



21 September 2006

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

Dear Sir,

**Re: SYLVANIA SIGNS LETTER OF INTENT WITH EASTPLATS**

Sylvania Resources Limited ("Sylvania") is pleased to announce it has signed a Letter of Intent with Eastern Platinum Limited ("Eastplats") with the objective of establishing a 'Pool and Share' Agreement on the Everest North and Mareesburg projects respectively ("the properties"). The properties comprise a contiguous platinum group metals project on the Eastern Limb of the Bushveld Igneous Complex near Steelpoort in Mpumalanga Province, South Africa. Both parties recognise that the pooling of assets at Everest North will lead to a more efficient and profitable use of reserves and realise a considerably longer mine life for the project.

Sylvania and Eastplats are currently reviewing each others data with a view to formalising the terms and conditions of the Pool and Share Agreement with respect to the management of mining and processing operations and the sharing of all PGM concentrate produced from the properties subject to the agreement.

Yours faithfully  
**Sylvania Resources Limited**

A handwritten signature in black ink, appearing to read "E. Nealon". The signature is fluid and cursive, with a large initial "E" and a long, sweeping tail.

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**Ed Nealon**  
**Chairman**

