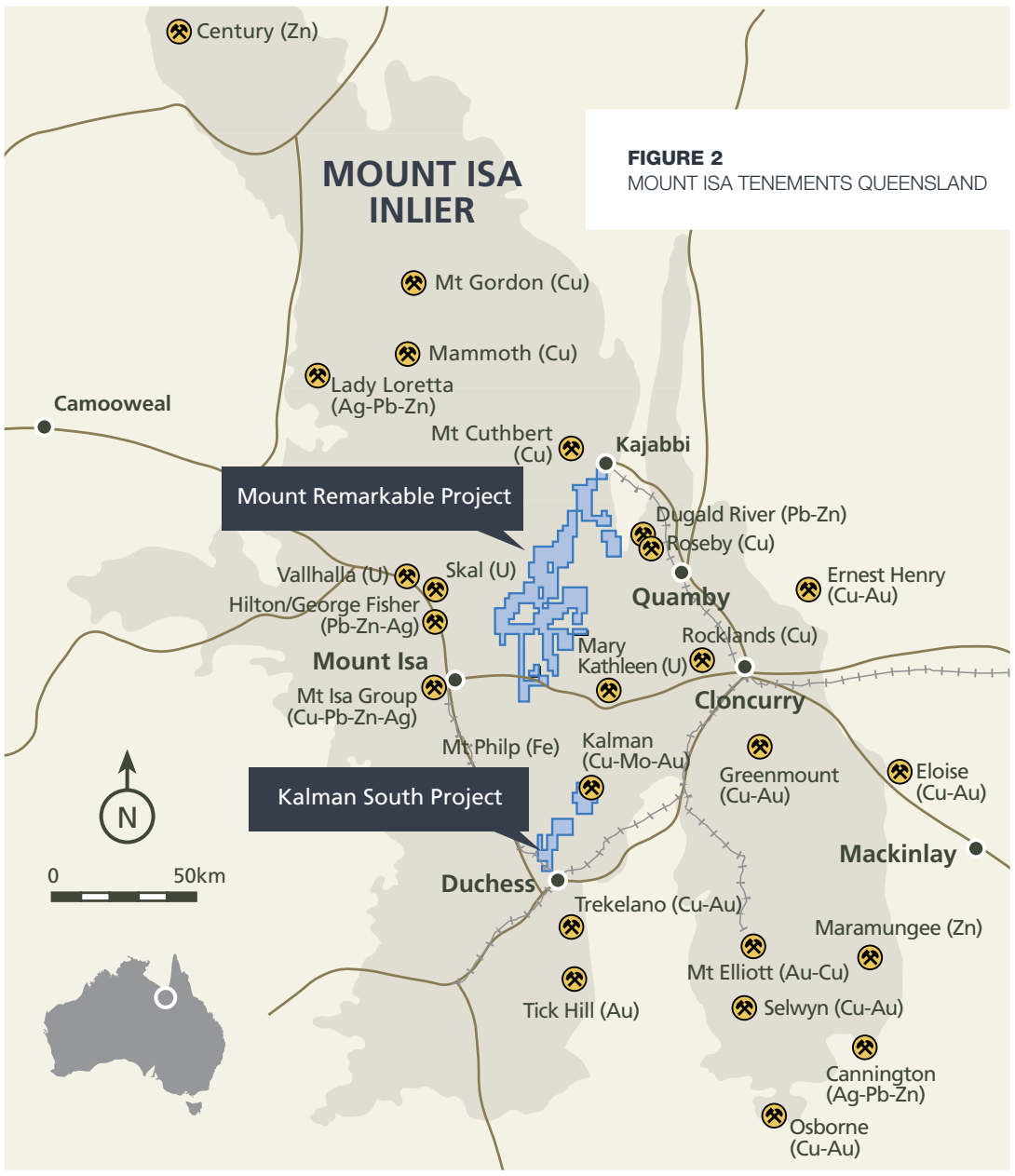
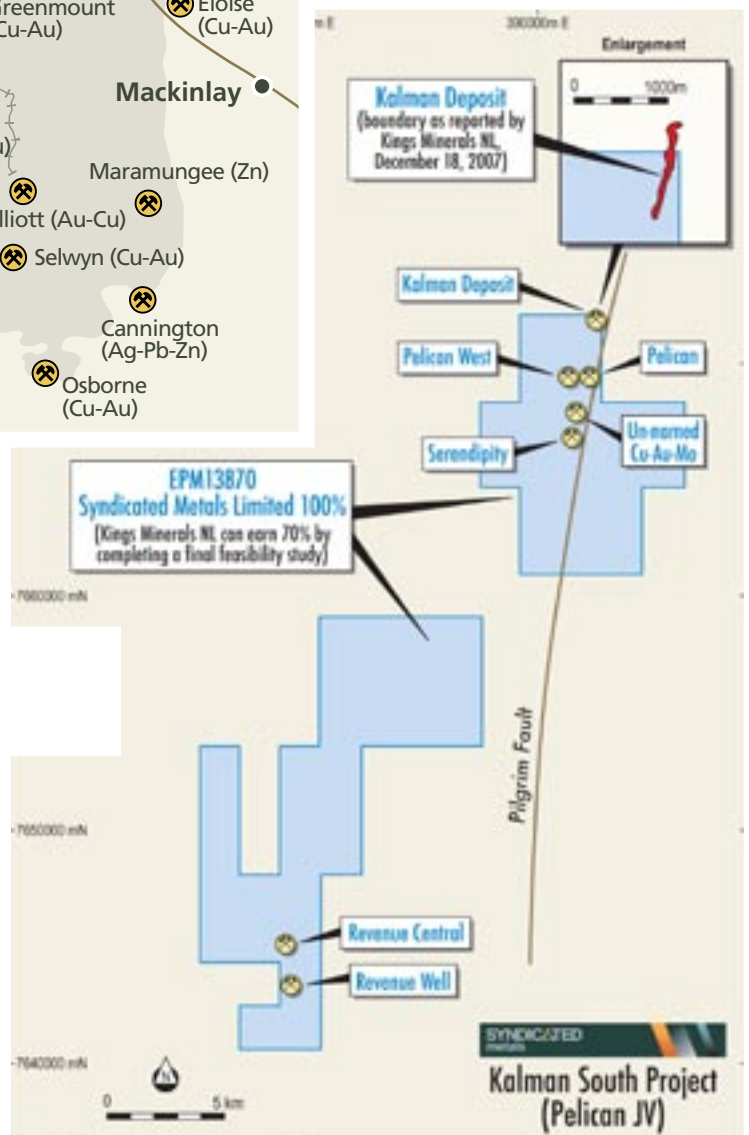


FIGURE 3
KALMAN SOUTH PROJECT



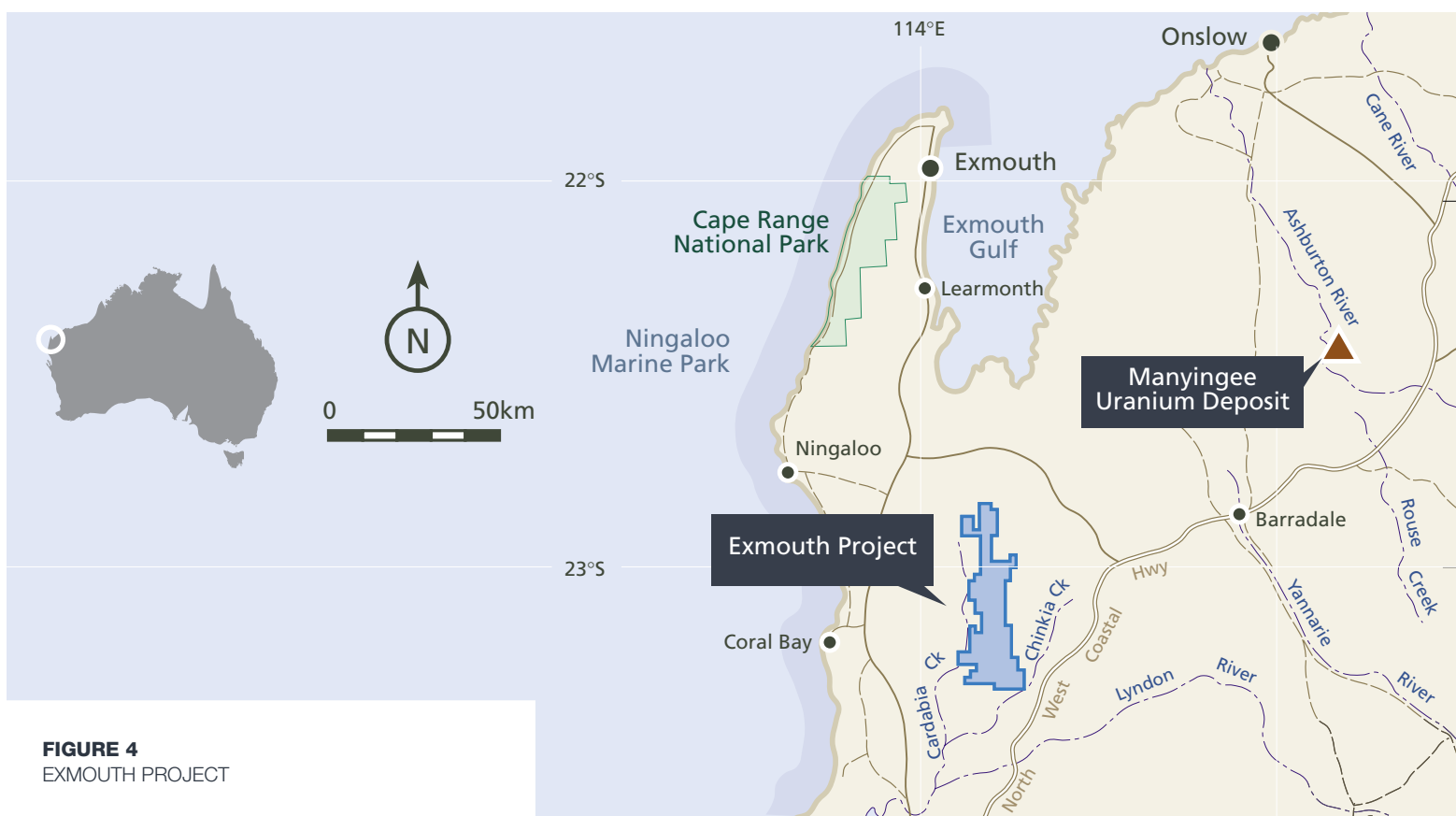


FIGURE 4
EXMOUTH PROJECT

Infill drilling update

In an update released to the Australian Securities Exchange (ASX) dated 18th December 2007, Kings announced that continuity of the molybdenum mineralization intersected at Kalman had been confirmed by initial 50 metre infill drilling. Significant high grade molybdenum mineralization intersected by drill holes within EPM 13870 included:

- 43m @ 0.27% MoS₂ from 200m in K-56;
- 53m @ 0.61% MoS₂ from 255m in K-58;
- 16m @ 0.31% MoS₂ from 191m in K-59; and
- 24m @ 0.24% MoS₂ from 239m in K61.

Regional Exploration Success

The mineralized shear system extends for more than five kilometres within EPM 13870. Reconnaissance exploration south of Kalman by Kings has identified two new zones of copper-gold+/-molybdenum mineralization. This sampling program is continuing with further updates expected to be reported by Kings on receipt of assay results. Previous drilling south of the Kalman deposit had returned:

- 6m @ 1.9% Cu and 0.65g/t Au;
- 8m @ 1.8% Cu and 0.5 g/t Au;
- 12m @ 0.7% Cu and 0.3% Pb; and
- 8m @ 0.7% Cu and 0.2% Zn.

Mount Remarkable Project (copper-gold, lead-zinc & uranium)

Syndicated's other interests in the Mt Isa region include the Mt Remarkable Project, located around 60 kilometres northeast of Mt Isa. This project, which comprises mostly contiguous tenements covering over 900 square kilometres are considered prospective for copper-gold, sediment hosted lead-zinc-silver and uranium mineralization.

Two tenement applications covering part of the Barbara copper prospect and the area surrounding the Blockade copper mine are in joint venture with Mount Isa Metals Limited ("MIM") with Syndicated holding 51% and management.

The heritage clearance process has been initiated at the Mount Remarkable tenements and, provided the clearances are received, drilling is expected to commence on several copper-gold targets in March 2008.

Exmouth Project (WA) (zinc-silver & uranium)

The Exmouth Project is considered to have potential for zinc and silver mineralization as well as sandstone-hosted uranium mineralization similar to the Manyingee uranium deposit located 100km to the northeast.

Field programs are planned for mid-2008. (Refer to Figure 4.)

Corporate

Syndicated listed on the ASX on December 13th 2007 after successfully raising \$6million in its initial public offering.

Mark Whittle was appointed as Exploration Manager, effective January 1st 2008. Mark is a geologist with substantial exploration and mining experience for a range of commodities in Australia and overseas. Mark has operated his own GIS/geological consultancy for the past 10 years.

The Company held A\$6.06 million in cash at the end of the quarter.



Russell Davis

Managing Director

The information in this report that relates to Exploration Results is based on information compiled by Russell Davis who is an Executive Director of Syndicated Metals Limited and a member of the Australasian Institute of Mining and Metallurgy. Russell Davis has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration 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". Russell Davis consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Mineral Resources for the Kalman deposit have been estimated by Mr Rob Stewart who is a Member of the Australian Institute of Geoscientists. Mr Stewart is a full-time employee of Kings Minerals NL and has sufficient experience in the estimation of Mineral Resources to qualify as a Competent Person as defined by the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Stewart consents to the inclusion of his resource estimate in the form and context in which it appears. Other information in this report that relates to exploration results and Mineral Resources is based on information compiled by Mr Trevor Leahey who is a member of the Australasian Institute of Mining and Metallurgy. Mr Leahey is a consultant to Kings Minerals NL and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and 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". Mr Leahey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

