



ASX ANNOUNCEMENT

15 January 2009

Quarterly Activities Report For the Period Ending 31 December 2008

Syrah Resources (ASX:SYR) today released its December quarterly activities report.

Syrah continues to pursue its stated strategy of exploring its Australian exploration properties whilst pursuing acquisition or joint venture of an advanced resource project. Whilst cognisant of the need to conserve funds, Syrah continues to assess new projects that have become more available in the current distressed financial market conditions. Syrah will also consider other corporate opportunities that will add value for shareholders.

Lyndhurst, North Flinders Ranges, South Australia

Drilling programs at the White Lead prospect in April and September 2008 successfully identified oxide copper mineralisation at numerous locations along a 3km prospective strike length of the Tapley Hill Formation. The Company is planning a follow-up resource definition drill program at White Lead during 2009. Several expressions of interest to joint venture Lyndhurst have been received from other parties. These are in discussion and no formal offer has yet been received.

Levuka Project, Mt Isa Inlier, NW Qld

At Levuka, Syrah continues to evaluate drilling targets generated from geophysical and structural analyses completed in 2008.

Archie-Mackenzie, Mt Isa Inlier, NW Qld

Geological and structural reviews of the Archie-Mackenzie project area have defined two drill ready targets and two targets worthy of more detailed investigation.

Norfolk, Mt Isa Inlier, NW Qld

Syrah has applied for funding under the Federal Government ARC Linkage program to progress assessment and future drilling of the Camooweal impact structure. The funding application was developed with a Monash University team with considerable experience in impact structure geology. The success of this funding initiative will be known in the 2nd quarter of 2009.

New Tenement Application - Gilmore ELA 3686, Tumut, NSW

Syrah has applied for a new exploration tenement in the Tumut area of NSW. The “Gilmore” tenement application area covers the Main Ridge gold prospect, an area defined as a porphyry mineralisation target where previous drilling intercepted anomalous gold. Historical reports state that “gold at the prospect is associated with silicified, fractured and pyritised acid porphyry believed to be lava flows or shallow intrusive within conglomerates and sediments”.

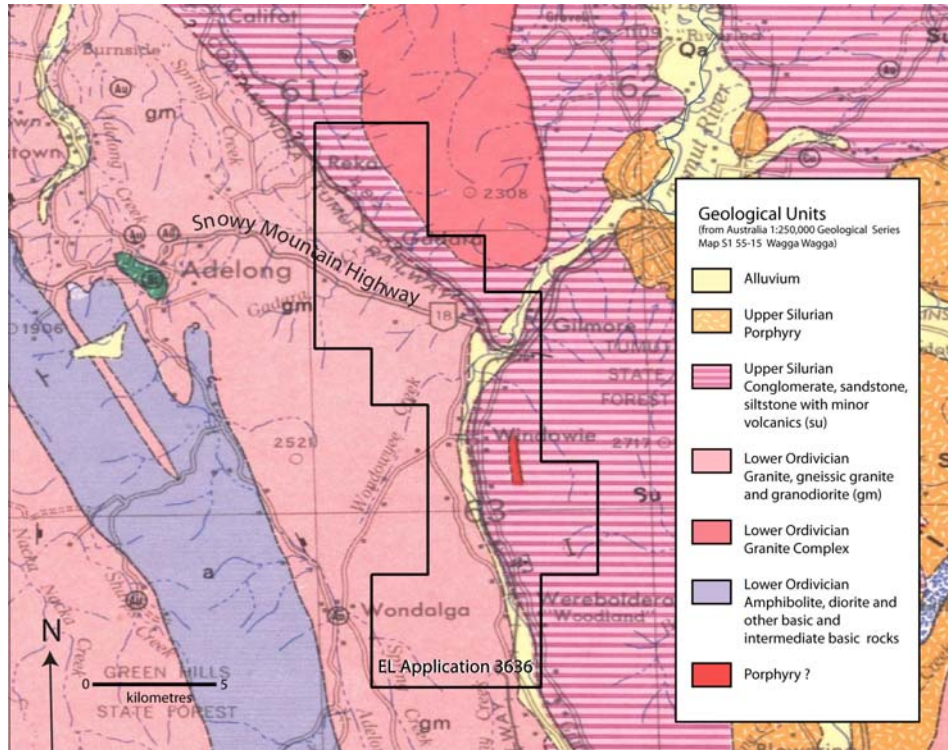


Figure: New Syrah tenement application, ELA 3686, Tumut, NSW

Munna, SE Qld

Syrah relinquished the Munna and Munna West tenements during the quarter due to the lack of success in generating worthy drill targets.

Inlice and Altintepe Gold Projects, Turkey

Syrah announced in October 2008 that it had reached conditional agreement with Stratex International PLC (AIM:STI) regarding a joint venture on the Inlice and Altintepe gold projects in Turkey.

Technical issues identified during due diligence and the sharp deterioration in the financial markets led to a decision not proceed with completion of the joint venture.

Corporate

At the Syrah Annual General Meeting in November 2008 shareholders approved the placement of 10 million new shares to assist with funding requirements. Due to the Company's withdrawal from the proposed Stratex joint venture, this placement will not proceed.

While the Company maintains adequate funding, measures have been taken to conserve funds. The Company continues to seek new opportunities in the resource sector and is considering joint venture opportunities on a number of its tenements.

Alistair Campbell
Managing Director
Syrah Resources Ltd

The information in this report that relates to the geology, geochemical, geophysical and exploration results of Syrah Resources projects was compiled by Mr Terry Lees, FAIG, who is an Executive Director of Syrah and Competent Person. Mr Terry Lees has 20 years experience in the minerals industry and the activities being reported on. Mr Terry Lees consents to the inclusion of this information in the form and context in which it appears in this report.

Syrah Resources - Registered Office:

Level 9, 356 Collins Street
Melbourne Victoria 3000

Syrah Resources - Directors & Key Management Personnel:

Mr Tom Eadie – Chairman
Mr Alistair Campbell – Managing Director
Mr Terry Lees – Exploration Director
Mr David Ogg – Company Secretary
Mr David Louwrens – Exploration Manager