



25 July 2006

### **Issue of Shares arising from introduction of Eligible Projects**

The Directors of Sylvania Resources Limited ("**Sylvania**") announce that further to its contract with Samancor Limited, the Company has been granted prospecting rights over dumps at several of Samancor's Western and Eastern Chrome Mines located in the Bushveld Complex of South Africa.

In accordance with its facilitation agreement with Portpatrick Ltd the Company advises that a further 5.275 million ordinary fully paid shares have been issued to Portpatrick Ltd for securing the prospecting rights to these highly prospective tailings dumps. The Company intends retreat these tailings for the extraction of chrome and platinum group metals. Under the terms of the agreement between the Company and Portpatrick dated 7 December 2005, a further 4,725,000 Ordinary Shares remain to be issued to Portpatrick as further consideration in respect of prospective tailings dumps.

Application has now been made to the Alternative Investment Market of the London Stock Exchange ("**AIM**") for 5,275,000 fully paid ordinary shares to be admitted to trading on AIM. Admission of the shares to trading on AIM is expected to occur at Monday 31 July 2006.

For further information please contact:

**In Australia:**

Ed Nealon / Grant Button  
Sylvania Resources Limited  
+61 8 9481 8711

**In United Kingdom:**

Laurence Read  
Conduit PR  
+44 20 7429 6605 / +44 7979 955 923

Alternatively, visit: <http://www.sylvaniaresources.com>