



21 July 2006

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

Dear Sir,

Re: Admission to trading on AIM after £12 million placing

Sylvania Resources Limited ("Sylvania" or "the Company"; Ticker: SLV/L) (ASX: SLV), today announces the commencement of trading in its shares on AIM after a placing raised £12 million (A\$29.6 million) (before expenses). The Company has issued 40,000,000 placing shares, representing 27.5 per cent of the enlarged issued share capital of the Company, at 30pence (A\$0.74) per Ordinary Share. Williams de Broë Plc is acting as the Company's Nominated Adviser and Broker.

Commenting today Terry McConnachie, Chief Executive Officer of Sylvania, said: "Following today's successful fundraising our principal objective is to focus on the construction of the remaining CWP and PRP operations, continue our work on Everest North and expand the business into similar operations in South Africa."

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, sweeping initial "G".

Grant Button
Executive Director