



ACN: 062 284 084
ASX Code: SYS

APPENDIX 4D

Interim Half Year Report

Results for announcement to the market

1. Company Details

Name of Entity:	Syngas Limited
ABN:	41 062 284 084
Half Year Ended (current period)	31 December 2014
Half Year Ended (previous period)	31 December 2013

2. Results for announcement to the market

2.1 Revenue from Continuing activities	Down 99% to \$2
2.2 Loss from ordinary activities before tax attributable to members	Up 88% to \$231,152
2.3 Loss from continuing operations after tax attributable to members	Up 88% to \$231,152
2.4 Dividends (Distributions)	Amount per security Franked amount per security
Interim Dividend declared	Nil Nil
Previous corresponding period	Nil Nil
2.5 Record date for determining entitlement date to the dividend	Not Applicable
2.6 Brief Explanation :	
Revenue was reduced due to a reduction in interest income.	
Operating loss increased due to an increase in administration costs.	

3. NTA Backing

	31 December 2014	31 December 2013
Net Tangible asset backing per ordinary security	(0.01) cents	0.04 cents

4. Details of associates and joint venture entities

The company does not have an interest in any joint ventures or associates entities.

Syngas Limited

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ABN 41 062 284 084

**Half-Year Financial Report for the period ended
31 December 2014**

CORPORATE DIRECTORY

DIRECTORS: Michael Cox (Chairman)
Drago Panich
Chris Low
Peter Ng
Richard Ong

COMPANY SECRETARY: Ian Gregory

REGISTERED OFFICE: Suite 1,
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AUDITORS: **Nexia Melbourne**
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SHARE REGISTRY: **Computershare Investor Services Pty Ltd**
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This Half-Year Financial Report covers the Consolidated Entity comprising Syngas Limited ("Company") and its subsidiaries. The functional currency and presentation currency of the Company is Australian Dollars

A description of the Consolidated Entity's operations and its principal activities are included in the Review of Operations in the Directors' Report. The Directors' Report has not been reviewed by the auditors

DIRECTORS' REPORT

The directors present the financial report of Syngas Limited ("Company") and its controlled entities ("Consolidated Entity") for the half-year ended 31 December 2014.

In order to comply with the provisions of the *Corporations Act 2001*, the directors' report is as follows:

DIRECTORS

The names of the directors of the Company who held office during the half-year are:-

Michael Cox

Drago Panich

Chris Low

Peter Ng

Richard Ong

Anne Cox (resigned 10 October 2014)

OPERATING RESULTS

The after income tax loss for the Consolidated Entity amounted to \$231,152 (2013: \$123,104).

REVIEW OF OPERATIONS

During the half-year ended 31 December 2014 the Company has maintained its projects on a care and maintenance basis whilst it evaluates future development and other projects.

The Company is evaluating its strategies in respect of the mineral tenements held in South Australia and may seek to sell them or seek a joint venture partner to develop them.

Syngas' cash-in-bank and cash equivalents as at 31st of December 2014 were \$228,954 (30 June 2014: \$728).

AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the *Corporations Act 2001* section 307C the auditors of the Company, Nexia Melbourne, have provided a signed auditor's independence declaration to the directors in relation to the half-year ended 31 December 2014. This declaration has been included on page 4 and forms part of this report.

Signed in accordance with a resolution of the directors.



Michael Cox
Chairman
13th March 2015

DIRECTORS' DECLARATION

The directors of Syngas Limited declare that:

- a) in their opinion the accompanying financial statements and notes of the Consolidated Entity;
 - i) give a true and fair view of the financial position as at 31 December 2014 and the performance for the half-year ended on that date of the Consolidated Entity; and
 - ii) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
- b) Subject to achievement of the matters set out in Note 1 to the financial report, in their opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



Michael Cox
Chairman

13th March 2015
Sydney NSW

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF SYNGAS LIMITED**

I declare that, to the best of my knowledge and belief, during the half year ended 31 December 2014, there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



NEXIA MELBOURNE
ABN 16 847 721 257



GEORGE S DAKIS
Partner
Audit & Assurance Services

Melbourne

13 March 2015

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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE
HALF-YEAR ENDED 31 DECEMBER 2014**

	Note	Half-Year 2014	Half-Year 2013
CONTINUING OPERATIONS			\$
Interest received from other persons		2	1,236
Administrative expenses	3	(231,154)	(124,340)
Victorian coal to liquid project expenses			---
LOSS BEFORE INCOME TAX (EXPENSE)/BENEFIT		(231,152)	(123,104)
Income tax (expense)/benefit			---
LOSS AFTER INCOME TAX (EXPENSE)/BENEFIT		(231,152)	(123,104)
Other comprehensive income for the half-year			---
Minority Interest			---
TOTAL COMPREHENSIVE LOSS FOR THE HALF-YEAR		(231,152)	(123,104)
BASIC AND DILUTED LOSS PER SHARE (CENTS PER SHARE)		(0.04)	(0.02)

The accompanying condensed notes form part of this financial report

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014**

	Note	31 December 2014	30 June 2014
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		228,954	728
Trade and other receivables		8,175	4,693
TOTAL CURRENT ASSETS		237,129	5,421
NON-CURRENT ASSETS			
Property, plant and equipment		982	1,331
Intangibles		---	---
Exploration licences	4	---	---
TOTAL NON-CURRENT ASSETS		982	1,331
TOTAL ASSETS		238,111	6,752
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		74,233	155,881
Borrowings	5	713,660	204,684
Accrued Fees		35,302	
TOTAL CURRENT LIABILITIES		823,195	360,684
TOTAL LIABILITIES		823,195	360,684
NET ASSETS		(585,084)	(353,932)
EQUITY			
Contributed equity		35,016,571	35,016,571
Reserves		1,793,484	1,793,484
Accumulated losses	6	(37,395,139)	(37,163,987)
TOTAL EQUITY		(585,084)	(353,932)

The accompanying condensed notes form part of this financial report

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

	Half-Year 2014	Half-Year 2013
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers & employees	(198,473)	(47,528)
Interest received	2	16
Other		1,220
NET CASH USED IN OPERATING ACTIVITIES	(198,471)	(46,292)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration & evaluation	---	(5,808)
Purchase of property, plant & equipment	---	---
NET CASH USED IN INVESTING ACTIVITIES	---	(5,808)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	721,815	46,079
Borrowing Costs	(69,000)	---
Repayment of Borrowings	(226,118)	---
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	426,697	46,079
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	228,226	(6,021)
Cash and cash equivalents at beginning of period	728	19,320
CASH AND CASH EQUIVALENTS AT END OF PERIOD	228,954	13,299

The accompanying condensed notes form part of this financial report

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

Half-Year to 31 December 2014	Issued Capital	Option Premium Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
AT 1 JULY 2014	35,016,571	1,793,484	(37,163,987)	(353,932)
LOSS FOR THE PERIOD	---	---	(231,152)	(231,152)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	---	---	(231,152)	(231,152)
AT 31 DECEMBER 2014	35,016,571	1,793,484	(37,395,139)	(585,084)

Half-Year to 31 December 2013	Issued Capital	Option Premium Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	
AT 1 JULY 2013	35,106,571	1,793,484	(36,437,740)	372,315
LOSS FOR THE PERIOD	---	---	(123,104)	(123,104)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	---	---	(123,104)	(123,104)
AT 31 DECEMBER 2013	35,106,571	1,793,484	(36,560,844)	249,211

The accompanying condensed notes form part of this financial report

**CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE
HALF-YEAR ENDED 31 DECEMBER 2014**

NOTE 1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

This general purpose condensed financial report for the half-year ended 31 December 2014 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 134 Interim Financial Reporting.

The half-year financial report does not include all notes of the type normally included within the annual financial report. Accordingly this financial report is to be read in conjunction with the annual report for the year ended 30 June 2014 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and the corresponding period.

Going concern

The Consolidated Entity recorded a loss of \$231,152 for the half year ended 31 December 2014 (2013: \$123,104), net cash inflows of \$228,226 (2013: (\$6,021)) and has net current liabilities of \$823,195 at 31 December 2014 (30 June 2014: \$360,664). The Consolidated Entity's cash flow forecasts show that it will require additional funding to enable it to meet ongoing expenditure commitments for at least twelve months from the date of signing these financial statements.

The financial report has been prepared on the basis that the Consolidated Entity can continue to meet its commitments as and when they fall due. In arriving at this position the directors have had regard to the fact that they are actively pursuing further funding initiatives to provide additional working capital, including additional equity issues, have expressed their continued support of the loan facility in place (note 5).

The directors believe that at the date of the signing of the financial statements there are reasonable grounds to believe that, having regard to the matters set out above, the company will be able to raise sufficient funds to meet its obligations as and when they fall due and continue to proceed with the Consolidated Entity's strategic objectives beyond the currently committed expenditure.

Should the directors not achieve the matters set out above, there is significant uncertainty whether the Consolidated Entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial report. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts or classification of liabilities that might be necessary should the Consolidated Entity not be able to continue as a going concern.

New, revised or amending Accounting Standards and Interpretations adopted.

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. None of these are expected to have a significant effect on the consolidated financial statements.

**CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE
HALF-YEAR ENDED 31 DECEMBER 2014**

NOTE 2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that effect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management basis its judgements, estimates and assumptions on historical experience and on other factors, including expectations of future events, management believes to be reasonable under the circumstances. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future financial years.

In preparing this consolidated interim financial report, the significant judgements made by management in applying the consolidated entity's accounting policies and the key sources of estimation were the same as those applied to the annual financial report as at and for the year ended 30th June 2014.

NOTE 3. ADMINISTRATIVE EXPENSES

	Half-Year to 31 December 2014	Half-Year to 31 December 2013
	\$	\$
Staff and consultants	108,625	62,500
Travel and accommodation expenses	1,537	1,872
Rental expenses	---	---
Depreciation of plant and equipment	348	349
Other	120,644	59,619
	231,154	124,340

NOTE 4. EXPLORATION AND EVALUATION

	31 December 2014	30 June 2014
	\$	\$
Exploration Licences	---	---
Total Exploration Licences	---	---

MOVEMENTS IN THE CARRYING AMOUNT OF EXPLORATION LICENCES

At the beginning of the financial year	---	500,000
Impairment	---	500,000
At the end of the period	---	---

As at 31 December 2014 the remaining exploration licence is over the Lignite Coal Deposit at Clinton South Australia (MEL 5186 Expiry date 15/08/2015). The Clinton Project is located 100 km North of Adelaide where the deposit has a 558 million Tonne of indicated and inferred Coal resource.

**CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE
HALF-YEAR ENDED 31 DECEMBER 2014**

NOTE 5. BORROWINGS

	31 December 2014	30 June 2014
	\$	\$
Director's Loan	713,660	204,803
at the end of the Financial Year	713,660	204,803

Borrowings totalling \$226,118 associated with Michael Cox, a director of the Company were repaid during the period. The Company entered into a Loan Facility with Mr Chris Low, a director of the Company, the balance of this loan account stood at \$713,660 as at 31 December, 2014, being the principal of \$700,000 and accumulated interest of \$13,660.

NOTE 6. CONTRIBUTED EQUITY

	31 December 2014		30 June 2014	
	Number of Shares	\$	Number of Shares	\$
Ordinary shares	581,440,288	35,016,571	581,440,288	35,016,571

NOTE 7. EVENTS SUBSEQUENT TO BALANCE DATE

There are no significant events subsequent to Balance Date.

NOTE 8. DIVIDENDS

No dividends have been paid or declared in the half-year ended 31 December 2014 (31 December 2013: nil).

NOTE 9. SEGMENT REPORTING

The Consolidated Entity:

1. has currently only one operating segment, being energy projects, and the segment operations and results are the same as the Consolidated Entity results; and
2. has based its operating segment reporting on the internal reports that are reviewed and used by executive management on a monthly basis in assessing performance and in determining the allocation of resources.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF SYNGAS LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Syngas Limited (the company), which comprises the condensed statement of financial position as at 31 December 2014, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity, the condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2410: *Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including:

- a. giving a true and fair view of the company's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and
- b. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if provided to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the company is not in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the company's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- b. complying with AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Material Uncertainty Regarding Continuation as a Going Concern

Without modifying our opinion, we draw attention to the following matter. As a result of the matter described in Note 1 – Going Concern of the financial report, there is a significant uncertainty whether the consolidated entity will be able to continue as a going concern and pay its debts as and when they fall due and realise its assets and extinguish its liabilities in the normal course of business and in the amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.



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Partner
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Melbourne

13 March 2015