



SYLVANIA
R E S O U R C E S L I M I T E D

High-margin, low-risk PGM producer

Investor presentation
October 2008

www.sylvaniareources.com

Disclaimer



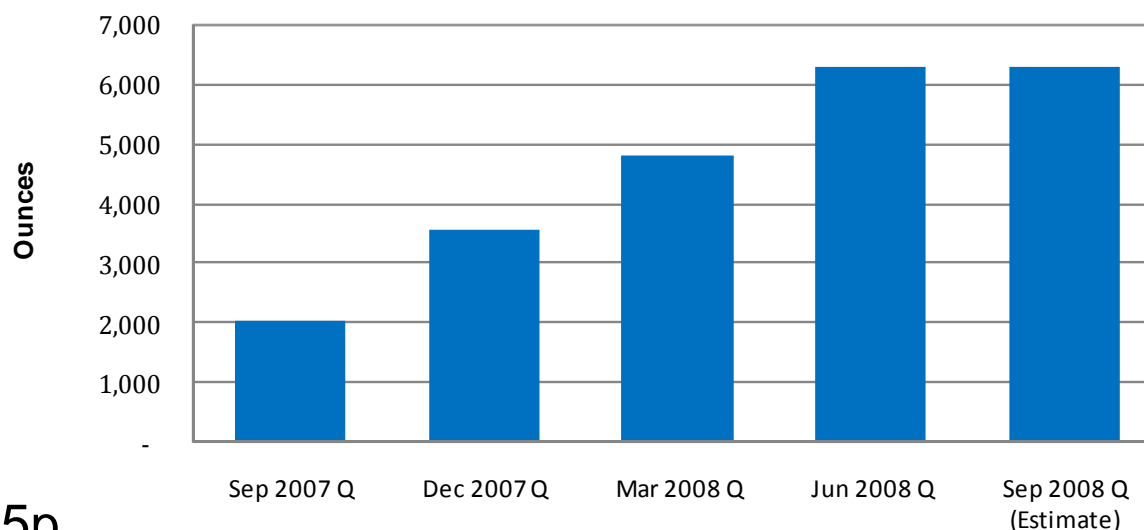
Certain forward-looking statements may be contained in this presentation which include, without limitation, expectations regarding platinum prices, estimates of production, operating expenditure, capital expenditure and projections regarding the completion of capital projects as well as the financial position of the company. Although Sylvania believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be accurate. Accordingly, results could differ from those projected as a result of, among other factors, changes in economic and market conditions, changes in the regulatory environment, and other business and operational risks.



Sylvania in brief

- South African PGM producer
- ASX and AIM-listed
 - (ASX, AIM:SLV)
- S&P/ASX 300 Index
- 180m shares in issue
 - quality shareholders
- Share price: A\$0.81; 37.5p
- Market cap: A\$146m; £68m
- Cash: \$43m; no debt; strong cash flow

Quarterly production



Vision



- Leading South African mid-tier PGM producer
- Low-risk tailings and shallow mining assets





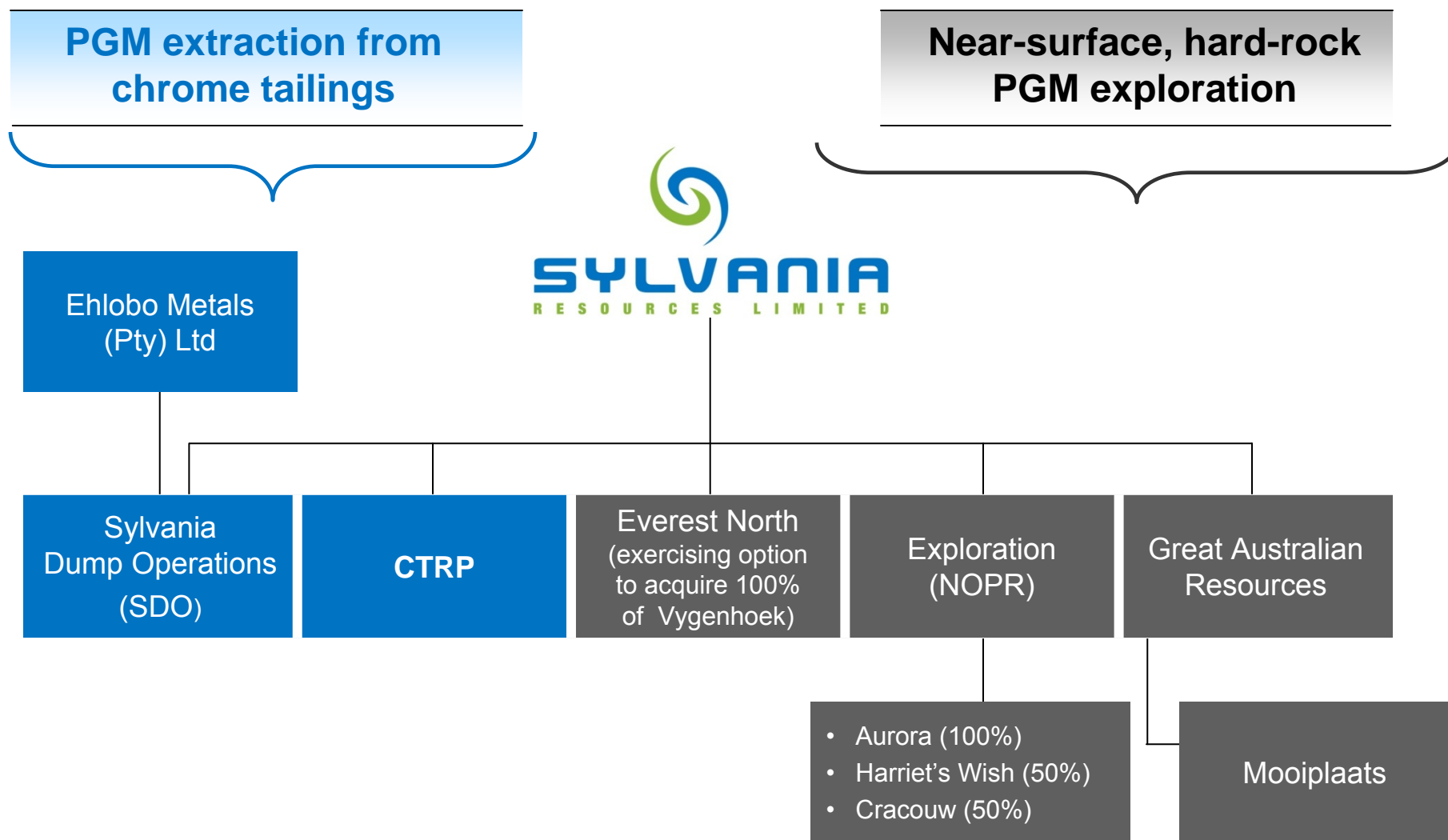
Key drivers

1. Business model
 - high-margin, low-risk surface operations
2. Sector
 - PGM market fundamentals remain positive
3. People
 - relevant experience with track record in value creation
4. Future
 - growth funded by strong cash flows and balance sheet



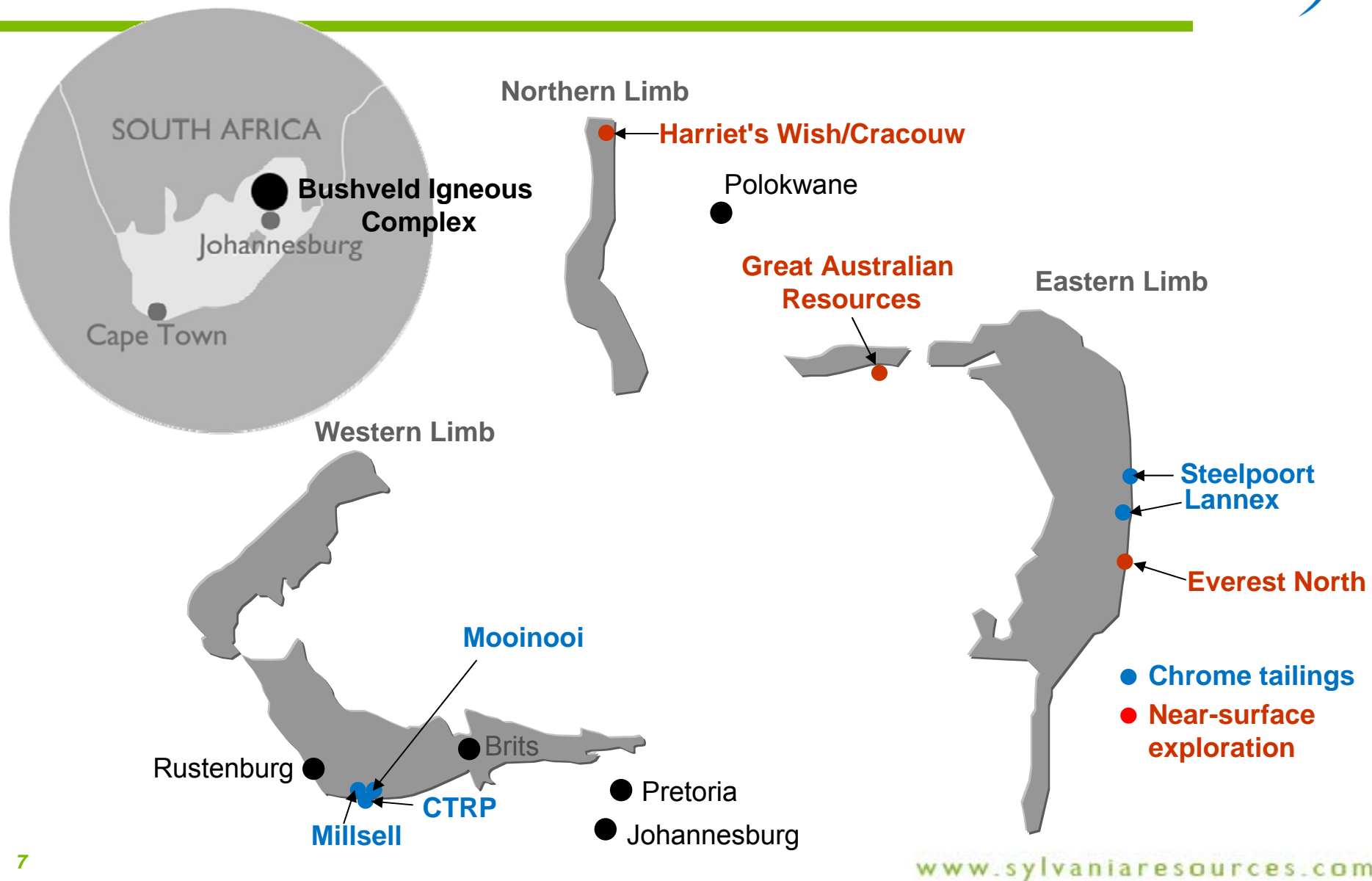


1. Business model



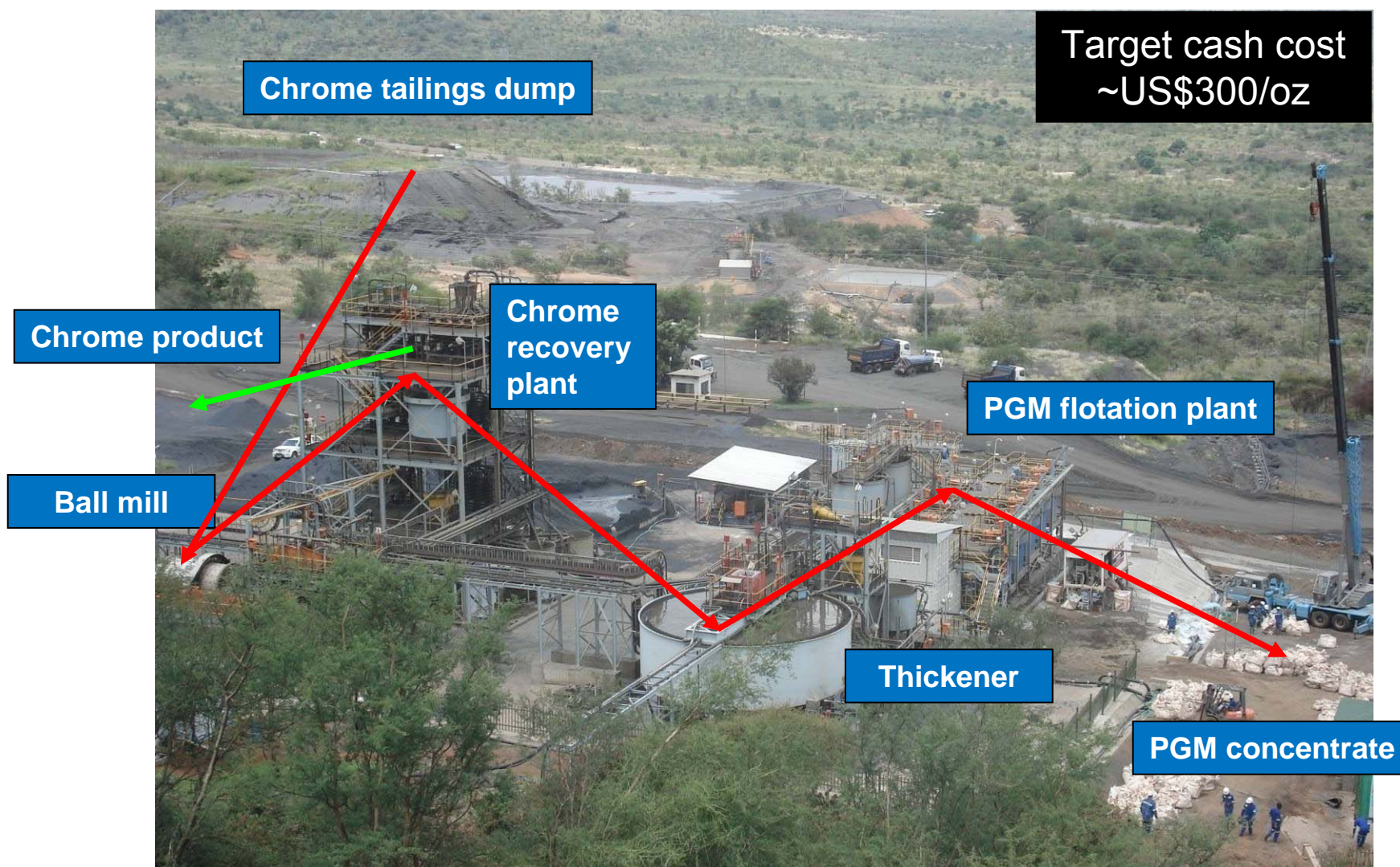


Location – in the heart of ‘PGM country’





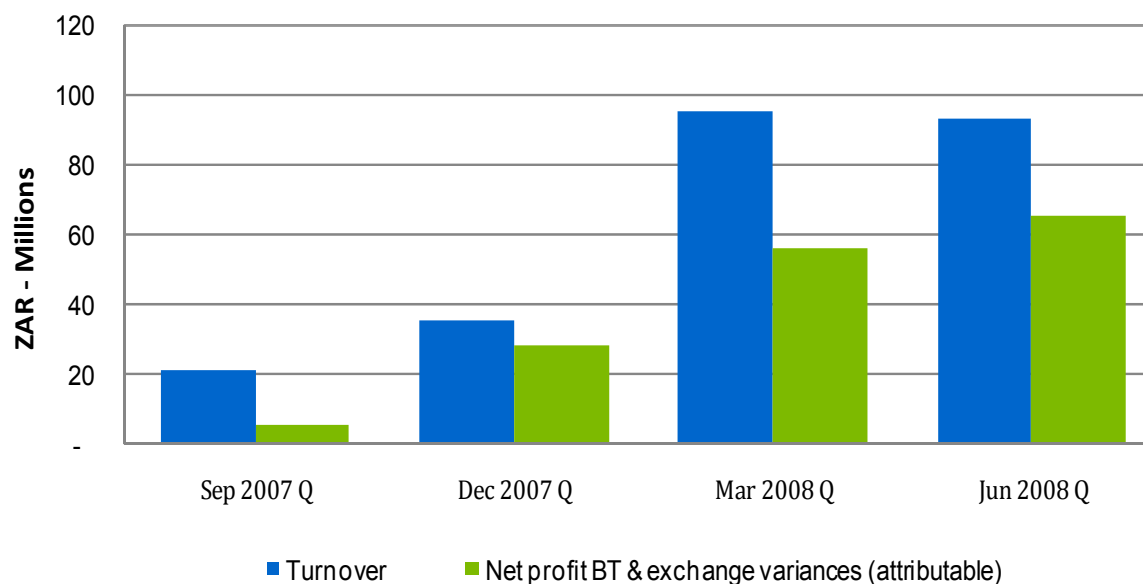
Low-risk surface operations





Track record – robust profit growth

- Pre-tax profit growth
 - high PGM prices
 - higher production (+30%)
 - lower costs
 - US\$308/oz (-15%)
- operating margins >80%

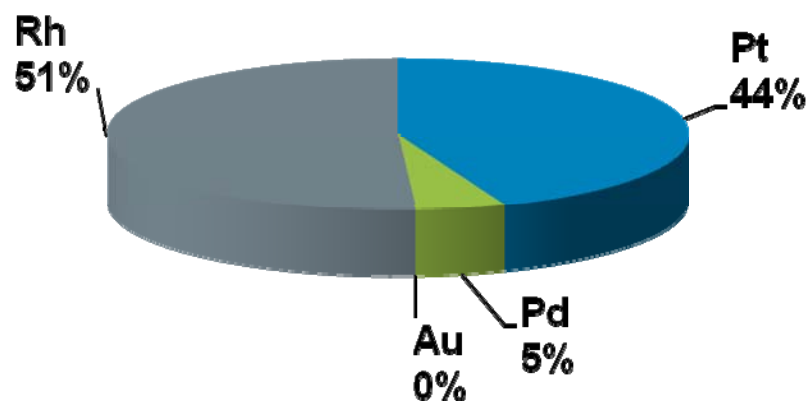




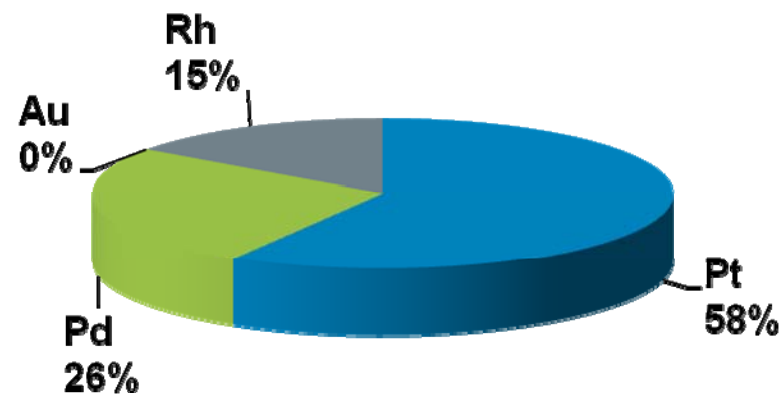
Revenue per ounce - PGM (3E+Au)

	Q3 FY08	Q4 FY08
	\$/oz	\$/oz
Total	2 737	2 692

Revenue split

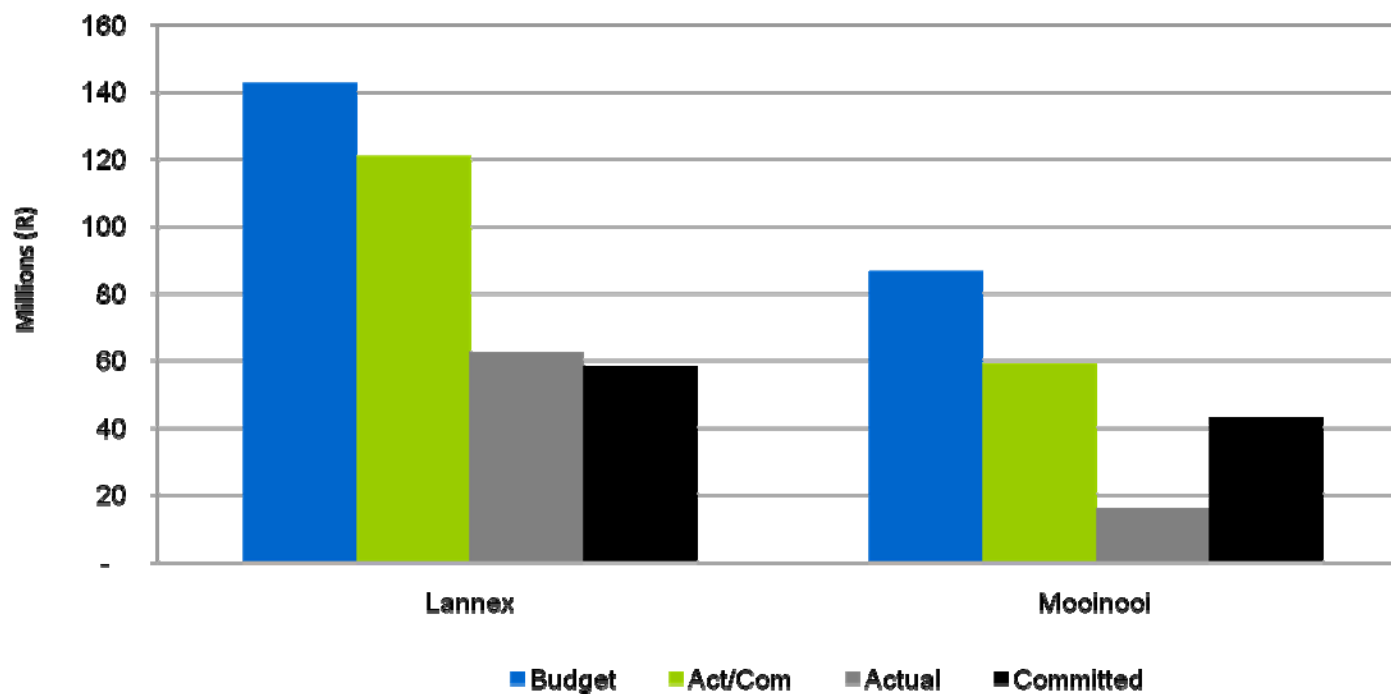


Production split





Capital - Lannex and Mooinooi





Project development timeline

Status	Project	2008												2009									
		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct		
	Lannex																						
	Broken Hill Chrome Plant	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
	Lannex PGM Plant	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
	Mooינווי																						
	Mooינווי Chrome Plant		Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
	Mooינווי PGM Plant		Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		

Key

- Completed
- In progress
- Commissioning



Attractive valuation

- Recent research reports:
 - Ambrian (Nomad); Landsbanki; Investec; Mirabaud
 - buy recommendations
 - Landsbanki 1/10/08 forecast: 96% upside

2 June 2008

Buying

Flash Note: Sylvania is rapidly boosting its cash balance during its current highly profitable ramp-up phase. This should enable the company to fund longer term growth through acquisitions and expansion.

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10 May 2008 - COMPANY UPDATE

Flash Note: We reiterate our Buy recommendation following a meeting with management from Sylvania's chrome dumps is on track and platinum group metal (PGM) prices are high and set to remain high.

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4 April 2008, United Kingdom

Buy

Flash Note: We are maintaining coverage on Sylvania with a Buy rating and 180p price target, implying 48% upside. The stock offers 'investor significant' growth in low capex, low opex PGM assets. Sylvania is growing its PGM production by commissioning and commissioning plants to recover PGMs from tailings.

14 July 2008

Buy

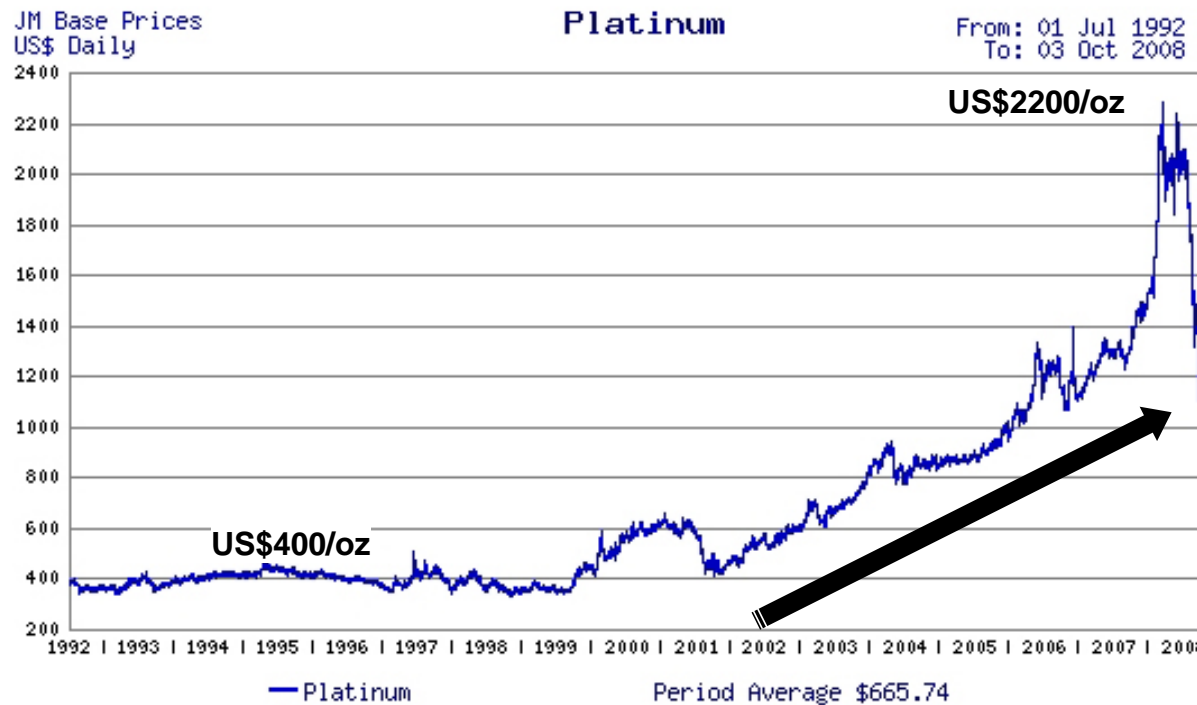
Flash Note: Sylvania Resources is in the process of constructing its third and fourth platinum retirement plants (PPPs) on the platinum and chrome-bearing Bushveld Complex, South Africa. The Sanacore Dumpy Operations (SDO) are designed to extract platinum group metals (PGMs) from chrome mine tailings.



2. Sector: positive long-term PGM industry fundamentals



- Demand growth
 - autocatalysts, emissions legislation, developing nations
- Supply-side constraints – South Africa ~80%
 - Sylvania less affected by power constraints








PGM basket:

- Pt US\$968/oz
- Pd US\$198/oz
- Rh US\$3 350/oz



3. People

- Experienced board focused on value creation
- Committed and talented employees and contractors
- SHE-driven culture
- Empowered
 - Ehlobo Metals (Pty) Ltd

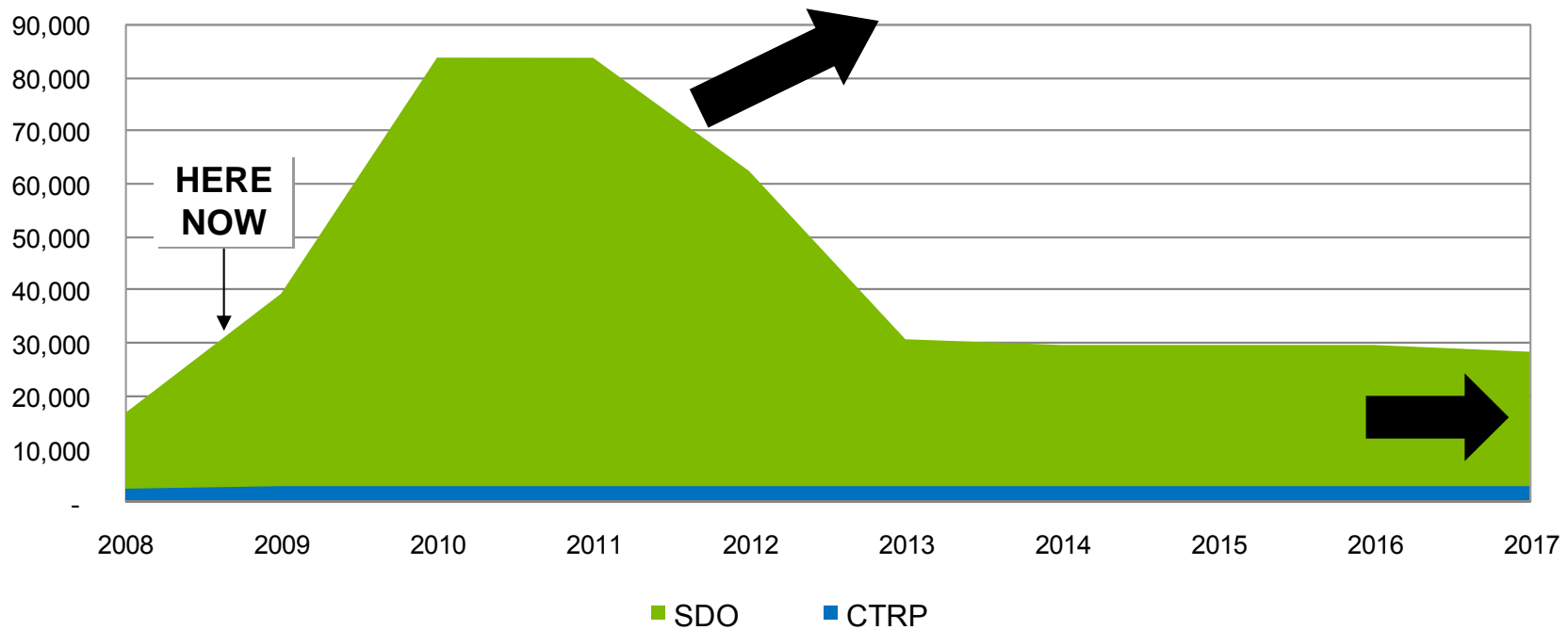
				
Terry McConnachie (Managing Director) Mining, entrepreneur	Louis Carroll (Finance Director) Finance	Richard Rossiter (Non-executive Chairman) Geology, banking	Alastair Ruiters (Non-executive Director) Public/private sector	John Cooke (Non-executive Director) Finance

4. Future



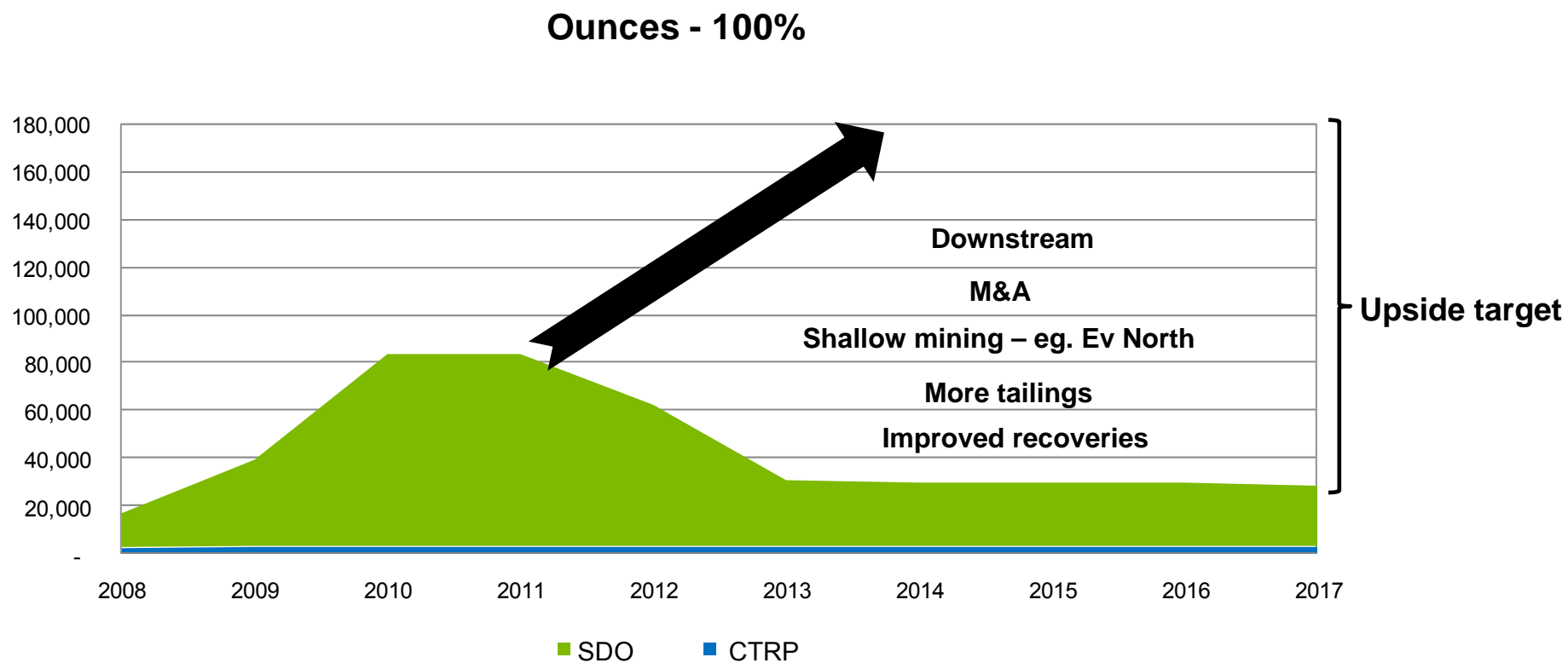
- Next two plants by early calendar 2009
- Ramping up to > 70koz pa

Ounces - 100%





Illustrative targets – aggressive growth focus





Investment case

1. Business model – high margin, low costs and low risks; attractive valuation
2. Sector – positive PGM fundamentals
3. People – growth focus and track record
4. Future – growth funded by robust cash flows





Contacts

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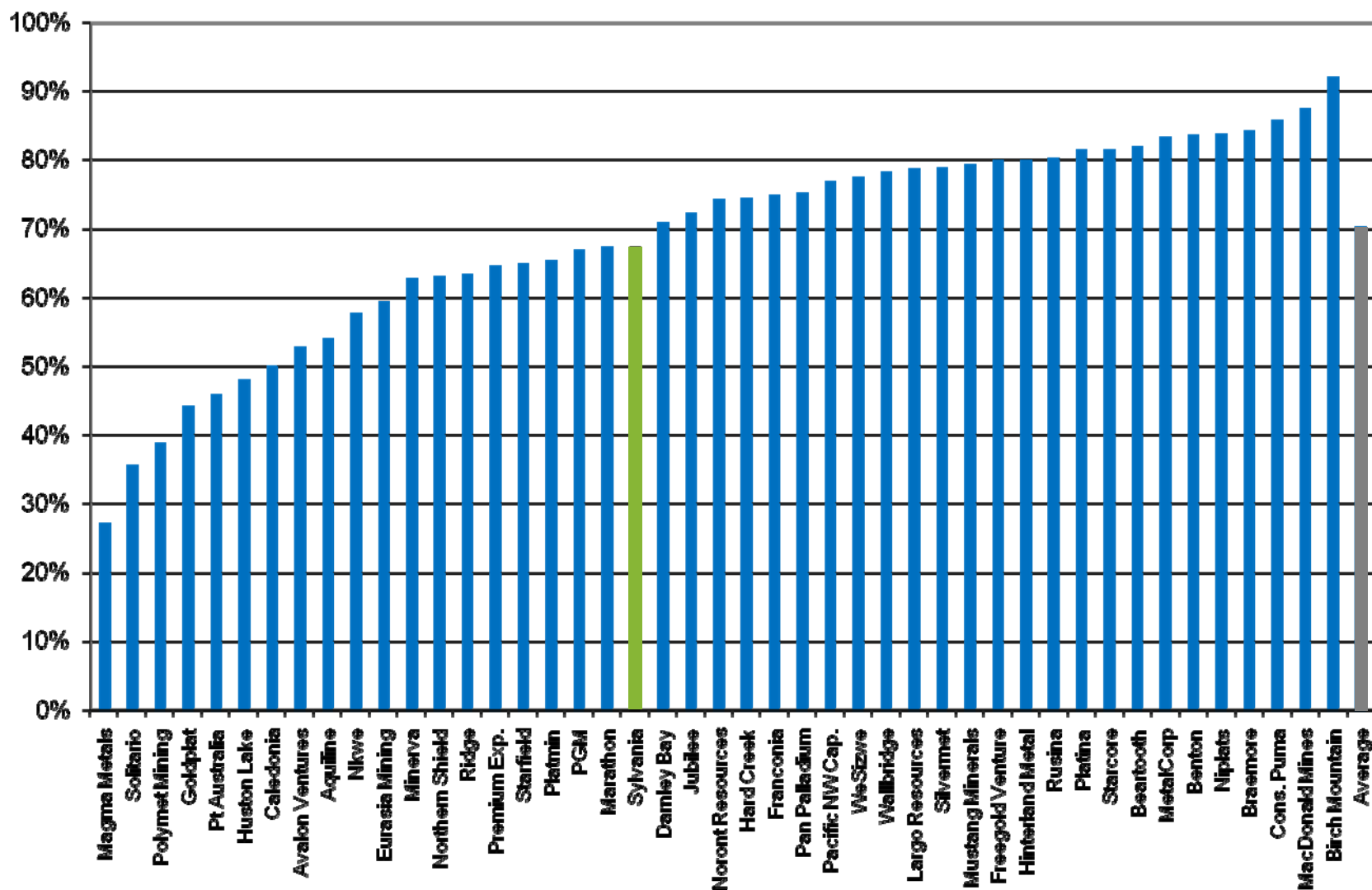
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Share price decline benchmarked

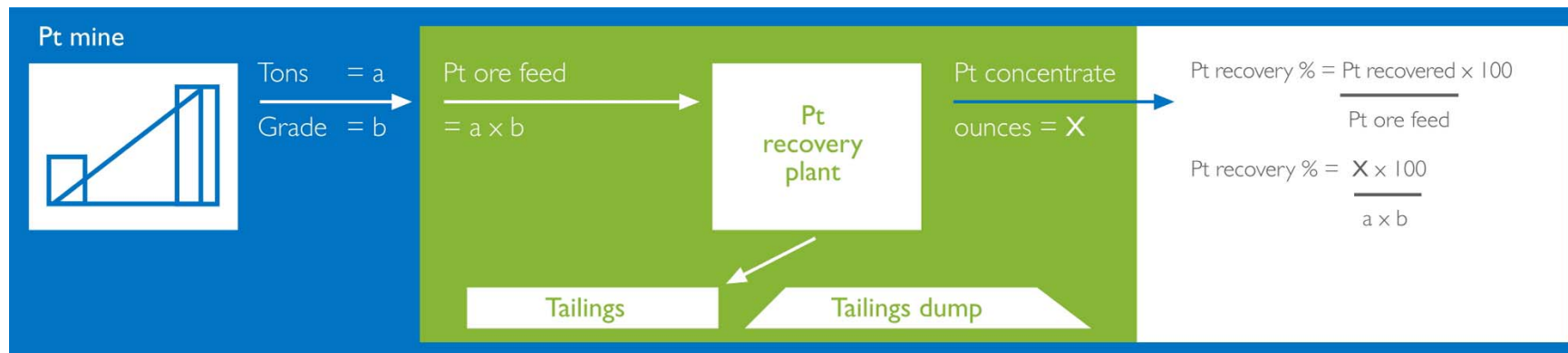


21 Source: Mineweb, data covers past 12 months



Comparison between a Sylvania surface retreatment operation and a conventional platinum (Pt) mine

Conventional Pt mine



Sylvania surface retreatment operation

