



**ASX Announcement
November 17th, 2009**

CHAIRMAN ADDRESS

The last 12 months have been a period of unprecedented turbulence across global economies, stock markets and commodity markets. However, it would be fair to say that at the end of 2009, we find ourselves, particularly in Australia, in a much healthier position than most people expected at the beginning of the year.

For Syngas, it has been a year of accepting the changes in external conditions, and focusing 100% on the things that we can influence directly – the continued development of the Clinton Project. Of course it is very encouraging to see the oil price finding good support around current levels between US\$70 and US\$80. The Clinton Pre-Feasibility Study, completed earlier this year, set out a base case total operating cost of US\$33 per barrel. Hence at current oil prices, the Clinton Project is very positively positioned in terms of returns over the base case 33 year life. Upside on the base case since PFS release makes the outlook even more positive.

2009 has seen the Syngas team continue to deliver on milestones. The Siemens gasification testing delivered the results we had hoped for. We have signed an agreement with GE and an agreement on access to Fischer-Tropsch technology is very close. Work has progressed on the Carbon Management Plan and our first agreements are in place allowing us to work towards biomass collection and use. Demand for high quality diesel continues to be strong and we continue to pursue the best possible diesel offtake agreement that maximizes value whilst retaining flexibility. Syngas has also secured an agreement to give us access to further coal deposits in Victoria and will look at all opportunities to secure potential future projects, but our principal focus remains the Clinton Project.

Finally, the largest challenge for companies the size of Syngas has always been, and is more so in the current environment, the ongoing need to raise capital to progress the Company. Clinton is a massive project and we will continue to progress it step-by-step, driven by tightly controlled budgets, and stretching but achievable milestones. We will need to raise funds along the way. Merrill and the team have been working hard to create support from fund managers and investors, not only in Australia, but also in Europe, Asia and North America. This is a tough task in the current environment but we are confident that the Syngas story is attractive and will secure the capital we need to progress Clinton to Bankable Feasibility and beyond.

We thank you for your continued support.

Phil Thick
Chairman

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About Syngas Limited

Syngas Limited, incorporating the Clinton Project following the acquisition of Syngas Energy Limited in January 2008, is an ASX listed oil and gas business with, as a core project, a premium diesel production project located in South Australia at Bankable Feasibility Study stage of development.

One of Syngas's granted mineral exploration licences covers an area of 288 km² north-west of Adelaide, over known coal deposits within the Clinton Coal Measures, located in the Northern St Vincent Basin Coalfields, north of the Gulf Saint Vincent. Syngas also holds a granted mineral exploration licence over a 143 km² area, south-east of Adelaide, covering the known coal deposit of Moorlands and a petroleum exploration licence over the Moorlands deposit and surrounding area.

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