

Barbara : drilling new targets

Barbara under-ground target 65kt plus Lillymay target 15kt copper; could double current Resource.

Recommendation

BUY
High Risk

Price

5.6c

Valuation

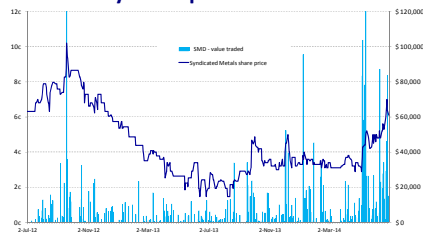
10.5c

- SMD is starting drilling to define an under-ground resource for Barbara. SMD has estimated an exploration target of 2.5Mt to 4.0Mt, grading between 1.5% and 2.5% Cu
- When SMD has completed its 15 holes programme at Barbara, it will undertake a 10 hole programme at Lillymay, where SMD has announced an exploration target of 400kt – 800kt at 1.0% - 3.0% Cu.
- This adds significant upside potential to our current valuation of 10.5c, possibly to 16c.

Snapshot

Last Price	5.6c
Market Cap	\$15.4m
Cash on hand (30 March 2014)	\$2.3m
Shares on Issue	274.4m
52 Week High	7.0c
52 Week Low	1.5c
1 month / 6 month VWAP	5.6cc / 4.3c

SMD : daily share price v. value traded



SMD has over 5.9Mt of Resources containing 83kt Cu, 27koz gold and over 400koz silver in its 2,469km² tenement package N-E of Mt Isa and N-W of Cloncurry.

SMD has executed a JV agreement with CopperChem, a subsidiary of SOL.ASX, to supply ore to their under-utilised mill at the Great Australian mine near Cloncurry.

SMD is currently undertaking a feasibility study, funded by CopperChem. Beer & Co estimate that it will cost less than \$20m in capital (ie. \$10m for SMD) for SMD to be in production by 2015 Q1.

Author : Pieter Bruinstroop
pbruinstroop@beerandco.com.au

Barbara under-ground potential

Barbara currently has an Indicated Inferred Resource at Barbara of 5.3Mt, grading 1.4% Cu, 0.1g/t Au & 2.5g/t Ag for contained metal of 75kt copper, 25koz gold and 429koz silver.

Our analysis is based on mining 1.2Mt of high grade, 2.0% Cu, of this resource.

Our analysis also assumes that a further 400kt of material is mined from under-ground sources, at a grade of 2.5% Cu, which is consistent in grade but considerably less than the volume of the exploration target, giving significant upside potential to our valuation.

Lillymay exploration target

Our analysis assumes a mining inventory of 600kt of open cut material at 1.6% Cu and 200kt of under-ground material grading 2.5% Cu.

This is at the upper end of the range of the announced exploration target for volume but lower on grade.

Revised Resource

A revised resource estimate, including the results of the drilling that was announced in April and May, is expected very soon. We will revise our valuation after the revised Resource is announced.

The current Resources total 75kt of contained copper. The mid-point of the announced exploration targets totals an extra 80kt of contained copper.

Beer & Co conclusions

Our valuation was recently revised from 8.5c/share to 10.5c/share.

The announced exploration targets could DOUBLE the Resource and add significant further potential upside to our valuation; increasing our risked valuation to 16.0c/share.

We affirm our BUY recommendation.

This report was produced by Beer & Co Research, an independent research and advisory firm. It is intended for wholesale investors only. If you do not wish to receive our research, please email to info@beerandco.com.au with "unsubscribe" If you wish to receive, free of charge, Beer & Co research, please register at <http://beerandco.com.au/all-research/>

Barbara : Resource to be Upgraded**Exploration Targets announced**

In their statement of 27 June, SMD announced exploration targets for Barbara under-ground and also Lillymay, as shown in Figure 1.

Figure 1 : SMD's exploration targets for Barbara under-ground and Lillymay

SMD announced exploration targets of
(i) 2.5Mt to 4.0Mt at 1.5% Cu to 2.5% Cu at Barbara of material to be mined by under-ground mining; and
(ii) 0.4Mt to 0.6Mt at 2.0% Cu to 3.0% Cu for Lillymay, at depths that would be mined by open cut methods

		grades			Contained metal		
		copper	gold	silver	copper	gold	silver
Barbara under-ground							
Lower	2,500 kt	1.5 %			37.5 kt	0.0 koz	0 koz
mid-point	3,250 kt	2.0 %			65.0 kt	0.0 koz	0 koz
Upper	4,000 kt	2.5 %			100.0 kt	0.0 koz	0 koz
Lillymay							
Lower	400 kt	2.0 %			8.0 kt	0.0 koz	0 koz
mid-point	600 kt	2.5 %			15.0 kt	0.0 koz	0 koz
Upper	800 kt	3.0 %			24.0 kt	0.0 koz	0 koz

Source : SMD ASX announcement, 27 June 2014

The mid points of these ranges is an extra 80kt of contained copper, v. 75kt in Resources

The mid-point estimate totals an extra 80kt of copper, which compares with the total of 75kt of contained copper in the current, but soon to be out-dated, resource estimate, as shown in Figure 2.

Figure 2 : SMD's current Resource estimate

			grades				Contained metal			
			copper	gold	silver	cobalt	copper	gold	silver	cobalt
EPM 15564	Indicated	2,977 kt	1.6 %	0.2 g/t	2.7 g/t	270 ppm	47.3 kt	15 koz	258 koz	800 t
(50% SMD/ 50% C	Inferred	362 kt	1.3 %	0.1 g/t	2.4 g/t	296 ppm	4.7 kt	1 koz	28 koz	110 t
	TOTAL	3,339 kt	1.6 %	0.2 g/t	2.7 g/t	273 ppm	52.0 kt	17 koz	286 koz	910 t
EPM 16112	Indicated	801 kt	1.4 %	0.1 g/t	2.7 g/t	270 ppm	11.2 kt	3 koz	70 koz	220 t
(50% SMD/ 50% C	Inferred	1,191 kt	1.0 %	0.1 g/t	1.9 g/t	296 ppm	11.9 kt	5 koz	73 koz	350 t
	TOTAL	1,992 kt	1.2 %	0.1 g/t	2.2 g/t	286 ppm	23.1 kt	8 koz	142 koz	570 t
BARBARA TOTAL		5,331 kt	1.4 %	0.1 g/t	2.5 g/t	278 ppm	75.2 kt	25 koz	429 koz	1,480 t

Source : SMD ASX announcements, 17 November 2010 (Barbara)

No values are given for gold or silver, which Beer & Co expects will be part of any Resource later estimated for these areas.

Note that the exploration targets do not include any values for gold or silver although we expect that recoverable precious metals will be found.

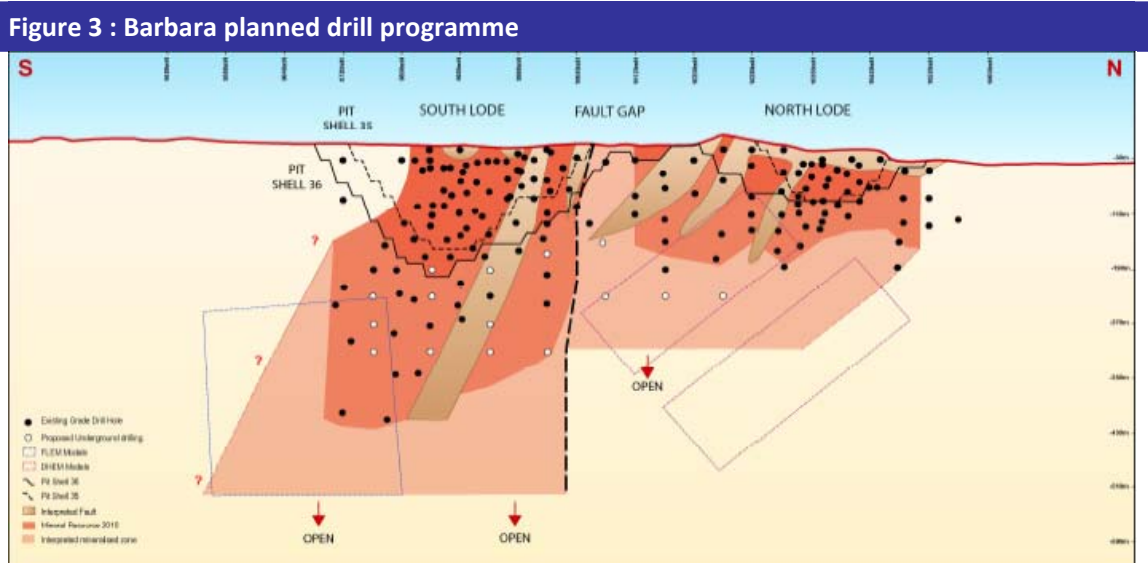
Also note that SMD has a further 8.0kt of contained copper in Resources outside of the Barbara joint venture with CopperChem.

SMD is starting another drill campaign at Barbara to extend the Resource lower in the north lode and to infill the lower areas of the south lode.

Barbara

The plan for Barbara is to execute a 2 stage drill programme :

- Stage 1 is to drill 6 RC per-collars with diamond tails in the interpreted mineralised zone below the area included in the Mineral Resource estimate of 2010 for the North lode, shown in Figure 3, with the white dots being planned drill holes; and
- Stage 2 is to drill 9 RC per-collars with diamond tails in the deeper areas of the Mineral Resource estimate for the South lode, shown in Figure 3, with the white dots being planned drill holes.



Source : SMD ASX announcement, 27 June 2014

Down-hole geophysical surveys will be undertaken to test for nearby conductors.

Exploration Target

SMD's exploration target is much larger than the mining inventory assumed by Beer & Co in our valuation of SMD.

The exploration target, of 2.5Mt to 4.0Mt, grading 1.5% to 2.5% Cu, has been based on the weighted average true width and grade of drill intersections (28 RC and 14 diamond holes) currently below the Barbara open pits and extrapolation of mineralisation between 100m and 150m down plunge from the 2010 Mineral Resource outline shown in Figure 3.

This is significantly larger than the mining inventory for Barbara assumed in our analysis as shown in Figure 4.

Figure 4 : Beer & Co's assumed mining inventory for Barbara

		grades			Contained metal		
		copper	gold	silver	copper	gold	silver
Open Cut	1,200 kt	2.0 %	0.2 g/t	3.0 g/t	24.0 kt	7.7 koz	116 koz
Under-ground	400 kt	2.5 %	0.2 g/t	3.0 g/t	10.0 kt	2.6 koz	39 koz

Source : Beer & Co estimates

Lillymay

SMD will use the RC rig when it is not drilling at Barbara to drill at Lillymay.

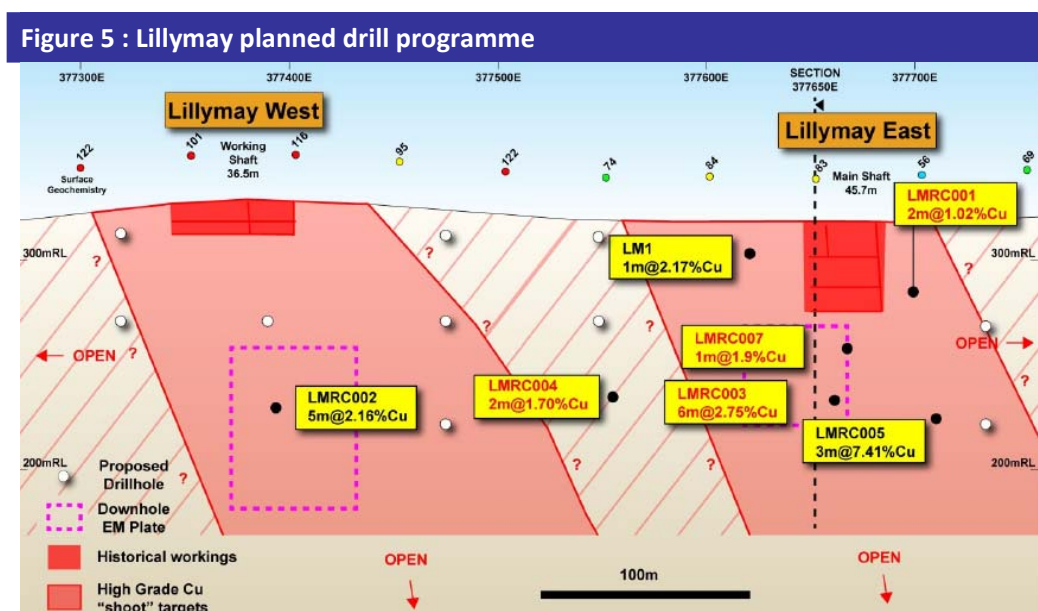
Lillymay is about 4km from Barbara.

As shown in Figure 5, SMD plans to

- Drill 10 RC holes targeting near surface mineralisation along strike from the discoveries made earlier in 2014; and
- Undertake down-hole geophysical surveys to test for nearby conductors.

Exploration Target

The exploration target, of 400kt to 800kt, grading 2.0% to 3.0% Cu, has been average true width and grade of the 7 RC holes drilled to date extrapolated over 500m of strike to a depth of 125m below surface.



Source : SMD ASX announcement, 27 June 2014

SMD's announced exploration target is consistent with the volume in our mining inventory

The announced exploration target for Lillymay is consistent with the volume that we have assumed in our analysis, but at a much higher grade, as can be seen from reference to Figure 6.

Figure 6 : Beer & Co's assumed mining inventory for Lillymay

But it is at a much higher grade, of 20.% Cu to 3.0% Cu compared with our assumption of 1.6% Cu

		grades			contained metal		
		copper	gold	silver	copper	gold	silver
Open Cut	600 kt	1.6 %	0.2 g/t	2.5 g/t	9.6 kt	2.9 koz	48 koz
Under-ground	200 kt	2.5 %	0.2 g/t	2.5 g/t	5.0 kt	1.0 koz	16 koz

Source : Beer & Co estimates

Note that we have assumed a small under-ground mining inventory at Lillymay, while Figure 5 shows that the announced exploration target is at a depth that would be exploited by open cut mining.

We expect that Lillymay will have an underground mine also

Beer & Co's note of 10th June increased our base case valuation from 8.5c to 10.5c /share

by adding in under-ground mining potential.

As shown in Figure 7, Lillymay is interpreted to be a relatively narrow steeply plunging shoot, which is why we expect that that will be a significant under-ground component in its efficient exploitation.

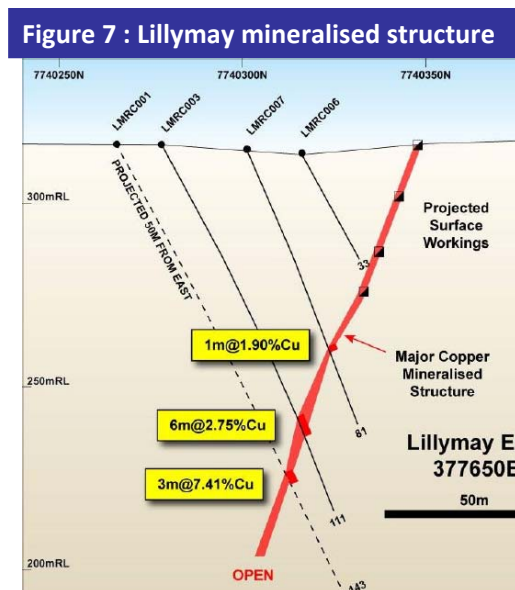
Valuation

Our note of 10 June 2014 (see : http://beerandco.com.au/wp-content/uploads/2014/06/SyndicatedMetals_2014June10.pdf)

increased our valuation from 8.5c to 10.5c/share. There were 2 reasons for the increase in valuation :

- (i) An increase of 600kt in the mining inventory, adding a fourth year to the project life; and
- (ii) A small increase in the assumed grade of the Barbara open cut.

These changes are shown in Figure 8.



Source : SMD ASX announcement, 27 June 2014

The targets announced by SMD are much greater than that we had assumed in our analysis

Figure 8a : Beer & Co's original assumed mining inventory

		grades			Contained metal		
		copper	gold	silver	copper	gold	silver
Base Case	1,200 kt	1.9 %	0.2 g/t	3.0 g/t	22.8 kt	7.7 koz	116 koz
Extension	600 kt	1.6 %	0.2 g/t	2.5 g/t	9.6 kt	2.9 koz	48 koz

giving upside potential to our valuation

Figure 8b : Beer & Co's assumed mining inventory, June 2014

		grades			Contained metal		
		copper	gold	silver	copper	gold	silver
Open Cut							
Barbara	1,200 kt	2.0 %	0.2 g/t	3.0 g/t	24.0 kt	7.7 koz	116 koz
Satellites	600 kt	1.6 %	0.2 g/t	2.5 g/t	9.6 kt	2.9 koz	48 koz
Under-ground							
Barbara	400 kt	2.5 %	0.2 g/t	3.0 g/t	10.0 kt	2.6 koz	39 koz
Satellites	200 kt	2.5 %	0.2 g/t	2.5 g/t	5.0 kt	1.0 koz	16 koz

Source : Beer & Co estimates

While Beer & Co is not updating its valuation at this time, we see there is significant potential for further upside to our valuation from :

- SMD's announcement of exploration targets for the Barbara under-ground and Lillymay open cut that are significantly larger than we have allowed in our model;
- The potential to treat oxidised material in the CopperChem plant, so that the volume of waste material is significantly lower than we have allowed; and
- Further exploration success.

Also, we have assumed that SMD raises a further \$5min equity, to help fund its share of the development cost of mining operations at Barbara at 3.5c/share. Given the current share price, we expect that this could be done at a higher price.

The increase in mining inventory could increase our valuation from 10.5c to 13.0c/share

Valuation Potential

Mining Inventory

Figure 9 shows a possible revised mining inventory using the mid points of the relevant exploration targets as shown in Figure 1.

If this is the revised mining inventory, then our valuation would be 13.0c/share

Figure 9 : A Potential revised mining inventory

Other, consequent adjustments, could add a further 3.0c to our valuation

		grades			Contained metal		
		copper	gold	silver	copper	gold	silver
Open Cut							
Barbara	1,200 kt	2.0 %	0.2 g/t	3.0 g/t	24.0 kt	7.7 koz	116 koz
Satellites	600 kt	2.0 %	0.2 g/t	2.5 g/t	12.0 kt	2.9 koz	48 koz
Under-ground							
Barbara	3,250 kt	2.0 %	0.2 g/t	3.0 g/t	65.0 kt	20.9 koz	314 koz
Satellites	200 kt	2.5 %	0.2 g/t	2.5 g/t	5.0 kt	1.0 koz	16 koz

Source : Beer & Co estimates

Revised Equity Raising

If the \$5.0m further equity required is raised at 5.5c/share, compared with 3.5c/share in our current valuation, then our valuation would rise by nearly 2.0c/share.

Lower waste : ore

We assume a strip ratio of 5.0 : 1 in our base case analysis. If we assumed 2.5 : 1, then our valuation rises by a further 1.0c/share.

We are not changing our base case valuation at this time

Conclusions

At this time, we are not changing our base valuation.

However, we see potential for our risk weighted valuation to rise from 10.5c/share to 16.0c/share.

Successful execution, re-risking the project, would further increase this valuation from 18.0c/share to 22.0c/share.

However, we are still assuming that the long run AUD-USD rate is 0.850, gold \$1350/oz and copper \$3.06/lb, or \$6,750/t.

We expect a revised resource to be announced in the next week or so

We retain a BUY, High Risk, recommendation on SMD

We retain our base case valuation of 10.5c/share and our BUY, High Risk, recommendation.

Beer & Co Research						
Syndicated Metals (SMD.ASX)						
Jul 2014						
Year ended June	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Section 1 - P&L						
Sales revenue	\$A m	0	0	11	37	37
Interest revenue	\$A m	0	0	0	0	0
Other revenue	\$A m	0	0	0	0	0
Total Revenue	\$A m	0	0	11	37	37
Cost of Goods Sold	\$A m	0	0	5	15	19
Corporate Costs	\$A m	(1)	(1)	(1)	(1)	(1)
Royalties	\$A m	0	0	(1)	(2)	(2)
Exploration Expense	\$A m	(5)	(0)	(1)	(1)	(1)
Total Operating Expenses	\$A m	(6)	(1)	3	12	16
EBITDA	\$A m	(6)	(1)	14	49	52
Dep'n & Amort'sn	\$A m	0	(2)	(6)	(5)	0
EBIT	\$A m	(6)	(3)	8	43	52
Interest Expense	\$A m	0	(0)	(0)	0	0
Other	\$A m					
Pre-Tax Profit	\$A m	(6)	(3)	8	43	52
Tax Expense	\$A m	0	(1)	(4)	(3)	(4)
NPAT	\$A m	(6)	(4)	4	40	48
Reported NPAT	\$A m	(6)	(4)	4	40	48
Section 2 - Key Data						
Ordinary shares - year end	m	177.9	274.4	417.5	417.5	417.5
Fully diluted shares on issuem	m	177.9	274.4	417.5	417.5	417.5
Weighted # shares	m	177.9	256.2	417.5	417.5	417.5
Earnings per Share		(3.6c)	(0.3c)	0.3 c	2.0 c	1.7 c
Dividends Per Share		0.0 c	0.0 c	0.0 c	0.0 c	0.0 c
Section 3 - Balance Sheet						
Cash	\$A m	1	2	3	15	25
Receivables	\$A m	0	0	3	5	4
Other	\$A m	0	0	0	0	0
CURRENT ASSETS	\$A m	1	2	6	20	29
Receivables	\$A m	0	0	0	0	0
P, P & E	\$A m	0	0	9	6	2
Mining Properties / Explorati	\$A m	8	10	11	13	14
Other	\$A m	0	0	0	0	0
NON-CURRENT ASSETS	\$A m	9	10	20	18	14
TOTAL ASSETS	\$A m	10	12	26	38	43
Payables	\$A m	0	0	1	1	2
Debt	\$A m	0	0	3	1	0
Other	\$A m	0	0	0	0	0
CURRENT LIABILITIES	\$A m	0	0	3	1	0
Long Term Debt	\$A m	0	0	1	0	0
Deferred Tax Liability	\$A m	0	0	0	0	0
Other	\$A m	0	0	0	0	0
Provisions	\$A m	0	0	0	0	0
NON-CURRENT LIABILITIES	\$A m	0	0	1	0	0
TOTAL LIABILITIES	\$A m	0	0	4	1	0
NET ASSETS	\$A m	9	12	22	37	43
Accumulated Profit (Loss)	\$A m	(13)	(14)	(12)	(4)	3
Reserves	\$A m	3	4	29	40	41
Contributed Equity	\$A m	19	22	5	0	0
Total Equity	\$A m	9	12	21	36	44
Section 4 - Cashflow						
Net Cashflow from operation	\$A m	0	0	6	20	18
Interest Paid	\$A m	(0)	0	0	0	0
Taxes Paid	\$A m	0	0	0	(2)	(1)
Change in Working Capital	\$A m	0	(0)	4	2	(1)
OPERATING CASHFLOW	\$A m	(0)	0	10	23	16
Exploration Expenditures	\$A m	(3)	(1)	(2)	(4)	(4)
Maintenance Capex	\$A m	0	0	0	0	0
Expansion Capex	\$A m	0	0	(10)	0	0
PPE Acquisitions (Total Capex)	\$A m	(3)	(1)	(12)	(4)	(4)
PPE Divestments	\$A m	0	0	0	0	0
INVESTING CASHFLOW	\$A m	(3)	(1)	(12)	(4)	(4)
Change in Equity	\$A m	3	3	5	0	0
Dividends Paid	\$A m	0	0	0	0	0
Change in Debt	\$A m	0	(0)	4	(3)	(1)
FINANCING CASHFLOW	\$A m	3	2	9	(3)	(0)
Free Cashflow	\$A m	(3)	(1)	(3)	19	14
Net Cashflow	\$A m	(0)	1	6	15	14
Major Shareholders						
CopperChem Limited		51.980m	18.94 %			
Ottomin Group		16.435m	5.99 %			
Korea Zinc		13.600m	4.96 %			
Commodity price assumptions						
Year ended June		2014-15	2015-16	2016-17	2017-18	2018-19
AUD-USD		1.027	0.910	0.890	0.855	0.850
Copper	US\$/t	7,713	6,900	6,600	6,500	6,750
Gold	US\$/oz	1,658	1,281	1,338	1,350	1,350
Silver	US\$/oz	30.6	20.5	22.4	22.5	22.5
Mine Production						
Ore processed	'000 t	0	188	600	600	600
Copper grade		2.00 %	2.00 %	2.00 %	1.88 %	1.88 %
copper recovery		90 %	90 %	90 %	90 %	90 %
Gold grade		0.20g/t	0.20g/t	0.20g/t	0.18g/t	0.17g/t
gold recovery		50 %	50 %	50 %	50 %	50 %
Silver grade		3.0g/t	3.0g/t	3.0g/t	2.8g/t	2.7g/t
silver recovery		50 %	50 %	50 %	50 %	50 %
Attributable production						
Copper	'000 t	0	1,688	5,400	5,063	5,079
Gold	oz	0	301	965	889	799
Silver	oz	0	4,522	14,469	13,716	12,811
Resources						
Barbara			Copper		Gold	Silver
EPM 15564 & EPM 16112 (50% SMD)						
Indicated	3,778	1.5 %	59 kt	0.2g/t	19 koz	2.7g/t
Inferred	1,553	1.1 %	17 kt	0.1g/t	6 koz	2.0g/t
Blue Star (100% SMD)						
Inferred	177	2.3 %	4 kt	0.3g/t	2 koz	
Green Zone (50% SMD)						
Inferred	430	0.9 %	4 kt	0.01g/t	0.2 koz	
TOTAL	5,938	1.40 %	83 kt	0.14g/t	27 koz	2.2g/t
Assumed mining inventory						
			grades		Contained metal	
			copper	gold	silver	copper
Open Cut						
Barbara	1,200 kt	2.0 %	0.2 g/t	3.0 g/t	24.0 kt	7.7 koz
Satellites	600 kt	1.6 %	0.2 g/t	2.5 g/t	9.6 kt	2.9 koz
Under-ground						
Barbara	400 kt	2.5 %	0.2 g/t	3.0 g/t	10.0 kt	2.6 koz
Satellites	200 kt	2.5 %	0.2 g/t	2.5 g/t	5.0 kt	1.0 koz
Asset based Valuation						
discount rate = 12.0 %						
		risking	100%	30-Jun-13	Product	per share
Barbara Open Cut	85 %	\$ 19m	\$ 16m	3.9 c	4.4 c	
Satellites Open Cut	75 %	\$ 10m	\$ 7m	1.7 c	2.0 c	
Barbara under-ground	70 %	\$ 7m	\$ 5m	1.1 c	1.3 c	
Satellites under-ground	65 %	\$ 4m	\$ 2m	0.6 c	0.6 c	
Blue Star	60 %	\$ 5m	\$ 3m	0.7 c	0.7 c	
Franking credits	60 %	\$ 6m	\$ 4m	0.9 c	1.0 c	
Corporate	100 %	(\$4m)	(\$4m)	(1.1c)	(1.0c)	
Exploration	100 %	\$ 0m	\$ 0m	0.0 c	0.0 c	
Cash / debt	100 %	\$ 1m	\$ 1m	0.2 c	0.4 c	
Cash to be raised	100 %	\$ 6m	\$ 6m	1.4 c	1.0 c	
TOTAL		\$ 53m	\$ 40m	9.5 c	10.5 c	
Shares on issue		177.9m	FPO shares	58.3m	options	
		96.6m	Issued 2014	5.0m	exercised	
		143.1m	Issued 2015			
Assumed Cash Costs, US c/lb						
	LoM	2014-15	2015-16	2016-17	2017-18	2018-19
Waste	20	22	25	35	19	0
Mining	27	4	3	5	34	63
Site Admin	41	47	41	43	43	33
Processing	38	49	38	40	40	31
Transport	2	2	2	2	2	2
TC/RC	37	35	36	37	37	37
net by-product credit	(3)	(4)	(4)	(4)	(3)	(1)
Royalties	12	12	12	12	12	12
Sustaining Capital	6	0	0	0	15	13
TOTAL	174 c/lb	167 c/lb	153 c/lb	170 c/lb	185 c/lb	178 c/lb
Financial Ratios						
Year ended June		2013-14	2014-15	2015-16	2016-17	2017-18
Revenue	\$A m	0	0	11	37	37
EBITDA	\$A m	(6)	(1)	14	49	49
EBIT	\$A m	(6)	(3)	8	43	45
NPAT (reported)	\$A m	(6)	(4)	4	40	42
Adjusted EPS (cps)		(3.6c)	(0.3c)	0.3 c	2.0 c	1.7 c
EPS Growth (%)			90 %	196 %	506 %	(14%)
DPS (c)		0.0 c	0.0 c	0.0 c	0.0 c	0.0 c
Dividend Yield (%)		0 %	0 %	0 %	0 %	0 %
PE adj. (x)	x	(0)	(18)	18	3	4
EV / EBITDA (x)	x	(0)	(11)	1	0	(0)
EV / EBIT (x)	x	(0)	(5)	2	0	(0)
Gearing (%)		0 %	0 %	16 %	2 %	0 %
Return on Assets		(66%)	(28%)	32 %	113 %	98 %
Return on Equity		(64%)	(34%)	21 %	110 %	94 %
EBITDA Margin (%)		(51%)	n/a	n/a	127 %	131 %
Interest Cover (x)	x	(9.2)	n/a	(29.0)	27.6	n/a

Important Information

Confidential

This document is for the confidential use of the recipients only and is not to be reproduced without the authority of Beer & Co Pty Ltd. It has been prepared at the request of Syndicated Metals Limited and Beer & Co Pty Ltd will receive a fee for its preparation.

Disclaimer

The persons involved in or responsible for the preparation and publication of this report believe that the information herein has been obtained from reliable sources and that any estimates, opinions, conclusions or recommendations are reasonably held at the time of compilation. No warranty is made as to the accuracy of the information in this document and, to the maximum extent permitted by law, Beer & Co Pty Ltd and its related entities, their respective directors and officers disclaim all liability for any loss or damage which may be suffered by any recipient through relying on anything contained or omitted from this document.

General Advice

The content is of a general nature and is based on a consideration of the securities alone, and as such is conditional and must not be relied upon without advice from a securities adviser as to the appropriateness to you given your individual investment objectives, financial situation and particular needs. Whilst this document is based on information and assessments that are current at the date of publication, Beer & Co Pty Ltd has not undertaken detailed due diligence on the information provided and has no obligation to provide revised assessments in the event of changed circumstances.

Disclosure

Beer & Co Pty Ltd has been engaged by Syndicated Metals Limited to prepare this research report and is being paid a fee for its preparation. In the future, Beer & Co Pty Ltd may provide capital raising services to Syndicated Metals Limited on commercial terms. Directors of Beer & Co or other associate companies may own securities in Syndicated Metals Limited. Beer & Co Pty Ltd seeks to do work with those companies it researches. As a result, investors should be aware that Beer & Co Pty Ltd may have a conflict of interest that could affect the objectivity of this report.

Analyst Certification

The analyst responsible for this research report certifies that all of the views expressed reflect his personal views about the securities and the issuer.

Report prepared by : Pieter Bruinstroop pbruinstroop@beerandco.com.au

BEER & CO PTY LTD ABN 88 158 837 186,
AUTHORISED REPRESENTATIVE MELBOURNE VENTURE SECURITIES PTY LTD AFSL No. 224 313

Melbourne Office:
Suite 4, Level 2, Bank House
11 - 19 Bank Place,
Melbourne, Vic, Australia 3000
Telephone: (+613) 9600 3599
Facsimile: (+613) 9602 2291
Email: info@beerandco.com.au
Web: www.beerandco.com.au