

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT – 23 MAY 2018

SYNDICATED SELLS NORTHERN HUB COPPER TENEMENTS IN QUEENSLAND TO MINOTAUR EXPLORATION

Continues strategy of crystallising value from North Queensland copper-gold assets to focus on WA gold assets and other new project opportunities

Highlights

- **Syndicated enters agreement with Minotaur Exploration (ASX: MEP) to sell its Northern Hub exploration tenements in North Queensland.**
- **Consideration comprises \$125,000 in cash and \$275,000 worth of Minotaur shares.**
- **The Northern Hub comprises a 776km² tenement package located 50km north-east of Mt Isa and surrounding the Barbara copper-gold deposit, owned by CopperChem Pty Ltd, where Syndicated retains a 1-2% Net Smelter Royalty.**
- **The transaction is consistent with Syndicated's strategy of crystallising value from its North Queensland exploration assets while continuing to advance its gold assets in the Laverton District of WA and pursuing other new gold and base metal project opportunities.**
- **Syndicated is awaiting assay results from the recently completed ~2,100m RC drilling program at the Monument Gold Project, which are expected to be received within the next 1-2 weeks.**

Syndicated Metals Limited (ASX: SMD – **Syndicated** or **the Company**) is pleased to advise that it has entered into a binding agreement with Minotaur Exploration (ASX: MEP) to sell its Northern Hub exploration tenements, located 50km north-east of Mt Isa in North Queensland, for a total of \$400,000 in cash and shares.

The agreement is consistent with Syndicated's strategy of crystallising value from its extensive North Queensland exploration portfolio and reducing the ongoing holding costs of these tenements, while maintaining its focus on gold and other new project opportunities in WA.

Last year, Syndicated sold its 50% share of the Barbara Copper Project in North Queensland to its joint venture partner, CopperChem Pty Ltd, for \$2.3 million in cash and a 1-2% net smelter return (NSR) production royalty, payable once the Barbara Project moves into production. It is also progressing opportunities to realise value from its Southern Hub Project.

Agreement Terms

Syndicated has entered into a binding Tenement Sale Agreement ("TSA") with Minotaur Exploration to sell its Northern Hub Project, comprising a portfolio of nine (9) Exploration Permits for Minerals (EPM's) located 50km north-east of Mt Isa and 80km north-west of Cloncurry in North West Queensland.

The consideration for the sale comprises A\$125,000 in cash, plus fully-paid Minotaur shares to the value of \$275,000 based on the 5-day volume weighted average price (VWAP) at completion.

Completion of the agreement is conditional on the receipt of indicative Ministerial Consent for the transfer of the tenements, the execution of assignment deeds for the various contracts relating to the tenements and the consent of CopperChem in relation to its ongoing rights on part of two tenements relating to the Barbara Copper Project. These conditions are required to be satisfied within 90 days or such later date as agreed by the parties.

Management Comment

Syndicated Metals' Managing Director, Mr David Morgan, said the agreement with Minotaur provided the Company with an opportunity to crystallise further value from its extensive North Queensland exploration portfolio by divesting the Northern Hub tenements to a well-credentialed and well-funded exploration company.

"This further rationalizes our North Queensland asset base following the sale of the Barbara Copper Project last year, significantly reducing the ongoing cost of maintaining these tenements in good standing, and is consistent with our strategic focus on gold and base metal assets in Western Australia.

"We have recently completed a 19-hole, 2,100m RC drilling program at the Monument Gold Project, located adjacent to Dacian Gold's Mount Morgans Gold Project, and we are looking forward to receiving the assay results from this drilling in the near future."

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