

July 13<sup>th</sup> 2011

## NEW JV AGREEMENT SECURES ADDITIONAL STAND OUT COPPER & GOLD TARGETS

### HIGHLIGHTS

- **JV agreement with Deep Yellow Limited over 4 tenements highly prospective for copper-gold deposits adjacent to Syndicated's Mount Remarkable project;**
- **Tenements contain several prime drill ready copper-gold targets;**
- **First drilling scheduled to commence at Yamamilla in 4<sup>th</sup> Quarter.**

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**Syndicated Metals Limited (ASX:SMD)** (Syndicated) is pleased to advise that it has signed a farmin and joint venture agreement with **Deep Yellow Limited (ASX:DYL)** (Deep Yellow) over four tenements adjacent to its Mount Remarkable Project near Mount Isa in Northwest Queensland (See Figure p3.)

The joint venture applies to all minerals excluding uranium.

The tenements are considered highly prospective for iron oxide copper gold (IOCG) deposits and complement Syndicated's Mount Remarkable tenements, where the Barbara copper-gold deposit is advancing towards development, and Kalman where a drilling program commenced recently targeting near-surface copper-gold mineralisation.

In particular EPM14281 (Yamamilla) contains several prime drill-ready targets with outcropping copper mineralisation with co-incident VTEM, magnetic and geochemical anomalies which were defined by a previous explorer but not drilled.

The targets are located just 10 kilometres from Syndicated's Barbara copper-gold deposit and within the Prospector trend which contains known IOCG-style alteration systems. Syndicated's new Bloodwood prospect discovered in late 2010 is located at the northern end of this trend.

Commenting on the Joint Venture agreement, Syndicated's Managing Director Mr Russell Davis said: "The tenements contain a number of stand out gold and base metals targets which are particularly attractive to Syndicated because of their potential to complement our existing Barbara and Kalman resources. We expect that copper and gold mineralisation discovered on these tenements will positively impact on our development strategy in the Mount Isa region."

### DIRECTORS & MANAGEMENT

**Martin Pyle**

Chairman

**Russell Davis**

Managing Director

**Bruce McCullagh**

Non-Executive Director

**Jan Hope**

Non-Executive Director

**Ki Deok (KD) Park**

Non-Executive Director

**Mark Whittle**

Exploration Manager

### CORPORATE

**ABN 61 115 768 986**

**Market Capitalisation**

(8/7/2011)

\$16 million (at 16c per share)

**Issued Capital** (8/7/2011)

104.25 million ordinary shares

21.5 million unlisted options

6.95 million listed 20c options

**Cash** (31/3/2011): \$3.85 million

### CONTACT DETAILS

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**Postal Address**

GPO Box 2810 Perth WA 6000

**ASX CODE**

SMD



**Key Points of Agreement**

- The joint venture includes four tenements - EPM14281 (Yamamilla), EPM14916 (Ewen), EPM16533 (Crocodile Creek) and EPM15070 (Prospector) and encompass an area of 650 km<sup>2</sup>;
- Syndicated can earn up to 80% equity in the non-uranium mineral rights through expenditure of \$800,000 over four years;
- Syndicated to then sole fund the joint venture until delivery of a Mining Study. At this time Syndicated has the option to purchase the remaining 20% interest in the joint venture at fair market value. If Syndicated does not elect to exercise that option then Deep Yellow can either participate in mining operations, convert to a 3% NSR, or sell its remaining interest to a third party (subject to Syndicated's first right of refusal);
- Syndicated must expend \$150,000 in the first 18 months and it may elect to withdraw from the joint venture at any time provided it has spent a minimum of \$150,000.

**Competent Person's Statement**

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Russell Davis 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 Davis is a full-time employee of Syndicated Metals Limited and consents to the inclusion in the report of the Exploration Results and Mineral Resources in the form and context in which they appear

**Company Background**

Syndicated is focused on building a substantial, long-term base metals and gold business in the Mount Isa region mining province of Northwest Queensland, one of Australia's premier base metals mining regions.

The Company is building on its already significant metal resource inventory in the Mount Isa region where it now controls tenements covering an area of over 4,000km<sup>2</sup>. Syndicated's key projects include Mount Remarkable where the Barbara copper-gold resource is advancing towards production and the Kalman (molybdenum-rhenium-copper-gold) deposit. These projects are both located within 60 kilometres of existing infrastructure at the Mount Isa mining centre with near surface copper-gold at Kalman considered likely to complement the existing resources at Barbara, boosting the potential for early mine development.

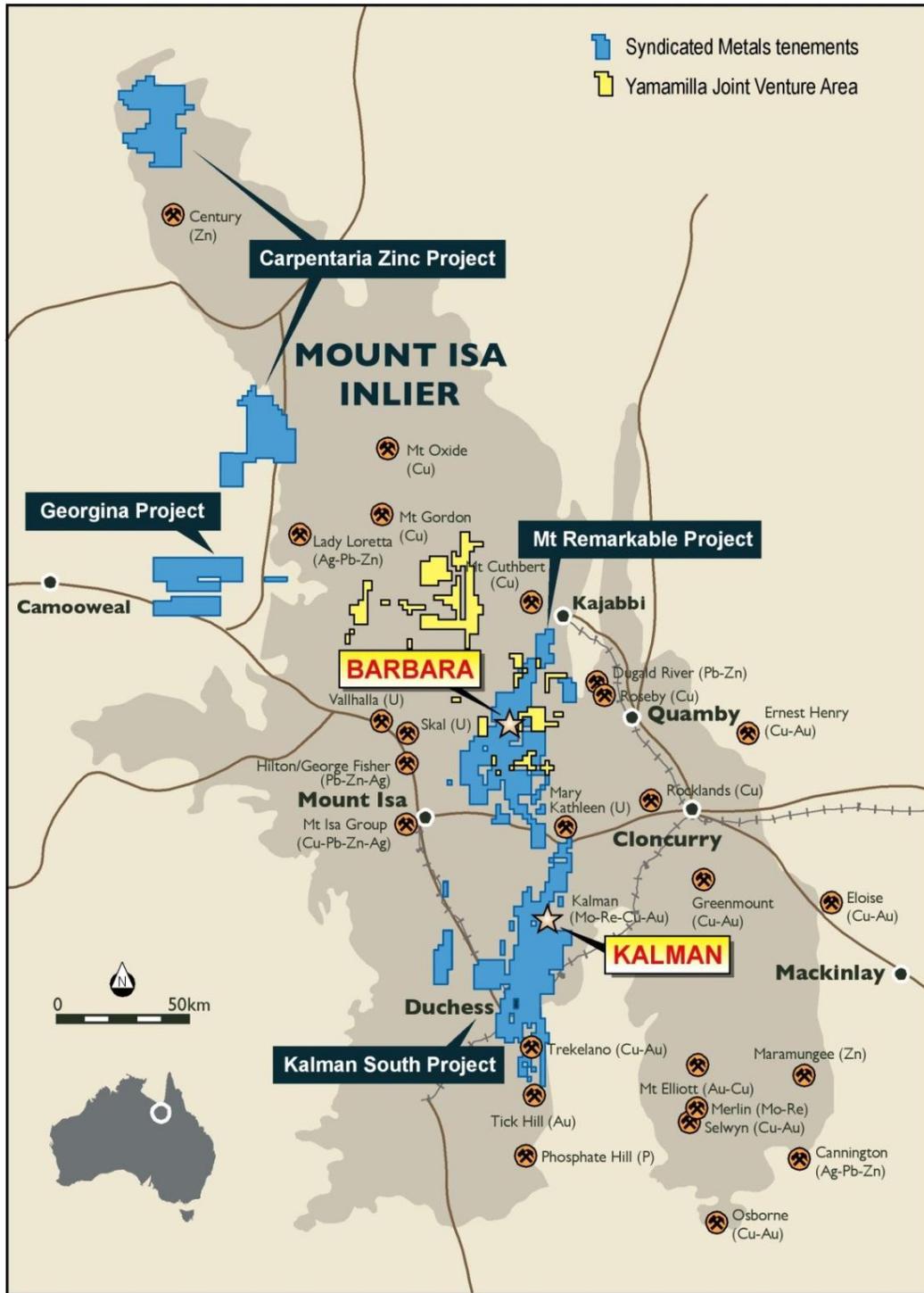
Korea Zinc Company Ltd, through its Australian subsidiaries holds a 13% interest in Syndicated.

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

**Russell Davis**  
**Managing Director**  
**T: 0419 195 087**

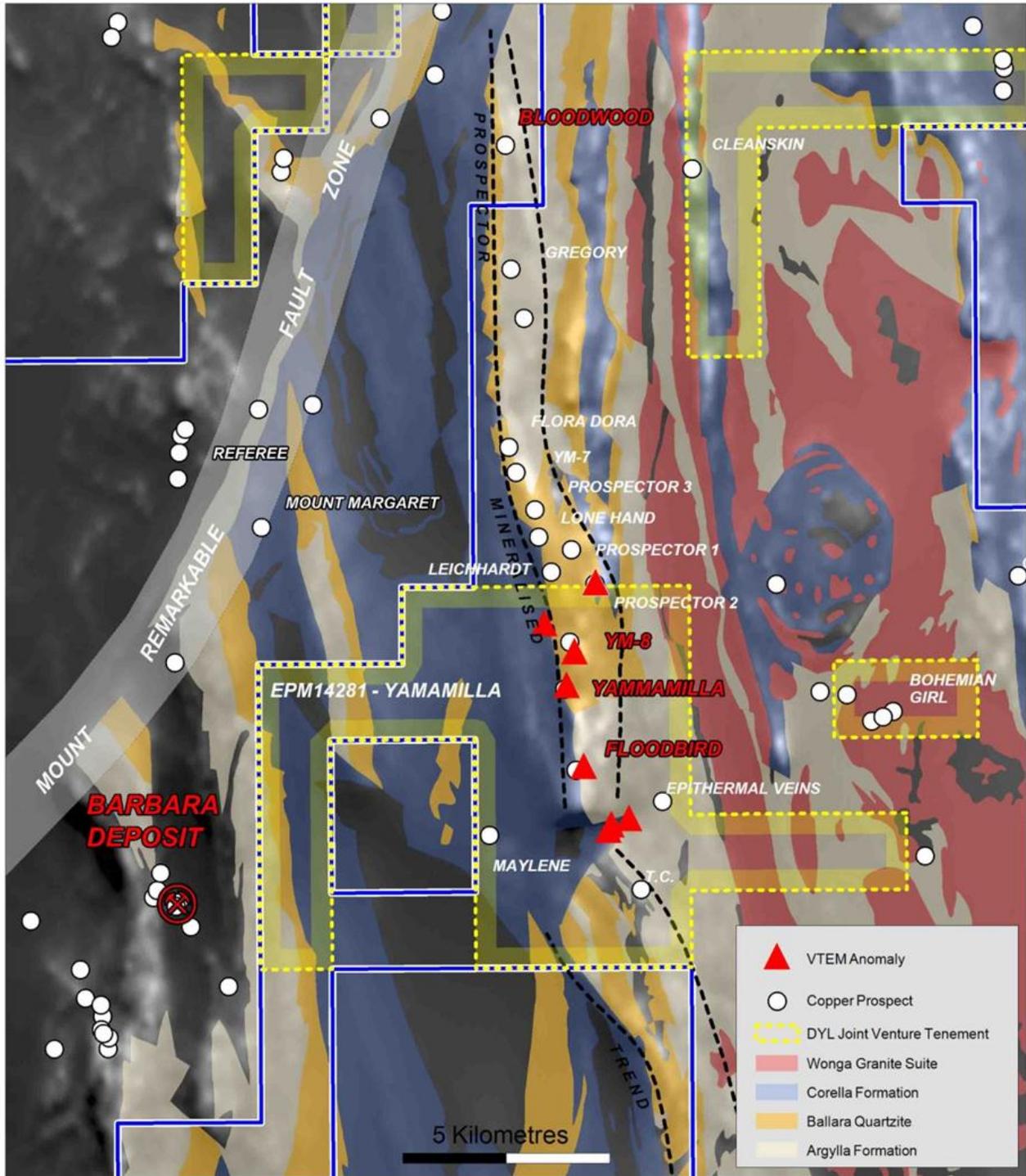
**Martin Pyle**  
**Chairman**  
**T: 0429 999 552**

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Joint Venture Area

For personal use only



Detailed view of a portion of EPM14281 (Yamamilla) showing the VTEM targets in relation to the Barbara Copper Deposit. (Bloodwood is on the northern extent of the Prospector trend.)



**Ironstone Breccia Ridges at YM-8**



**Magnetite-cemented hydrothermal breccia veins along fault zone at Yamamilla South**