



SYLVANIA RESOURCES LIMITED

5 April 2004

The Manager
Company Announcement Office
Australian Stock Exchange Limited
Exchange Centre
20 Bond Street
Sydney NSW 2000

Dear Sir,

Re: Sylvania Resources Limited enters into Placing Agreement with clients of Williams de Broë Plc.

The Directors of Sylvania Resources Limited ("Sylvania") are pleased to announce that Sylvania has entered into binding contracts for the placement of 12 million fully paid ordinary shares in the company to clients of London Stockbroker, Williams de Broë Plc, at a price of £0.135 each.

The contracts are subject to the approval of the placement by Sylvania shareholders at a General Meeting of Shareholders to be held on 20th April 2004, and the shares being admitted to trading on the ASX.

Sylvania is finalising arrangements with other parties for the placement of up to a further 6.5 million shares as contemplated in the resolution to be considered at the General Meeting on 20th April 2004.

Yours faithfully
Sylvania Resources Limited

A handwritten signature in black ink that reads "G. Button". The signature is written in a cursive style with a large, looping initial "G".

Grant Button
Company Secretary

Sylvania Resources Limited	ACN 091 415 968
Level 4, HPPL House	Postal Address
28 - 42 Ventnor Avenue	PO Box 368
West Perth WA 6005	West Perth WA 6872
Tel: (61 8) 9481 8711	Fax: (61 8) 9324 2977