



CTX, The Value of Coal Conversion

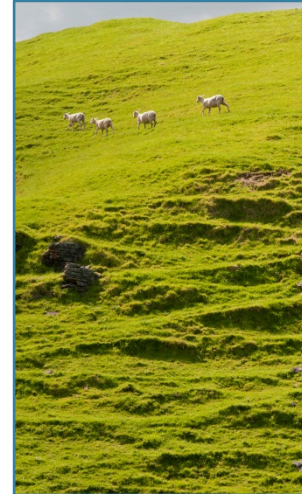
PRESENTATION FOR
THE NATIONAL COAL COUNCIL & THE CATHOLIC UNIVERSITY OF AMERICA

CARRIE LALOU, VP BUSINESS DEVELOPMENT
FEBRUARY 26, 2014

Forward-looking statements are subject to certain risks, trends and uncertainties that could cause actual results to differ materially from those projected. Among those risks, trends and uncertainties are the development stage of our operations; the ability of the ZZ joint venture to effectively operate XE's methanol plant and produce methanol; the ability of the Yima project to produce earnings and pay dividends; our ability to complete the approval process with ZCM for our joint venture and then to develop and expand business in the joint venture territory; our ability to develop our power business unit and marketing arrangement with GE and our other business verticals, steel and renewables; our ability to successfully develop our licensing business; our ability to reduce operating costs; the limited history and viability of our technology; commodity prices and the availability and terms of financing opportunities; our ability to obtain the necessary approvals and permits for future projects; our ability to raise additional capital and our estimate of the sufficiency of existing capital sources; the sufficiency of internal controls and procedures; and our results of operations in foreign countries where we are developing projects, such as India. Although we believe that in making such forward-looking statements our expectations are based upon reasonable assumptions, such statements may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. We cannot assure you that the assumptions upon which these statements are based will prove to have been correct.

CORPORATE OVERVIEW

- CLEAN ENERGY TECHNOLOGY COMPANY
- OPERATING COMMERCIAL-SCALE PROJECTS – SINCE 2008
- SUPERIOR ECONOMICS THRU LOW COST FUEL CAPABILITY
- COLLABORATION WITH GE FOR DISTRIBUTED POWER
- STRATEGIC JV FOR CHINA BUSINESS WITH ZHANGJIAGANG CHEMICAL MACHINERY (ZCM)
- LARGE MARKET OPPORTUNITIES IN MULTIPLE SEGMENTS



SYNTHESIS ENERGY SYSTEMS, INC

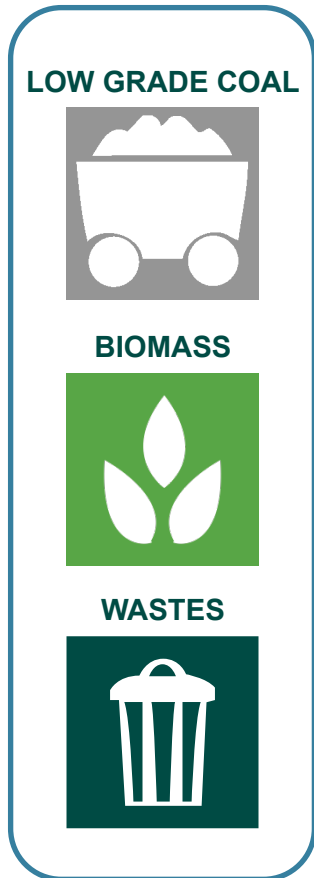
NASDAQ	SYMX
MARKET CAP	\$96.85MM AS OF FEBRUARY 21, 2014 (AT \$1.52/SHARE)
SHARES OUTSTANDING	63.72MM AS OF FEBRUARY 21, 2014
OFFICE LOCATIONS	HOUSTON, TX – HEADQUARTERS SHANGHAI – SES CHINA
EMPLOYEE COUNT	100 (US + CHINA)



Gasification Market Space

FUEL FLEXIBILITY DRIVES VALUE

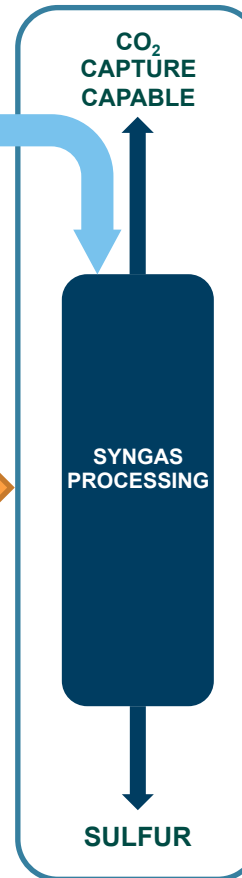
LOW COST FEEDSTOCK



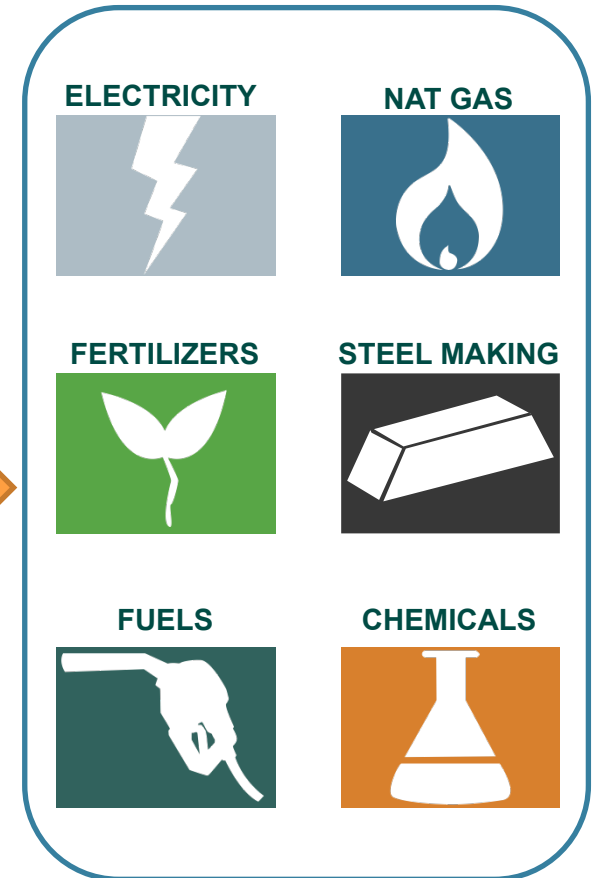
GASIFICATION



CONVERSION PROCESSES



HIGH VALUE END PRODUCTS



\$1.50/MMBTU



VALUE
ADDITION



\$4-8/MMBTU



HIGH POTENTIAL PROJECT IRR'S

SES Existing Operations and Investments

OPERATING PROJECTS USING OUR UNIQUE TECHNOLOGY



**ZAO ZHUANG NEW GAS COMPANY (ZZ) –
Completed December 2007**

- JV WITH XUECHENG ENERGY (97% SES / 3% XE)
- 2 SES GASIFIERS
- OPERATION DEC 2008 TO SEPT 2011
- SUCCESSFUL OPERATION ON WASTE COALS WITH ASH CONTENT UP TO 55% WT
- BEGAN MEOH SALES FROM COG ON OCT. 31, 2013
- COMMENCED SYNGAS OPERATION IN DEC 2013 AND EXPECTING TO GENERATE APPROXIMATELY ~\$30-40 MILLION IN ANNUAL REVENUES (BASED ON RECENT METHANOL PRICES IN CHINA)



**YIMA PLANT – HENAN PROVINCE
In Startup & Ramping Up Operations**

- JV WITH YIMA COAL INDUSTRY GROUP (75% YIMA / 25% SES)
- LARGEST SES PLANT (3 GASIFIERS)
- HIGH PRESSURE, 10 BAR OPERATION
- FIRST METHANOL PRODUCTION DEC 2012
- RAMPING UP PRODUCTION TO DESIGN CAPACITY OF 300K TPY METHANOL
- JV REVENUES PROJECTED AT ~\$130-150MM/YR (BASED ON CURRENT PREVAILING METHANOL PRICES IN CHINA)

MAXIMIZING CONVERSION VALUE

COAL TO CHEMICALS

- IMPROVING ON CONVENTIONAL USE OF GASIFICATION THROUGH IMPROVED EFFICIENCY AND LOWEST COST FUEL UTILIZATION

SMALL SCALE POWER GENERATION

- CLEAN-COAL POWER GENERATION ACHIEVED WHERE NATURAL GAS IS EXPENSIVE OR UNAVAILABLE, AND LOW QUALITY FUELS ARE ABUNDANT BUT MUST BE USED IN AN ENVIRONMENTALLY FRIENDLY MANNER.

STEEL INDUSTRY (DIRECT REDUCED IRON)

- SYNGAS PRODUCED FROM LOW COST COAL CAN BE USED:
 - ✓ REDUCING GAS REPLACES EXPENSIVE NATURAL GAS USED IN SHAFT FURNACES
 - ✓ REPLACE EXPENSIVE NATURAL GAS OR FURNACE OIL

COAL TO LIQUIDS

- HIGHLY COMPETITIVE TECHNOLOGY AGAINST >\$70/BBL HIGH PRICED CRUDE OIL DERIVED TRANSPORTATION FUELS (GASOLINE, DIESEL).

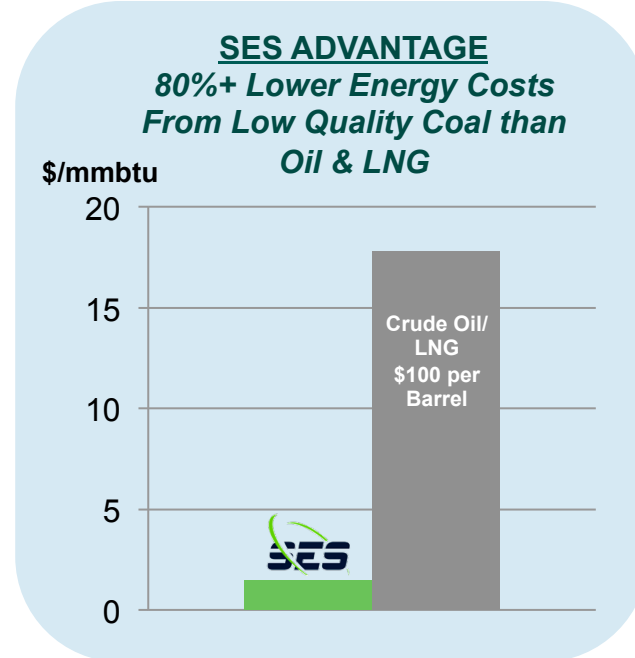
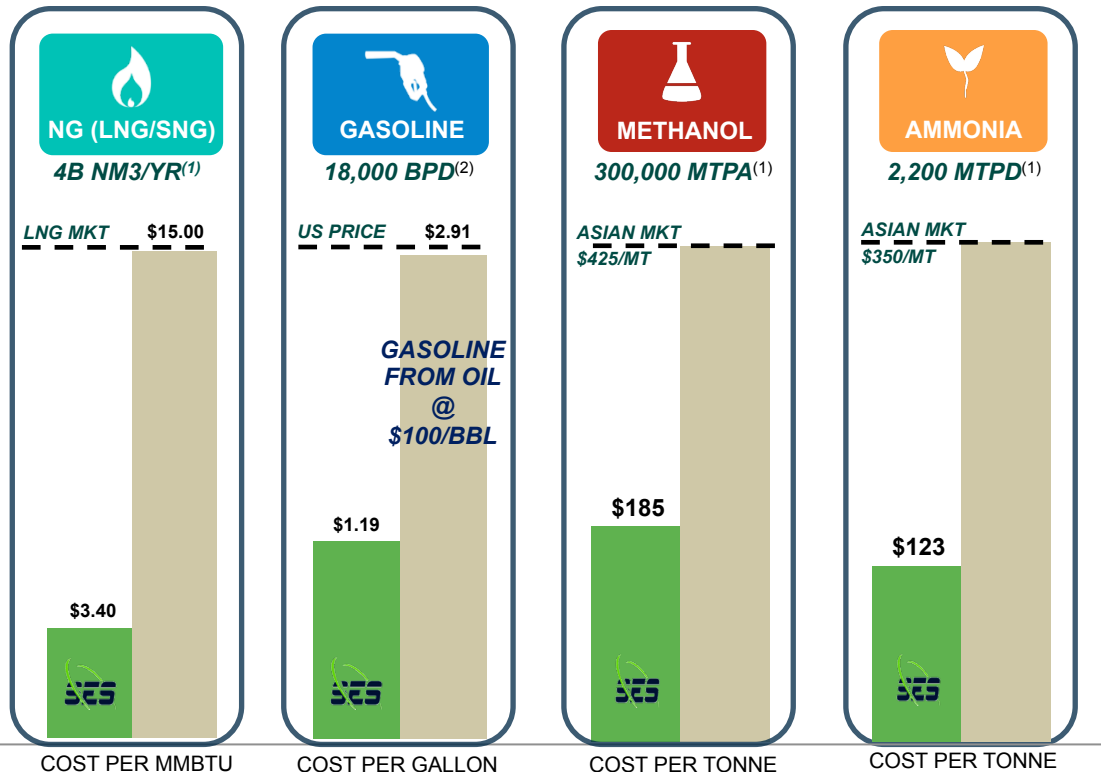
GREEN CHEMICALS

- COMPETITIVELY GENERATE “GREEN” CHEMICALS i.e. METHANOL, USING REFUSE/WASTE MATERIALS COMBINED WITH CONVENTIONAL NATURAL GAS TECHNOLOGY AT COMMERCIAL SCALE WHERE NATURAL GAS IS AFFORDABLE.

SES Delivers Value Through Low Cost Resources

UNIQUE TECHNOLOGY UNLOCKS VALUE FROM LOW QUALITY COAL

- THE WORLD HAS VAST AMOUNTS OF ENERGY LOCKED IN LOW QUALITY COAL RESOURCES
- SES HAS THE UNIQUE ABILITY TO CONVERT THESE RESOURCES TO HIGH VALUE ENERGY PRODUCTS
- PROVIDES ADVANTAGED ECONOMICS, ENERGY SECURITY AND FEEDSTOCK PRICE STABILITY



- PROJECT IRR POTENTIAL FROM 18% TO 75%
- ABILITY TO USE LOWEST COST FUEL IS THE DIFFERENTIATOR

Notes: SES Economics based on SES Internal data
 (1) 50/50 Debt/Equity; 6% Int over 7 yr term; China/India
 (2) 70/30 Debt/Equity; 8% Int over 10 yr term; US Wyoming
 (3) Coal price ~\$1.50/mmbtu