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## Sylvania Announces Platreef Development Strategy

Following the completion of the acquisitions of SA Metals Limited ("SA Metals") and Great Australian Resources Limited ("Great Australian Resources") and a review of the acquired properties, Sylvania is pleased to provide details of its strategy for the exploration and development of its Platreef properties.

### Highlights

- Sylvania will initially undertake a two phased exploration programme focusing on the Southern Platreef property known as the Grass Valley project.
- Phase 1 - Objective to define a measured JORC compliant resource from an existing historic inferred resource and further exploration work at Grass Valley:
  - Drilling expected to commence by the end of 2009
  - Definition of a measured resource sufficient to feed an initial 100,000 tpm flotation plant expected 6 months from the commencement of drilling
  - Recovery of a bulk sample to facilitate flotation and Conroast smelting testwork
- Phase 2 – Commencement of a bankable feasibility study ("BFS") which is currently targeted to complete in mid 2011.
- Sylvania and Jubilee Platinum Plc ("Jubilee") to work together as part of the recently announced strategic alliance to establish an optimal processing route.
- Sylvania will continue geological work on the Harriet's Wish, Cracow and Aurora projects.

Sylvania CEO Terry McConnachie said "By commencing work on our recently acquired Platreef ground Sylvania begins the process of developing near surface PGM mines to complement our existing PGM tailings operations. Our strategy is to develop a series of low cost 100,000 tpm modular flotation plants with a target to produce 350,000oz PGM per annum by 2018."

Sylvania aims to establish a series of modular 100,000 tpm processing facilities using the same processing technology currently employed at the Company's existing production facilities. The assets acquired through the acquisitions of Great Australian Resources and SA Metals include a number of advanced and earlier stage projects on the Northern Limb of the Bushveld Igneous Complex. Sylvania's immediate focus is the development of one of those projects at Grass Valley, where the first modular plant is to be established.

Sylvania has a longer term aim to establish eight facilities funded from internally generated cash flow, contributing to targeted group wide production of 350,000oz PGM per annum by 2018.



The delineation work now commencing on the Grass Valley project forms part of the Company's strategy to build a significant PGM production base from low cost surface mining operations to compliment its existing tailings processing plants. As Sylvania moves towards defining a minable resource at Grass Valley to JORC compliant standards it will simultaneously work with Jubilee to develop a low cost process route for the publication of a BFS in mid 2011, ahead of targeted first commissioning in 2012.

As part of its Grass Valley exploration activities, Sylvania will recover a bulk sample sufficient to commence flotation testwork. Jubilee will simultaneously take responsibility for Conroast smelting testwork. The results of this testwork will form a key component of the BFS which Sylvania intends to commence on the definition of a measured resource. Sylvania and Jubilee are working to formalise the basis upon which the parties will cooperate on the preparation of the BFS and further announcements will be made in due course.

The alliance with Jubilee means that the costs of completing a BFS will be substantially reduced as Sylvania and Jubilee will work together to establish an optimal processing route for the concentrate to be produced from the properties utilising Jubilee's proven ConRoast facility at Mintek in Johannesburg.

Sylvania will separately undertake geological exploration and drilling activities at the Harriet's Wish, Cracow and Aurora properties.

The Company's latest corporate presentation including further details of the Platreef strategy outlined above and the Company's latest production targets is available for download from the Company's web site ([www.sylvaniaresources.com](http://www.sylvaniaresources.com)).

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