

ASX ANNOUNCEMENT – 6 NOVEMBER 2019

ACQUISITION OF HIGHLY PROSPECTIVE EDJUDINA GOLD PROJECT IN WA'S LAVERTON DISTRICT

Landmark acquisition of a high-quality, advanced gold exploration project with belt-scale potential

HIGHLIGHTS

- Syndicated secures a second major land-holding in the Laverton Gold District of WA, with the purchase of an 80% interest in the highly prospective Edjudina Gold Project from Gateway Mining Limited (ASX: GML).
- The land-holding is in a prolific gold mining district, close to several major deposits including:
 - >10 Moz Sunrise Dam gold project (Anglogold Ashanti Limited) (ASX: AGG);
 - >2 Moz Carosue Dam gold mine (Saracen Mineral Holdings Limited) (ASX: SAR);
 - >0.5 Moz Red October gold project (Matsa Resources) (ASX: MAT).
- The Laverton District has historically produced greater than 30 Moz of gold, the southern part which remains relatively under-explored despite 30 years of work since the discovery of Sunrise Dam in 1988.
- Four granted tenements (approx. 280km²) with multiple gold anomalies located directly along strike from Matsa Resources Fortitude Gold Project (>385,000oz Au).
- Hornet Prospect¹:
 - > 5km² of surface and transition gold anomalies remain open and poorly tested.
 - Transition gold anomalism > 1 g/t Au in two shallow aircore holes with associated gold bearing plume stretching several hundred metres laterally and along strike.
- Phantom Prospect¹:
 - Surface and transition gold anomalies over approximately 6km that remain unexplained and poorly tested.
- Both prospects have a similar geochemical signature to the Tropicana Gold Project (> 6Moz Au), suggestive of potential to host a major gold deposit.

Syndicated Metals (ASX: SMD) is pleased to advise that it has entered into an agreement with Gateway Mining Limited (ASX: GML) to purchase 80% of the high quality Edjudina Gold Project in the southern Laverton District of Western Australia.

The acquisition of the Edjudina Gold Project will give Syndicated a significant position in a highly prospective, yet under-explored area of the prolific Laverton District with a strong pipeline of highly promising exploration targets and opportunities.

One of the key attractions of the Project is the geological similarity between the gold anomalies at Edjudina and the early stage exploration results from the >6 Moz Tropicana deposit owned by AngloGold Ashanti Australia Ltd (ASX: AGG) and Independence Group NL (ASX: IGO).

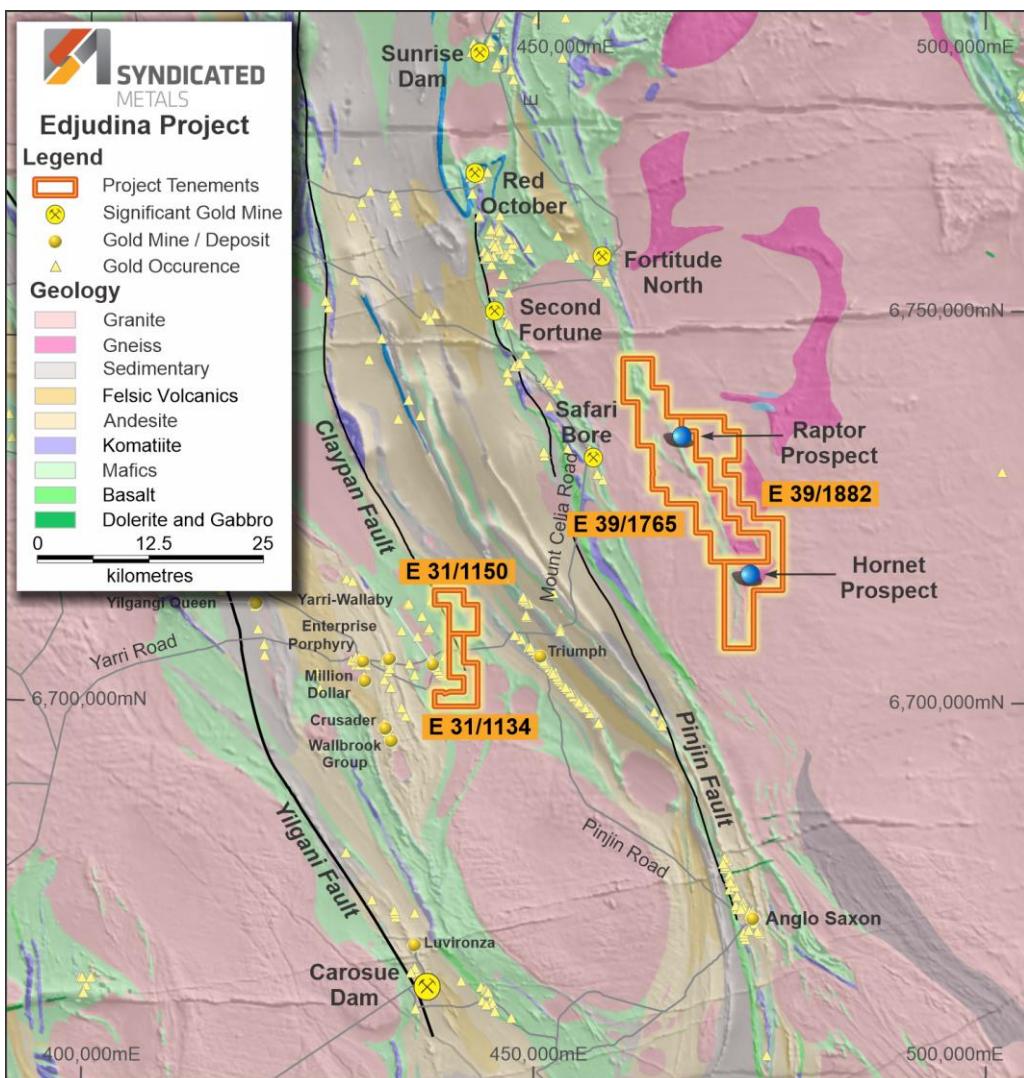


Figure 1: Regional location of the Edjudina Gold Project

The region continues to attract ongoing and strong interest with active exploration programs being undertaken by major and mid-tier operators including St Barbara, Saracen Minerals, AngloGold Ashanti and Apollo Consolidated among others.

EDJUDINA GOLD PROJECT DESCRIPTION

The Edjudina Project lies in the southern portion of the Laverton District, which is located around 700km north-east of Perth and hosts numerous major gold deposits, including AngloGold Ashanti's Sunrise Dam >10 Moz gold mine, Saracen Mineral Holdings (ASX: SAR) >2 Moz Carosue Dam gold mine and Matsa Resources (ASX: MAT) >0.5 Moz Red October gold mine (Figure 1).

The Project consists of four granted exploration tenements (E31/1134, E31/1150, E39/1765 and E39/1882) and is located in the highly mineralised Laverton Tectonic Zone of the Eastern Goldfields Province of the Yilgarn Craton and is considered prospective for gold and nickel-copper mineralisation (Figure 1).

The core of the project covers a strike extent of approximately 29km within the Linden Terrain east of the Pinjin Fault over a north-northwest trending sequence of prospective greenstone and is immediately along strike from Matsa Resources' Fortitude gold project (>385,000oz Au).

Previous work on the Edjudina tenure, mostly during the 1980's and 1990's, included soil sampling, geophysics (both airborne and ground-based), air core (AC) drilling and minimal reverse circulation (RC) drilling.

Several gold-in-soil anomalies were identified during previous exploration programs, in particular at two prospect locations, Hornet and Raptor (Figures 1, 2, 3 and 6). Both areas of soil anomalism were the subject of shallow AC drilling to the base of weathered rock and both demonstrated significant, lateral and strike extensive, unexplained transition gold anomalies.

Much of this exploration effort was undertaken at a time when the gold price was less than US\$300/oz and therefore the hurdles to mining were much higher than today, with gold prices currently around US\$1,500/oz.

Of particular interest is the Hornet Prospect, where two intervals at the transition from weathered rock to fresh rock, within what is logged as a mafic-rich variant of basement, remain open and unresolved (see Figures 2 & 3).

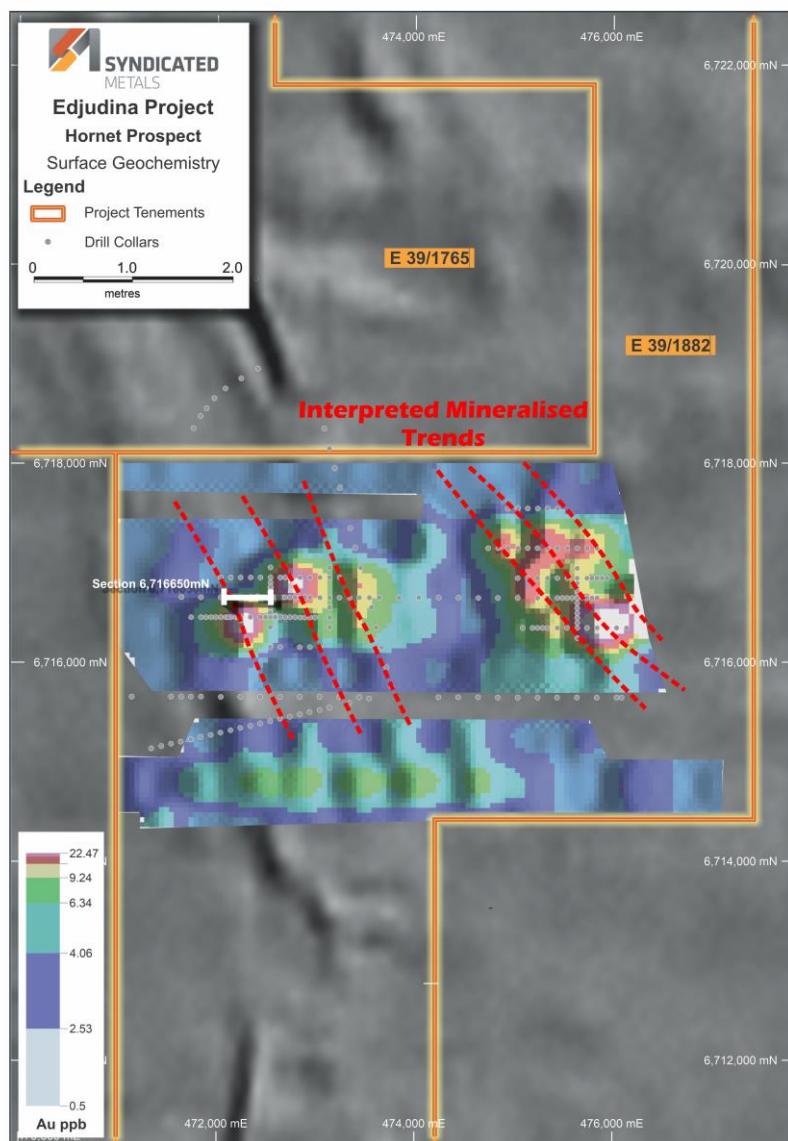


Figure 2: Hornet Prospect surface geochemistry with historic AC and RC drill collars¹

1. Drilling and assay data sourced from the Dept of Mines, Industry, Regulation and Safety (DMIRS) open file databases and reports submitted to the Western Australian Geological Survey.

A small program of ineffective RC drilling was completed at Hornet but the holes drilled were testing a geophysical anomaly and missed the more prospective geochemical/geological targets.

The more prospective transition anomaly intersections included ¹:

- **3m @ 1.6 g/t Au** (from 41.0m to EOH in hole 1650/7250), including **1.0m @ 4.6 g/t Au**; and
- **1.0m @ 2.0 g/t Au** (from 47.0m in hole 1650/7247)

These two intersections, in context, present as very similar in nature to the early intersections at the multi-million-ounce Tropicana gold deposit further east. Tropicana also exhibited a very similar soil anomaly to that present at Hornet and Raptor.

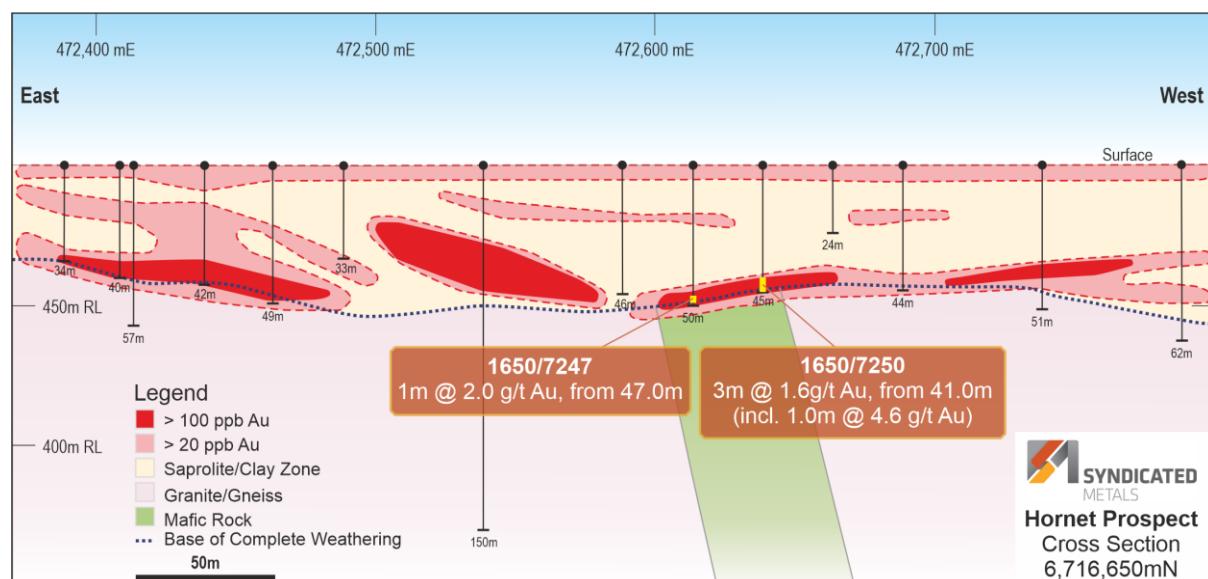


Figure 3: Hornet Prospect section 6,716,650mN (+/- 50m) ¹

Figures 4 and 5 provide an example of an early soil anomaly and drill section from Tropicana. It is worth noting the same gold depletion within the saprolite as that present at both Hornet and Raptor and a very similar tenor and size soil anomaly derived from sampling sand dominated regolith was present at Tropicana.

It wasn't until drilling was conducted beneath the base of complete weathering at Tropicana that the true nature and extent of the primary mineralisation was understood. Prior to the deeper drilling, a very similar scenario to that which is present at both Hornet and Raptor existed.

1. Drilling and assay data sourced from the Dept of Mines, Industry, Regulation and Safety (DMIRS) open file databases and reports submitted to the Western Australian Geological Survey.



Figure 4: Tropicana Deposit – Early Soil Geochemistry ²

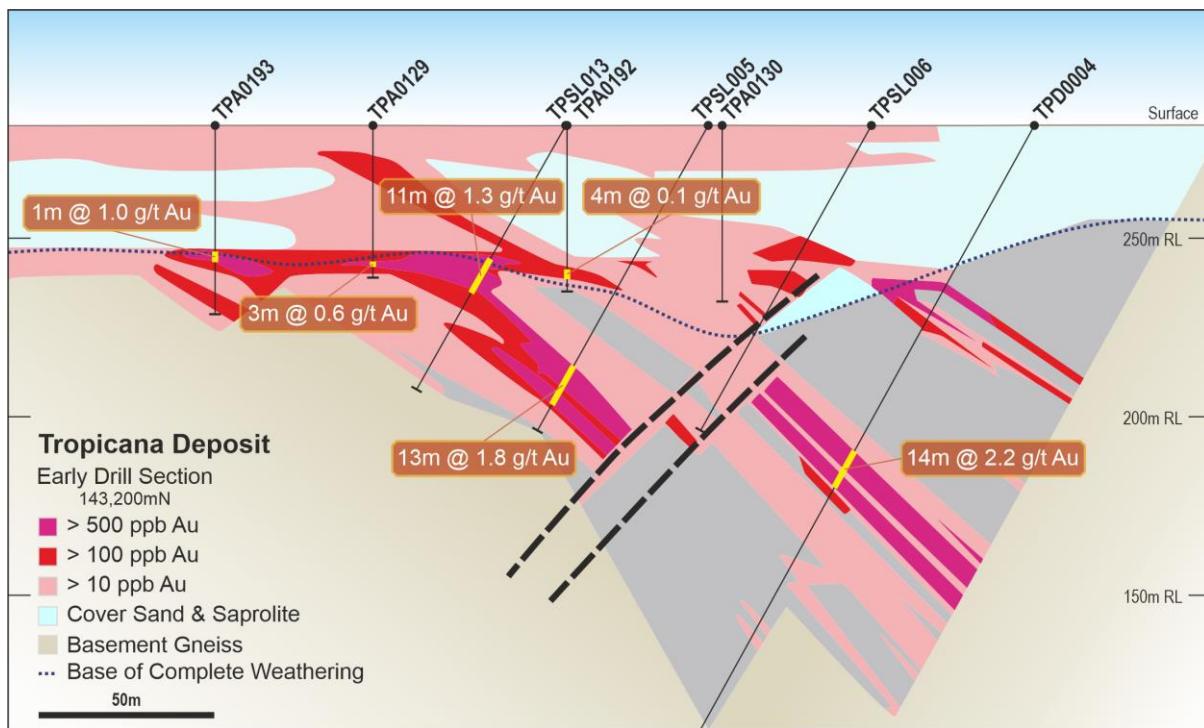


Figure 5: Tropicana Deposit – Early Drill Section 143,200mN ²

2. Modified from Doyle ,M., 2007 Tropicana gold deposit: Geology and Exploration. Anglogold Ashanti Ltd. Proterozoic mineralisation in Western Australia conference. Western Australia Institute of Geoscientists Western Australian Branch unpublished abstract.

Shallow air-core drill testing at the Raptor prospect (Figure 6) demonstrated a potential relationship between surficial soil and transition bedrock gold anomalism with shallow AC drilling along the anomaly failing to penetrate below the transition into true fresh rock and failing to explain adequately the source of what is a very large, very continuous gold anomaly.

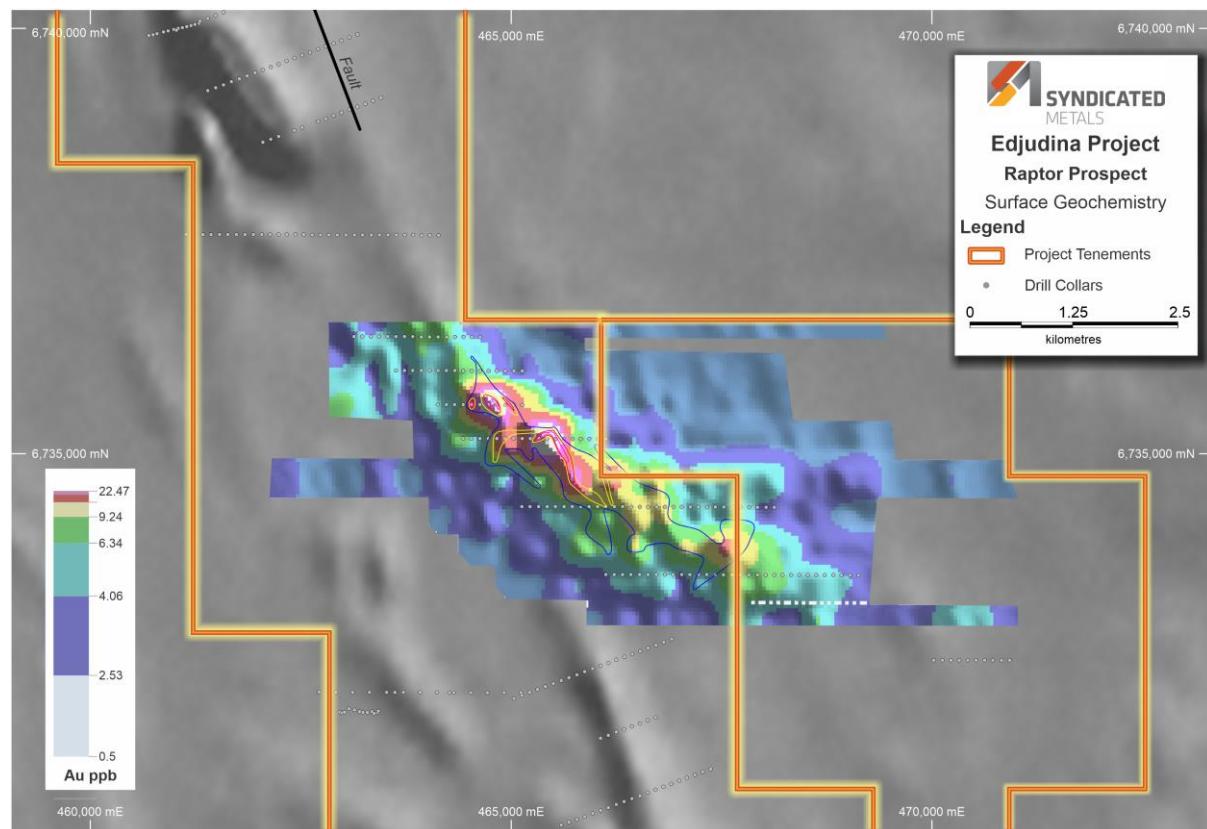


Figure 6: Raptor Prospect surface geochemistry with historic AC drill collars¹

ACQUISITION TERMS

Edjudina Project – Gateway Mining Limited (ASX: GML)

Under the terms of the purchase agreement, signed with Gateway Projects Pty Ltd, a wholly-owned subsidiary of Gateway Mining Limited (ASX: GML), Syndicated has the right to purchase an 80% interest in the four exploration tenements comprising the Edjudina Gold Project. The key terms of the agreement are:

- SMD will conduct a due diligence process by 30 November 2019. Completion of the agreement is conditional upon SMD being satisfied with the results of that due diligence process, and
 - At completion, SMD will pay Gateway Projects \$250,000 in consideration. SMD may elect, at its sole discretion, to pay up to \$200,000 of the consideration in SMD shares (based on the 5-day VWAP at the date of execution of the agreement); and
 - SMD will grant Gateway Projects a 1.5% royalty on future production greater than 200,000oz of gold or equivalent; and
 - Syndicated and Gateway Projects will enter into a joint venture in respect of the Edjudina Gold Project. Syndicated will manage the joint venture and Gateway Projects will be free carried until a decision to mine.
1. Drilling and assay data sourced from the Dept of Mines, Industry, Regulation and Safety (DMIRS) open file databases and reports submitted to the Western Australian Geological Survey.

PLANNED EXPLORATION PROGRAMS

The Edjudina Gold Project hosts a number of exploration targets, particularly the Hornet and Raptor prospects, that will be progressively tested, with the aim of defining their geological drivers and the sources of the gold anomalies.

Exploration programs at Edjudina are expected to commence once approvals from the Department of Mines, Industry, Regulation and Safety (DMIRS) are received.

MANAGEMENT COMMENT

Syndicated's Managing Director, David Morgan, said the acquisition of the Edjudina Gold Project represented another exciting and potentially company-making exploration opportunity in a premier WA gold mining district.

"With the addition of the Edjudina Project to our growing portfolio of highly prospective gold projects in Tier-1 WA locations, the Company is well positioned to benefit from exploration success in the current strong gold price environment," he said.

"Of particular interest is the tantalising geological similarity between Edjudina and the early discovery stages of the 6Moz Tropicana Gold Project. We are really looking forward to getting on the ground and putting this theory to the test with systematic exploration programs."

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Competent Person Statement

The information in this announcement that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Peter Langworthy 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 Langworthy is the Non-Executive Chairman of Syndicated Metals Limited and consents to the inclusion in the announcement of the Exploration Results in the form and context in which they appear.

TABLE 1 – SIGNIFICANT INTERCEPTS (1.0g/t Au cut-off)¹

HOLE ID	Tenement	Hole Type	Northing (m)	Easting (m)	Depth (m)	Dip	Azi	From (m)	To (m)	Interval (m)	Au (g/t)
1650/7247	E39/1882	Aircore	6716657	472613	50	-90	360	47	48	1	2.0
1650/7250	E39/1882	Aircore	6716657	472638	45	-90	360	41	44	3	1.6
				<i>Including</i>	45	-90	360	42	43	1	4.6

1. Drilling and assay data sourced from the Dept of Mines, Industry, Regulation and Safety (DMIRS) open file databases and reports submitted to the Western Australian Geological Survey.

APPENDIX 1 – JORC CODE 2012 EDITION TABLE 1

Criteria	JORC Code explanation	
Section 1 - Sampling Techniques and Data		
Sampling techniques	<ul style="list-style-type: none"> <i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	Historic Drilling <ul style="list-style-type: none"> Due to the historic nature of the drilling results reported herein, it is not possible to comment on the quality of the sampling used to produce the results described. Results were obtained from historic reports submitted to the Western Australian Geological Survey.
Drilling techniques	<ul style="list-style-type: none"> <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	Historic Drilling <ul style="list-style-type: none"> Drilling was completed using standard aircore and RC methods.
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	Historic Drilling <ul style="list-style-type: none"> Due to the historic nature of the drilling results reported herein, it is not possible to comment on the recoveries achieved at the time. Only sporadic reference to recovery was made in historic logs.
Logging	<ul style="list-style-type: none"> <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	Historic Drilling <ul style="list-style-type: none"> All drilling was logged in detail. Qualitative: Lithology, alteration, mineralisation etc. All holes for their entire length appear to have been logged.

Sub-sampling techniques and sample preparation <ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	Historic Drilling <ul style="list-style-type: none"> Due to the historic nature of the drilling results reported herein, it is not possible to comment on the method of sampling, sampling techniques and sample preparation methodology.
Quality of assay data and laboratory tests <ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibration factors applied and their derivation, etc.</i> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	Historic Drilling <ul style="list-style-type: none"> Due to the historic nature of the drilling results reported herein, it is not possible to confirm the method of assay or analytical technique however it is assumed that industry standard methods were used. No description of specific QAQC protocols are provided in the historic reports.
Verification of sampling and assaying <ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	Historic Drilling <ul style="list-style-type: none"> Due to the historic nature of the drilling results reported herein, it is not possible to verify any of the results.
Location of data points <ul style="list-style-type: none"> <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	Historic Drilling <ul style="list-style-type: none"> Drillholes were located using handheld GPS.
Data spacing and distribution <ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> <i>Whether sample compositing has been applied.</i> 	Historic Drilling <ul style="list-style-type: none"> Due to the historic nature of the drilling results reported herein, they will not be suitable for use in a Mineral Resource estimation.

Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	Historic Drilling
Sample security	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	Historic Drilling
Audits or reviews	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	Historic Drilling

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APPENDIX 1 – JORC CODE 2012 EDITION TABLE 2

Criteria	JORC Code explanation	
Section 2 – Reporting of Exploration Results		
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> The tenements are granted exploration tenements and are 100% owned by Gateway Projects Pty Ltd, a wholly owned subsidiary of Gateway Mining Limited (ASX:GML)
Exploration done by other parties	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Exploration has been undertaken by several companies over time including but not limited to Dominion Mining, Arimco Mining Limited and Delta Gold. This work was largely limited to surface geochemistry, surface geophysics and shallow aircore and RAB drilling with only minor deeper RC drilling being undertaken.
Geology	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> Exploration is for shear hosted gold and komatiitic nickel deposits typical of the Yilgarn Region of Western Australian
Drill hole Information	<ul style="list-style-type: none"> <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <i>Easting and northing of the drill hole collar</i> <i>Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>Dip and azimuth of the hole</i> <i>Down hole length and interception depth</i> <i>Hole length.</i> <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> Refer to Table 1 within this Announcement.
Data aggregation methods	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> N/A

Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	Historic Drilling <ul style="list-style-type: none"> Mineralisation is poorly understood and no comments on its nature can be made with confidence at this stage.
Diagrams	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> Refer to figures within this Announcement.
Balanced reporting	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> N/A
Other substantive exploration data	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> All meaningful and material information is reported.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Drilling is planned to test deeper targets.