



6 December 2005

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

Dear Sir,

Re: South African court rules in favour of Samancor and Sylvania.

On 11 October 2005, Sylvania Resources Limited ("Sylvania") announced that it had been awarded a tender by Samancor Chrome, a division of Samancor Ltd, ("Samancor") to retreat chrome tailings and extract Platinum Group Metals from Samancor's Millsell and Waterkloof mine site in South Africa, and that pursuant to the tender award, a formal contract was being negotiated between Samancor and Sylvania.

Sylvania subsequently announced on 22 November 2005, that it had been advised that an unsuccessful tenderer, Copper Sunset Trading 59 (Pty) Ltd trading as Platcrome ("Platcrome"), had instituted urgent proceedings against both Samancor and Sylvania. Platcrome claimed that the tender process conducted by Samancor was inconsistent with the final tender awarded by Samancor. The relief Platcrome sought from the court would have had the effect of prohibiting Samancor and Sylvania from contracting. In addition Platcrome sought to have the Samancor tender process be declared null and void.

Sylvania has been advised that the proceedings instituted by Platcrome against Samancor and Sylvania have been dismissed, with the court awarding costs against Platcrome.

Sylvania continues to construct the chrome washing plant at Samancor's Millsell and Waterkloof mine site and it is anticipated the plant will be completed by February 2006.

Yours faithfully
Sylvania Resources Limited

A handwritten signature in black ink, appearing to read "E. Nealon", is written over a horizontal line.

Ed Nealon
Executive Chairman