22 February 2024

Sylvania Platinum Limited
("Sylvania", the "Company" or the "Group")

Interim financial results for the six months ended 31 December 2023

Sylvania (AIM: SLP), the platinum group metals ("PGM") producer and developer with assets in South Africa, is pleased to announce its results for the six months ended 31 December 2023 ("HY1 FY2024" or "the Period"). Unless otherwise stated, the consolidated financial information contained in this report is presented in United States Dollars ("USD" or "$").

Financial

- Net revenue generated for the Period totalled $40.8 million (HY1 FY2023: $79.9 million), a decrease due to the drop in basket price in USD terms;
- Group EBITDA of $7.3 million (HY1 FY2023: $45.6 million), a decrease compared to the prior period, due to the drop in basket price in USD;
- Net profit of $3.1 million (HY1 FY2023: $32.6 million);
- Earnings per share of 1.17 US cents for the six months ended 31 December 2023;
- Cash balance at 31 December 2023 of $107.2 million (HY1 FY2023: $123.9 million);
- Bought back 684,750 ordinary $0.01 shares ("Ordinary Shares") from employees and persons displaying managerial responsibilities ("PDMRs"), all transferred to Treasury; and
- Interim dividend for HY1 FY2024 of 1 pence per Ordinary Share declared.

Operational

- Sylvania Dump Operations ("SDO") delivered 38,405 4E PGM ounces (HY1 FY2023: 38,471 4E PGM ounces);
- Improved PGM recovery efficiencies and reduction of work-in-progress stock assisted in maintaining the PGM ounce production, while PGM feed grades were 9% lower and PGM feed tons marginally up;
- The final signed-off updated Mineral Resource Estimates ("MRE") for both the Volspruit North and South ore bodies were announced on 16 February 2024; and
- The assessment of the Aurora Project exploration data continues, the results from which will enable a decision on how best to unlock value from the project under current market conditions.

ESG

- All operations remain fatality free since inception in 2007;
- Total female representation increased to 23.47%; and
- Pre-audits were completed on all tailings facilities to align with the Global Industry Standard on Tailings Management ("GISTM"). Operational manuals and policy documents are being updated in line with GISTM requirements and standards where applicable.

Outlook

- FY2024 production guidance maintained at 74,000 to 75,000 4E PGM ounces;
- Commissioning of the Lannex secondary milling, fine grinding circuit commenced during Q2 FY2024 with optimisation to follow in Q3 FY2024;
- The execution phase of the Thaba Joint Venture ("Thaba JV") will be 18-24 months with first production expected in HY2 FY2025. Currently the project schedule is on track to meet this time frame; and

- The Group remains debt free and has sufficient cash reserves to fund capital expansion projects, process optimisation projects and to upgrade the Group's exploration and evaluation assets to unlock value for shareholders.

Commenting on the Period, Sylvania's CEO Jaco Prinsloo said:

"It is a great testament to our commitment to our health and safety protocols that we remain fatality free since we commissioned our first operation in 2007. The SDO has achieved 38,405 ounces of 4E PGM production in the Period, which is in line with the HY1 FY2024 production forecast.

"While many PGM producers in the industry are faced with challenges relating to the current market environment, revenue and net profit for the Company remain respectable despite the significantly lower PGM basket price. Additionally, the SDO is well positioned within the industry due to a stable production base, improving PGM recovery efficiencies and low operating costs – with the Company placed in the lowest quartile of the industry cost curve. Sylvania's low-cost strategy has ensured that the SDO remain cash generative even at lower basket prices. Enabled by our cash generating operations and disciplined operating cost and capital control, the Company has sufficient cash reserves to continue to fund capital and optimisation projects, as well as advancing our exploration projects and returning value to shareholders.

"After a decade of service as Non-Executive Chairman, Stuart Murray stepped down on 31 December 2023 to focus on his other business interests, and Eileen Carr succeeded Stuart as Chair of Sylvania. With over 35 years of professional expertise in the global resources sector, she brings a wealth of experience to her new role. I would like to express my gratitude for Stuart's valuable contributions during his tenure and I am looking forward to Eileen's forward-thinking leadership and I am sure we will sustain our growth and success under her stewardship. I would also like to congratulate Simon Scott, Non-Executive Director, who has taken over Eileen's role as Chair of the Audit Committee.

"It gives me great pleasure to announce that the Board has approved an interim dividend for HY1 FY2024 of 1 pence per Ordinary Share payable in April 2024.

"Looking ahead to the second half of the financial year, our operations and management teams are committed to achieving the full year production guidance of 74,000 to 75,000 4E PGM ounces and I anticipate continued robust results with the optimisation of the Lannex fine grinding circuit in progress. We are also undertaking continuous operational performance improvements including the optimisation of feed sources, throughput, recoveries, and cost saving initiatives. Additionally, we expect to provide further clarity on the significant potential of our exploration projects as we continue our studies and increase our resources.

"I look forward to keeping shareholders updated on our progress."

Disclaimer

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse regulation (EU) no.596/2014 as amended by the Market Abuse (Amendment) (EU Exit) Regulations 2019.

For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is being made on behalf of the Company by Jaco Prinsloo.

The Sylvania cash generating subsidiaries are incorporated in South Africa with the functional currency of these operations being the South African Rand ("ZAR"). Revenues from the sale of PGMs are received in USD and then converted into ZAR. The Group's reporting currency is USD as the parent company is incorporated in Bermuda. Corporate and general and administration costs are incurred in USD, Pounds Sterling ("GBP") and ZAR.

For the six months under review the average ZAR:USD exchange rate was ZAR18.69:$1 and the closing exchange rate at 31 December 2023 was ZAR18.31:$1.

Operational and Financial Summary

Production	**Unit**	**HY1 FY2023**	**HY1 FY2024**	**% Change**
Plant Feed	T	1,337,785	1,302,980	-3%
Feed Head Grade	g/t	1.92	1.90	-1%
PGM Plant Feed Tons	T	690,912	701,150	1%
PGM Plant Feed Grade	g/t	3.19	2.89	-9%
PGM Plant Recovery[1]	%	56.47%	57.49%	2%
Total 4E PGMs	Oz	38,471	38,405	0%
Total 6E PGMs	Oz	48,697	48,671	0%

Unaudited		**USD**				**ZAR**		
	Unit	**HY1 FY2023**	**HY1 FY2024**	**% Change**	**Unit**	**HY1 FY2023**	**HY1 FY2024**	**% Change**
Financials								
Average 4E Gross Basket Price[2]	$/oz	2,513	1,311	-48%	R/oz	43,532	24,495	-44%
Revenue (4E)[3]	$'000	70,923	36,945	-48%	R'000	1,228,715	690,489	-44%
Revenue (by-products including base metals)	$'000	7,020	6,858	-2%	R'000	121,614	128,162	5%
Sales adjustments	$'000	1,959	(3,033)	-255%	R'000	33,936	(56,715)	-267%
Net revenue	$'000	79,902	40,770	-49%	R'000	1,384,265	761,936	-45%
Direct Operating costs	$'000	23,170	26,191	13%	R'000	401,418	489,504	22%
Indirect Operating costs	$'000	8,923	5,690	-36%	R'000	154,593	106,354	-31%
General and Administrative costs	$'000	1,503	1,463	-3%	R'000	26,032	27,343	5%
Group EBITDA	$'000	45,639	7,300	-84%	R'000	790,467	136,437	-83%
Net Profit	$'000	32,633	3,082	-91%	R'000	565,204	57,603	-90%
Capital Expenditure	$'000	6,206	7,402	19%	R'000	107,488	144,926	35%
Cash Balance[5]	$'000	123,895	107,232	-13%	R'000	2,112,410	1,963,418	-7%
Ave R/$ rate					R/$	17.32	18.69	8%
Spot R/$ rate					R/$	17.05	18.31	7%
Unit Cost/Efficiencies[4]								
SDO Cash Cost per 4E PGM oz[4]	$/oz	602	682	13%	R/oz	10,434	12,746	22%
SDO Cash Cost per 6E PGM oz[4]	$/oz	476	538	13%	R/oz	8,243	10,057	22%
Group Cash Cost Per 4E PGM oz[4]	$/oz	742	833	12%	R/oz	12,851	15,569	21%
Group Cash Cost Per 6E PGM oz[4]	$/oz	586	657	12%	R/oz	10,150	12,279	21%
All-in Sustaining Cost (4E)	$/oz	889	903	2%	R/oz	15,398	16,876	10%
All-in Cost (4E)	$/oz	1,017	1,037	2%	R/oz	17,623	19,382	10%

The Sylvania cash generating subsidiaries are incorporated in South Africa with the functional currency of these operations being ZAR. Revenues from the sale of PGMs are received in USD and then converted into ZAR. The Group's reporting currency is USD as the parent company is incorporated in Bermuda. Corporate and general and administration costs are incurred in USD, GBP and ZAR.

1 PGM plant recovery is calculated on the production ounces that include the work-in-progress ounces when applicable.
2 The gross basket price in the table is the December 2023 gross 4E basket used for revenue recognition of ounces delivered in HY1 FY2024, before penalties/smelting costs and applying the contractual payability.
3 Revenue (6E) for HY1 FY2024, before adjustments is $22.7 million (6E prill split is Pt 53%, Pd 17%, Rh 9%, Au 0%, Ru 16%, Ir 5%). Revenue excludes profit/loss on foreign exchange.
4 The cash costs include operating costs and exclude indirect costs for example mineral royalty tax and Employee Dividend Entitlement Plan ("EDEP") payments.
5 HY1 FY2024 cash balance excludes restricted cash held as guarantees of $0.8 million.

A. OPERATIONAL OVERVIEW

Health, safety and environment

During the Period under review, there were no significant occupational health or environmental incidents reported and all operations remained fatality free since inception. There were no Lost-Time Injuries ("LTIs") recorded during the Period and the SDO collectively achieved the significant milestone of being all-injury free during Q2 FY2024. Doornbosch remains 11 years LTI-free, Lesedi and Lannex both remain three years LTI-free, and Tweefontein is also over one-year LTI-free. While the Mooinooi operation exceeded one-year LTI-free during the Period, the operation unfortunately suffered one LTI post Period end.

Management's proactive stance towards safety measures, which includes routine risk assessments, has played a pivotal role in fostering a workplace ethos that places a high priority on the well-being of both employees and contractors. Concurrently, Sylvania's environmental endeavours have propelled responsible resource management, significantly reducing its ecological footprint.

The highly successful last quarter of the calendar year ("Silly Season") campaign, spanning from November 2023 through January 2024, effectively highlighted the significance of a hazard-free and injury-free environment. Through a range of creative initiatives, employees embraced a culture of mindfulness, remaining vigilant about adhering to safety protocols, resulting in an outstanding achievement of zero injuries throughout Q2 FY2024 and the festive season.

Sylvania's annual anti-gender-based violence ("GBV") campaign further solidified a workplace culture grounded in respect and equality. Informative sessions and open dialogues provided employees with a profound understanding of the repercussions of GBV, empowering them to become advocates for positive change. This reiterates the Company's dedication to nurturing a workplace that champions inclusivity, ultimately contributing to a more harmonious and supportive professional community.

Operational performance

The SDO achieved 38,405 4E PGM ounces for HY1 FY2024 which was largely unchanged from the corresponding period in FY2023. The sustained production level was primarily due to improved PGM recovery efficiencies and a reduction in work-in-progress stock, as well as the PGM feed tons being marginally higher, despite PGM feed grades being 9% lower than the corresponding period in HY1 FY2023.

The improved PGM recovery efficiency can be attributed to the successful commissioning and optimisation of the Tweefontein and Lannex secondary milling and flotation ("MF2") circuits. These two MF2 circuits were the last to be commissioned at our existing SDO operations, following the Company's roll-out of the programme initiated during FY2017. The Lannex MF2 flotation circuit was commissioned during Q1 FY2024 and optimisation continues following the addition of the complementary fine grinding circuit that was commissioned in Q2 FY2024.

The 9% decrease in PGM plant feed compared to the corresponding period in HY1 FY2023, was primarily related to lower PGM feed grade in dump feed sources to Lannex, Mooinooi and Lesedi. Feed grade optimisation and blending strategies remain a continuous focus area for operations and the Company continues to assess higher-grade third-party tailings material in the industry as alternative feed sources to supplement PGM feed grades and production.

SDO cash costs increased by 13% from $602/ounce to $682/ounce. This was mainly due to the significantly higher than inflation electricity rate increase from the national power utility, increased reagents and consumable costs associated with additional MF2 circuits, and transport and purchase costs associated with higher-grade third-party feed material. The higher maintenance costs at Lesedi and Lannex due to abnormal mill repairs during the Period also contributed to the higher cash cost.

Operational focus areas

During the Period, the SDO developed a new improved planned maintenance system which was successfully implemented at the Millsell operation. This is expected to improve plant availability, capacity, and runtime, resulting in improved process stability and increased efficiencies, and is being rolled out to priority operations.

Run of Mine ("ROM") feed grades at the Mooinooi operation have been at satisfactory levels during the Period, but remain a focus area for the operation as it continues to collaborate with the host mine in relation to the preferred source of ROM required to sustain better grades.

Higher-grade, third-party dump feed material is continuously being evaluated and treated at selected operations together with low-grade resources in order to optimise the overall PGM feed grade to operations to mitigate the impact of currently subdued metal prices.

Reagent optimisation continues, especially at the recently commissioned MF2 circuits, to achieve improved efficiencies and further contribute to an increase in metal recoveries.

Focus also remains on the operational aspects of the SDO tailings facilities by the operations teams, the engineer on record, relevant expert advisers, and associated service providers.

Post Period-end, some members of the National Union of Metals Workers of South Africa ("NUMSA") embarked on a protected strike at some of the SDO plants related to wage negotiations at the Western operations. Discussions are ongoing with NUMSA leaders to find a swift and amicable solution to the current impasse. However, while the strike has had some impact at the affected Western Operations, the Company has been able to maintain full production at all Eastern operations and to run all plants at the Western operations at a slightly reduced capacity. Hence, we believe the current stated guidance should still be achievable for the FY2024 financial year.

Capital Projects

Capital spend increased during the Period compared to the corresponding period in FY2023 from $6.2 million to $7.4 million, which included Sylvania's attributable portion of the Thaba JV capital of $1.3 million and $0.4 million on exploration projects. All capital projects are fully funded from current cash reserves.

A central filtration plant is being evaluated to facilitate the conversion to dry filtered concentrate, instead of the current slurry. This will assist in reducing concentrate transport costs and remediate handling challenges at off-take smelters.

In order to mitigate power interruptions at Lesedi and Millsell, the two operations which are most affected by the national power utility's load curtailment programme, back-up power generation projects were initiated during FY2023. The Lesedi unit was commissioned post Period end in February 2024. Lesedi experienced approximately 81 hours of downtime during HY1 FY2024 due to load curtailment by the national power utility (total downtime during FY2023 was 544 hours). The Company does not anticipate any further losses in this regard following the installation of the back-up generator.

While management is not anticipating further impact on operations than in HY1 FY2024, the Company recognises the risks linked to the ongoing electricity supply challenges in South Africa, and the national power utility's load curtailment programme, and continues to closely monitor the evolving energy situation in order to evaluate and implement contingency plans to mitigate potential disruptions to its operations.

Outlook

Despite the continued challenging price environment, the Company performed well during the first half of the financial year and is well positioned for a solid performance during HY2 FY2024, maintaining production guidance of 74,000 to 75,000 4E PGM ounces for FY2024.

The exploration projects in the Northern Limb hold significant potential for the Company. In the second half of this year, the focus remains on further improving confidence in the resources, whilst expanding and quantifying the potential benefit from these assets. Following on from the Exploration Results and Resource Statement that was released in FY2023, the Company continues to develop the projects through additional technical studies and re-interpretation of historical information. This additional information will assist the Company in ascertaining how best to develop these projects.

Despite the current lower 4E PGM basket price, the Board remains optimistic about the overall medium to long term PGM price outlook, based on the respective supply and demand trends for platinum, palladium, and rhodium. In the meantime, the SDO remains well positioned within the industry, with a stable production base, low operating costs and improving PGM recovery efficiencies. Additionally, with the current elevated chrome ore prices and through the strategic alliance with Limberg Mining Company (Pty) Ltd ("LMC") in the Thaba JV, Sylvania is well positioned to diversify its revenue streams, creating value for shareholders, and benefit from the rising demand for chrome going forward.

As always, management will continue to focus on the parameters that it is able to control, with a specific focus on improving direct operating costs, maintaining a safe, stable and efficient production environment, and ensuring disciplined capital allocation and control.

Sylvania remains committed to its Environmental, Social and Governance ("ESG") initiatives and will continue to publish an ESG Report annually.

B. FINANCIAL OVERVIEW

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the half year ended 31 December 2023

	Note(s)	31 December 2023 $ Reviewed	31 December 2022 $ Reviewed
Continuing operations			
Revenue	1	40,769,912	79,901,718
Cost of sales		(33,628,754)	(30,271,919)
Royalties tax		(583,667)	(3,796,403)
Gross profit		6,557,491	45,833,396
Other income		69,064	45,547
Other expenses	2	(1,533,319)	(2,202,060)
Operating profit before net finance costs and income tax expense		5,093,236	43,676,883
Finance income		3,269,983	2,359,757
Finance costs		(239,649)	(536,505)
Profit before income tax expense from continuing operations		8,123,570	45,500,135
Income tax expense	3	(5,042,018)	(12,866,977)
Net profit for the Period from continuing operations		3,081,552	32,633,158
Discontinued operations			
Profit after tax for the Period from discontinued operations	4	-	1,351,227
Net profit for the Period		3,081,552	33,984,385
Other comprehensive loss			
Items that are or may be subsequently reclassified to profit and loss:			
Foreign operations - foreign currency translation differences		3,626,123	(4,977,923)
Total other comprehensive profit/(loss) net of tax		3,626,123	(4,977,923)
Total comprehensive income for the year		6,707,675	29,006,462
		Cents	*Cents*
Earnings per share attributable to the ordinary equity holders of the Company:			
Basic earnings per share		1.17	12.75
Diluted earnings per share		1.17	12.65

1. Revenue is generated from the sale of PGM ounces produced at the six retreatment plants, net of smelter charges and pipeline sales adjustments.
2. Other expenses relate to corporate activities and include directors' fees, insurance, advisory and public relations expenses.
3. Income tax expense includes current tax, deferred tax and capital gains tax.
4. Profit on discontinued operations is the profit after tax of Grasvally Chrome Mine (Pty) Ltd.

The average gross basket price for PGMs for the six months to 31 December 2023 was $1,311/ounce compared to $2,513/ounce for the period ended 31 December 2022. The Group recorded net revenue of $40.8 million for the six months to 31 December 2023, a 49% decrease half-year on half-year, as a result of the lower basket price and negative sales adjustment for the Period.

The operational costs of sales (cash and non-cash) are incurred in ZAR and represent the direct and indirect costs of producing the PGM concentrate. This amounted to ZAR595.9 million for the reporting Period compared to ZAR556.0

million for the six months to 31 December 2022. The main cost contributors were labour costs of ZAR185.5 million (HY1 FY2023: ZAR170.4 million), mining costs of ZAR58.5 million (HY1 FY2023: ZAR61.1 million), reagents and milling costs of ZAR66.5 million (HY1 FY2023: ZAR51.1 million) and electricity of ZAR86.7 million (HY1 FY2023: ZAR64.7 million).

Group cash cost was ZAR15,569/ounce ($833/ounce) compared to ZAR12,851/ounce ($742/ounce) in the previous corresponding period. The all-in sustaining cost ("AISC") for the Group amounted to ZAR16,876/ounce ($903/ounce) and an all-in cost ("AIC") of ZAR19,382/ounce ($1,037/ounce) for the Period to 31 December 2023. This compares to the AISC and AIC for 31 December 2022 of ZAR15,398/ounce ($889/ounce) and ZAR17,623/ounce ($1,017/ounce) respectively.

General and administrative costs were $1.46 million for the six months to 31 December 2023 against $1.50 million for the corresponding period in the prior year. These costs are incurred in USD, GBP and ZAR and relate mainly to advisory and professional fees, insurance and Directors' fees, and public relations.

Interest is earned on surplus cash invested across the portfolio at an average interest rate of 5.07% per annum, as well as on the loan to Forward Africa Mining (Pty) Ltd relating to the Grasvally Chrome Mine (Pty) Ltd ("Grasvally") sale at 11.4% and the loan to LMC relating to the Thaba JV at the current South African prime lending rate (11.75%). Interest expense is accounted for on various lease agreements in terms of International Financial Reporting Standards ("IFRS"), such as office rental at rates intrinsic to the relevant lease agreements.

Income tax is paid in ZAR on taxable profits generated at the South African operations at a rate of 27%. The income tax expense for HY1 FY2024 was ZAR33.2 million ($1.8 million) compared to ZAR228.0 million ($13.2 million) for HY1 FY2023. The mineral royalty tax expense for the Period was ZAR10.9 million ($0.6 million) compared to ZAR65.8 million ($3.8 million) for the prior period. The decrease in both income tax and mineral royalty tax is largely due to the decrease in the average metal price half-year on half-year by 48% in USD terms and 44% in ZAR terms, with a resultant decrease in revenue and taxable income.

Condensed Consolidated Statement of Cash Flows for the half year ended 31 December 2023

	Notes	31 December 2023 $ Reviewed	31 December 2022 $ Reviewed
Cash flows from operating activities			
Receipts from customers		45,540,831	74,119,091
Payments to suppliers and employees		(34,838,659)	(30,891,587)
Cash generated from operations		10,702,172	43,227,504
Finance income		2,009,565	2,128,381
Taxation paid		(4,805,510)	(7,677,484)
Net cash inflow from operating activities		7,906,227	37,678,401
Cash flows from investing activities			
Purchase of plant and equipment		(7,022,576)	(5,321,899)
Payments for exploration and evaluation capitalised		(379,793)	(884,441)
Advance paid: Joint Ventures		(934,870)	(2,701)
Advance paid loans: Third-party		-	(330,189)
Acquisition of other assets		-	(14,770)
Net cash outflow from investing activities		(8,337,239)	(6,554,000)
Cash flows from financing activities			
Payment of lease liabilities		(219,611)	(179,245)
Payment for treasury shares		(616,441)	(1,144,688)
Dividends paid		(16,671,350)	(25,585,785)
Net cash outflow from financing activities		(17,507,402)	(26,909,718)
Net increase/(decrease) in cash and cash equivalents		(17,938,414)	4,214,683
Effect of exchange fluctuations on cash held		1,010,389	(1,601,737)
Cash and cash equivalents at the beginning of the reporting Period		124,159,854	121,282,425
Cash and cash equivalents at the end of the reporting Period		107,231,829	123,895,371

The cash and cash equivalents decreased by 13% in USD terms from $123.9 million to $107.2 million. Cash generated from operations before working capital was $8.5 million for the reporting Period with a change in working capital of $2.2 million mainly due to the movement in trade receivables and trade payables.

During the six months ended 31 December 2023, provisional income tax and mineral royalty tax of $2.2 million (ZAR40.6 million) and $0.6 million (ZAR11.0 million) was paid respectively. A further $2.6 million (ZAR49.9 million) dividend withholding tax was paid on intercompany dividends declared during the Period.

Capital expenditure incurred for the Period was $7.4 million on specific optimisation and stay-in-business projects; Thaba JV development was $1.3 million and $0.4 million was on exploration projects. A final cash dividend for FY2023 of 5 pence per Ordinary Share, amounting to $16.7 million, was paid in December 2023 to shareholders on the register at the close of business on 27 October 2023.

Condensed Consolidated Statement of Financial Position as at 31 December 2023

	Note(s)	31 December 2023 $ Reviewed	30 June 2023 $ Audited
ASSETS			
Non-current assets			
Exploration and evaluation expenditure		47,134,439	46,464,143
Property, plant and equipment		55,277,295	48,650,611
Other financial assets	5	7,354,644	6,352,325
Other assets		30,966	30,024
Deferred tax asset		4,705	11,088
Total non-current assets		109,802,049	101,508,191
Current assets			
Cash and cash equivalents	6	107,231,829	124,159,854
Trade and other receivables	7	33,586,082	35,714,003
Other financial assets	5	2,457,386	1,800,402
Inventories	8	5,731,701	5,103,550
Current tax asset		1,921,973	1,472,104
Total current assets		150,928,971	168,249,913
Total assets		260,731,020	269,758,104
EQUITY AND LIABILITIES			
Shareholders' equity			
Issued capital	9	2,753,757	2,790,000
Reserves	10	20,972,569	17,461,465
Retained profit		205,522,784	219,112,582
Total equity		229,249,110	239,364,047
Non-current liabilities			
Borrowings and leases	11	267,908	380,833
Provisions	12	4,275,227	4,040,854
Deferred tax liability		13,114,381	12,118,702
Total non-current liabilities		17,657,516	16,540,389
Current liabilities			
Trade and other payables		13,369,476	13,522,940
Borrowings and leases	11	454,918	330,728
Total current liabilities		13,824,394	13,853,668
Total liabilities and shareholder's equity		260,731,020	269,758,104

5. Other financial assets mainly consist of:
   - A loan amounting to $333,493 (2023: $317,073) is owing by TS Consortium to Sylvania South Africa (Pty) Ltd. The loan is unsecured, bears interest at 7% per annum and is repayable on demand. The Group's interest in the TS Consortium Joint Operation is currently 75% of the assets and liabilities.
   - A loan amounting to $985,311 (2023: $902,285) was granted to Forward Africa Mining (Pty) Ltd in FY2022. The loan is secured over

the Grasvally Plant and bears interest at the Johannesburg Inter-Bank Offer Rate (JIBAR) + 3%, compounded monthly in arrears. The loan is repayable in 15 equal instalments.
   - A loan amounting to $6,386,800 (2023: $5,849,213) was granted to Forward Africa Mining (Pty) Ltd relating to the sale of shares and claim agreement in respect of the Grasvally Chrome Mine (Pty) Ltd sale. The loan is secured over the Grasvally Mining Right, bears interest at the JIBAR + 3%, compounded monthly in arears. The loan is repayable in 15 equal instalments.
   - A loan amounting to $947,500 (2023: $nil) was granted to Limberg Mining Company (Pty) Ltd by Sylvania Metals (Pty) Ltd as per the Thaba JV agreement. The loan bears interest at the South African prime lending rate, and is repayable in substantially equal consecutive quarterly instalments, commencing on the first anniversary of the commissioning date.
   - Contribution paid to the host mine for rehabilitation purposes. The debtor is ZAR denominated and was translated at a spot rate of ZAR18.31:$1 (2023: ZAR18.89:$1).
   - Restricted cash relates to guarantees with the national power utility and DMRE $877,699 (2023: $823,144).
6. Cash and cash equivalents are held in ZAR and USD.
7. Trade and other receivables consist mainly of amounts receivable for the sale of PGMs.
8. Inventory held is spares and consumables for the SDO.
9. The total number of issued ordinary shares at 31 December 2023 is 275,375,725 Ordinary Shares of US$0.01 each (including 11,765,211 held in Treasury).
10. Reserves include the share premium, foreign currency translation reserve, which is used to record exchange differences arising from the translation of financial statements of foreign controlled entities, share-based payments reserve, Treasury share reserve and the equity reserve.
11. Borrowings and leases relate to the right-of-use liability.
12. Provision is made for the present value of closure, restoration and environmental rehabilitation costs in the financial Period when the related environmental disturbance occurs.

C. Mineral Asset Development of opencast mining projects and Joint Ventures

The Group owns various mineral asset exploration and development projects on the Northern Limb of the Bushveld Igneous Complex located in South Africa, for which it has approved mining rights. Targeted studies are underway on both the Volspruit and Northern Limb PGM opportunities to determine how best to optimise the respective projects. Significant progress has been made towards unlocking mineral potential on these projects to generate value for shareholders.

Volspruit Project

The Volspruit Preliminary Economic Assessment ("PEA") update commenced in Q2 FY2024 with SRK Consulting being appointed to undertake the work. The new assessment will include contributions from rhodium and ruthenium, as well as the additional resources from the Volspruit South ore body that were not included in the initial PEA published in October 2022. Upon the completion of a positive PEA, it is expected that a Preliminary Feasibility Study ("PFS") will commence, and metallurgical test work required for the PFS is already underway at Mintek South Africa on samples obtained during a FY2023 drilling campaign.

Subsequent to HY1 FY2024 the final signed-off MRE statements for both the North and South ore bodies were received and announced on 16 February 2024. The updated MRE is based on a more constrained geological model defined by the interpreted mineralised zones, which resulted in a 10% increase on the previously published MRE for the North ore body in October 2022, as well as the addition of approximately 10.6 million tons for the South ore body and an improvement of the overall grades. Based on the updated MRE the combined North and South ore bodies contain approximately 28.2 million tons in the Indicated and Inferred categories at an average grade of 2.37 g/t 4E PGM.

Steady progress is being made in the permitting process necessary for the existing mining right. Local Economic Development ("LED") projects are gaining traction with discussions underway with the relevant local municipalities. The application for the Environmental Impact Assessment ("EIA") amendment was submitted post Period end, and the public participation process commenced in Q3 FY2024. The final submission along with the Water Use License ("WUL") application for mining and on-site processing operations will be submitted in HY1 FY2025. Volspruit Mining Company launched a social media campaign to ensure the local community is kept informed on all developments during the application process.

Far Northern Limb Projects

Relogging continues across the Aurora project area with more than 90% of the historical core having been relogged. Compilation of the data is on-going and once a geological model has been compiled a decision will be taken on whether to implement a drilling programme to assess gaps in the current database. This is likely to occur during the fourth quarter of FY2024 and will allow for an updated MRE and PEA to be commissioned for Aurora if results warrant. The October 2022 MRE for the Aurora project was only for the La Pucella Target area that represents just 12% of the combined Aurora project area and contained approximately 16.2 million tons in the Measured and Indicated categories at a grade of 2.63 g/t 2E plus gold.

As reported in the Statement of Exploration Results, Mineral Resources and Scoping Study released in FY2023, some significant results were returned from the Hacra North underground target. A review of the work undertaken to date has been finalised and results from the study will be released in the third quarter of FY2024.

Thaba JV

On 9 August 2023, the Company announced that its wholly owned South African subsidiary, Sylvania Metals (Pty) Ltd ("Sylvania Metals"), entered into an unincorporated JV Agreement with LMC, a subsidiary of ChromTech Mining Company (Pty) Ltd ("ChromTech"), titled the Thaba JV. The Thaba JV represents major progress in the delivery of Sylvania's growth strategy and is a significant step forward for Sylvania Metals in expanding its operations and leveraging its expertise in the recovery of chrome and PGM concentrates, adding attributable annual production of approximately 6,500 4E PGM ounces and introducing 200,000 tons of attributable chromite concentrate to Sylvania Metals' existing annual production profile. The project execution phase will be 18-24 months with the first production expected in HY2 FY2025. Currently, the project schedule is on track to meet this time frame.

Detailed design of the Thaba JV project is progressing as planned, expediting the completion of civil and structural design and drawings for all areas. Process design is complete for all plant areas and progress with electrical design is sufficient to enable procurement of long lead items. Procurement of all mechanical long lead item packages is complete, and the team is now busy with the procurement of lower priority mechanical packages. During Q3 FY2024, the structural steel and platework fabrication and construction packages will be awarded and procurement of electrical long lead items will be completed.

The main civils contractor commenced work in November 2023 and the demolition and removal of old works on site was completed in December 2023. The civils contractor is busy with earthworks for the chrome plant, thickeners, and flotation plant and the first concrete pour commenced towards the end of January 2024. The structural steel and platework site contractors will be established from March 2024. The planned construction start of the High Voltage Distribution Yard is March 2024.

D. CORPORATE ACTIVITIES

Appointment of New Chair

Stuart Murray stepped down as Chairman of Sylvania with effect from 31 December 2023. After a decade of service as Non-Executive Chairman, Mr Murray has decided to focus more time on his other business interests. The Board voted unanimously to appoint Eileen Carr, who has been serving as Non-Executive Director and Chair of the Audit Committee, as the Chair of the Board with effect from 1 January 2024. Simon Scott, Non-Executive Director, has taken over Ms Carr's role as Chair of the Audit Committee.

Payment of Dividend

On 2 December 2023, the Company paid a final dividend for FY2023 totalling $16.7 million, equating to 5 pence per Ordinary Share, to shareholders on the register on the record date of 27 October 2023. This brought the annual dividend for FY2023 to 8 pence per Ordinary Share.

Interim Dividend

In line with the Company's dividend policy to distribute a minimum of 40% of the annual adjusted free cash flow, divided into one-third interim dividend and two-thirds final dividend, the Board has declared an interim dividend of 1 pence per Ordinary Share. The free cash flow forecast has been adjusted for the capital spend on the Thaba JV as this is funded from previously generated cash held for growth and expansion opportunities. The interim dividend is payable on 5 April 2024. Payment of the interim dividend will be made to shareholders on the register at the close of business on 1 March 2024 and the ex-dividend date is 29 February 2024.

Bonus share awards

During the Period, 1,235,000 Bonus share awards vested and were exercised by employees and PDMRs. Of the 1,235,000 shares that were exercised, 425,000 related to PDMRs. The 1,235,000 shares exercised amounts to $0.9 million of which $0.3 million relates to PDMRs and $0.6 million relates to management.

E. ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG)

The Company's approach to ESG reporting is guided by global frameworks and best practice guidelines.

Environment

Tailings Storage Facilities ("TSF")

Sylvania's core cash generating business of retreating chrome dumps and current arisings continues to benefit the environment through the reduction of mineral waste and redepositing the tailings on improved or new facilities. All tailings' facilities comply with the Department of Mineral Resources and Energy ("DMRE") Mandatory Code of Practice for Mine Residue Deposits (DME 16/3/2/5-A1). Although not currently a legal requirement, the Company is aligning its tailing management manuals and policy documents with the GISTM. Sylvania believes that this standard represents a significant positive step towards raising the standards in tailings management worldwide and is committed to complying where applicable.

Biodiversity

In HY1 FY2023, the Company started and completed the first phase of pilot scale TSF slope rehabilitation trials at the Tweefontein operation. The purpose of the trial is to develop a method of rehabilitating TSFs upon decommissioning which is low-cost, environmentally friendly and sustainable. As the initial results were favourable and indicated that this method is very suitable for rehabilitation during the operation of the TSF, the focus for FY2024 will be to continue with this approach. Positive results from the trials include observations of grass seed germination, plant growth and improvements in physical and chemical characteristics of tailings.

As South Africa is one of the most biodiverse countries in the world, there is a duty on all stakeholders, including the mining industry, to ensure that conservation is promoted, and wildlife is protected for current and future generations. As such, Sylvania has partnered with the Endangered Wildlife Trust ("EWT") to assist in promoting conservation and protection of threatened and endangered wildlife species and ecosystems in Southern Africa through funding and support. This includes habitat preservation, species protection and mitigation of threats to wildlife and ecosystems.

Energy and Greenhouse Gas Emissions ("GHG")

Carbon Footprint reporting has been undertaken since FY2022, measured in metric tons of carbon dioxide equivalent (tCO_2e) for GHG Protocol Scope 1 and Scope 2 emissions. The Carbon Footprint report for the HY1 FY2023 reporting Period showed a slight increase in Scope 1 and 2 emissions as well as the GHG emission intensity, which is a factor of CO_2 per ton of reprocessed tailings.

The Company's Scope 1 and Scope 2 emissions increased as a result of the increase in power demand for HY1 FY2024 compared to HY1 FY2023 following the commissioning of the Tweefontein and Lannex MF2 plants, respectively. Due to the national power utility grid power challenges, there has been a substantial increase in diesel consumption and the resultant CO_2e. Diesel inventory was also purchased for the new Lesedi generator installed to mitigate the load curtailment at the plant.

The Company is continuously investigating available technology and solutions to reduce emissions.

Water Management

New initiatives relating to improved water management were undertaken at the Company's operations during the Period. A Water Balance was developed for each plant and will be updated bi-annually. An automated, live water balance system is being implemented, including the installation of additional flow metres to increase the accuracy of the measurement of water flow and usage. From the data, the Company, together with specialists in the field, are actively investigating methods to reduce water usage.

Social

Incident statistics

During the Period under review, there were no significant occupational health or environmental incidents reported and all operations remain fatality free since inception. There were no LTIs recorded during the Period and the SDO collectively achieved the significant milestone of being all-injury free during Q2 FY2024, demonstrating that all employees are committed to zero-harm. The Doornbosch operation remains 11 years LTI-free, Lesedi and Lannex are both three years LTI-free and Tweefontein is over a year LTI-free. While the Mooinooi operation also exceeded one-year LTI-free during the period, the operation unfortunately suffered one LTI post Period end.

A reduction in both medical treatment and first aid cases was observed in HY1 FY2024. The two incidents that occurred related to trip and fall and tool handling. The success in the reduction of incidents can be attributed to the entrenchment of the plant specific safety improvement plans. These plans, supported by the site leadership, are key to sustaining good performance going forward.

One of the key contributing factors to the improved safety incident performance relates to the focused training interventions and other inspections aimed at trackless mobile machinery and tracking management, equipment safeguarding, equipment handling, working in an elevated position and slip and fall, which are being implemented to continuously improve control effectiveness.

The Company ran safety awareness campaigns in HY1 FY2024 focussing on:

- Making safety personal.
- Know the rule, follow the rule.
- Silly seasons.

These were focussed on changing behaviours in the workplace towards safety and improving safety related engagement of employees. These campaigns were supported by topic-based training interventions covering workplace hazards, road safety, alcohol and drug abuse, gender-based violence, and environmental management. The effectiveness and impact of these interventions was visible, and for the second consecutive year, the Company has achieved an accident-free month of December.

As part of mitigating the risks linked to illegal mining, the Company has implemented additional control measures to improve site access and security measures. These include:

- Introduction of night vision cameras.
- Integration of security monitoring systems into control rooms.
- Review and improvement of the existing fencing and intrusion detection systems.

These have been effective in reducing the amount of asset damage and security incidents.

Community, customer, and stakeholder relationship

During the reporting Period, 11 additional people were employed by the Company, resulting in a total staff complement of 652 at 31 December 2023. The percentage of Unionised employees is 80.52% which reflects that freedom of association is promoted and supported by the Company.

The Company continued its ongoing contributions towards Corporate Social Investment ("CSI") Projects during the HY1 FY2024 reporting Period. These included maintenance work, provision of supplies, furniture and groceries to various organisations.

Demographics and diversity

Women in Mining remains a main strategic focus point at Sylvania and was demonstrated by a steady growth in female employees during the HY1 FY2024 reporting Period. The effectiveness of the current initiatives and internal controls are reflected through the total female representation increasing to 23.47% at the end of December 2023. In terms of employment equity, 90.80% of the employees are Historically Disadvantaged South Africans.

The annual Gender-based violence ("GBV") awareness campaign was launched at the end of November 2023 and rolled out throughout Sylvania. This campaign ties in with the South African 16 Days of Activism for No Violence Against Women and Children and aimed to:

- Increase awareness of GBV.
- Change perceptions and attitudes towards GBV and victims thereof.
- Encourage speaking up and empowerment.

The Company aims to empower those affected by GBV and provide them with a safe environment to speak up, and to change behaviours. In HY1 FY2024, no GBV incidents were reported within Sylvania.

Human Capital
During HY1 FY2024, significant effort and resources have been committed to the training and development of employees. In HY1 FY2024, 1,915 training initiatives (including induction, medicals and technical training) were completed, a substantial increase from the 605 training initiatives in HY1 FY2023. Community Based Employee Training was provided to 14 employees during the Period, which was an increase from 10 in the previous corresponding period. There was only one intern (female) who was awarded an internship by Sylvania during HY1 FY2024. Nineteen employees were awarded bursaries as of 31 December 2023, which is an increase from the 12 that were awarded in HY1 FY2023.

As at 31 December 2023, Sylvania supports three ongoing internships and eight internal learnerships. Twelve external bursaries were maintained during the reporting Period and Community Based Employees Training was provided to one employee. External training was provided to over 600 people.

In terms of Sylvania's social and labour and contribution to community development and training, the Company has one external female internship and has employed 12 candidates from previous learnership programmes. Nineteen external bursaries were maintained during the reporting Period.

Governance

Corporate Governance
The Company is quoted on AIM and has adopted the Quoted Companies Alliance ("QCA") Corporate Governance Code (the "Code"). The QCA launched an update to the Code on Monday, 13 November 2023 and companies should apply the QCA Code (2023) in respect of accounting periods commencing on or after 1 April 2024 with a 12-month transition period. Sylvania will update its governance disclosures appropriately.

Regulatory Compliance
No material legal compliance risks or fines were issued for any aspects linked to governance, tax or other financial management aspects.

An external consultant was contracted to develop an interactive Mineral Rights and Compliance Register. The first phase of this project was initiated in FY2023 to ensure that all permitting and licence requirements are captured, compliance actions are defined and coordinated, permitting and compliance actions are tracked and reporting is carried out. The aim is to have the register operational and embedded by the end of FY2024.

Sylvania's licence to operate relates directly to environmental permits and authorisations under relevant sections of the:

- Mineral and Petroleum Resources Development Act 2002 ("MPRDA") – mining rights, environmental management programme reports as well as social and labour plans;
- National Environmental Management Act 1998 ("NEMA"), sectorial national legislation and related regulations including environmental impact assessments ("EIAs") linked with the listed activities being performed; and
- National Water Act 1998 ("NWA") – Water Use Licences ("WULs").

Economic contribution
The following economic contributions continued during HY1 FY2024:

1. Employee and related payments including:
    - Salaries and wages.
    - Contributions and employees' tax paid.
    - Employee Dividend Entitlement Plan.

2. Regulatory payments to South African Revenue Services including:
    - Income tax.
    - Value-added tax.
    - Dividend withholding tax.
    - Mineral royalty tax.

Economic Contribution: National and Local Governance:

Indicator	Unit	HY1 FY2023	HY1 FY2024
Salaries and wages[1]	ZAR	147,574,208	167,639,883
Contributions and employee tax paid	ZAR	69,771,798	64,099,451
Employee dividend participation scheme	ZAR	11,657,520	8,872,108
Income tax[2]	ZAR	189,643,504	33,551,650
Value-added tax[2]	ZAR	119,333,103	51,189,765
Dividend withholding tax[3]	ZAR	-	49,868,421
Mineral royalty tax[2]	ZAR	47,902,038	10,907,970

1 Salaries and wages are reflected as net after tax and include the vested shares benefits.
2 Income tax, value-added tax and mineral royalty tax decreased due to the 48% decrease in basket price in USD terms.
3 Dividend withholding tax is paid on an ad hoc basis when intercompany dividends are declared and paid.

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About Sylvania Platinum Limited

Sylvania Platinum is a lower-cost producer of platinum group metals (PGM) (platinum, palladium and rhodium) with operations located in South Africa. The Sylvania Dump Operations (SDO) comprises six chrome beneficiation and PGM processing plants focusing on the retreatment of PGM-rich chrome tailings materials from mines in the Bushveld Igneous Complex. The SDO is the largest PGM producer from chrome tailings re-treatment in the industry. Additionally, the Thaba JV comprises chrome beneficiation and PGM processing plants, which will treat a combination of run of mine (ROM) and historical chrome tailings from the JV partner, adding a full margin chromite concentrate revenue stream. The Group also holds mining rights for PGM projects in the Northern Limb of the Bushveld Complex.

For more information visit https://www.sylvaniaplatinum.com/

ANNEXURE

GLOSSARY OF TERMS FY2024

The following definitions apply throughout the Period:

3E PGMs	3E ounces include the precious metal elements platinum, palladium and gold
4E PGMs	4E ounces include the precious metal elements platinum, palladium, rhodium and gold
6E PGMs	6E ounces include the 4E elements plus additional Iridium and Ruthenium
AGM	Annual General Meeting
AIM	Alternative Investment Market of the London Stock Exchange
All-in costs	All-in sustaining cost plus non-sustaining and expansion capital expenditure
All-in sustaining cost	Production costs plus all costs relating to sustaining current production and sustaining capital expenditure
CLOs	Community Liaison Officers
Current arisings	Fresh chrome tails from current operating host mines processing operations
DMRE	Department of Mineral Resources and Energy
EBITDA	Earnings before interest, tax, depreciation and amortisation
EA	Environmental Authorisation
EAP	Employee Assistance Program
EEFs	Employment Engagement Forums
EDEP	Employee Dividend Entitlement Plan
ESG	Environment, social and governance
EIA	Environmental Impact Assessment
EIR	Effective interest rate
EMPR	Environmental Management Programme Report
ESG	Environment, Social and Governance
GBP	Pounds Sterling
GBV	Gender-based violence
GHG	Greenhouse gases
GISTM	Global Industry Standard on Tailings Management
GRI	Global Reporting Initiative
JORC	Joint Ore Reserves Committee
IASB	International Accounting Standards Board
ICE	Internal combustion engine
IFRIC	International Financial Reporting Interpretation Committee
IFRS	International Financial Reporting Standards
Lesedi	Phoenix Platinum Mining Proprietary Limited, renamed Sylvania Lesedi
LSE	London Stock Exchange
LTI	Lost-time injury
LTIFR	Lost-time injury frequency rate
MF2	Milling and flotation technology
MPRDA	Mineral and Petroleum Resources Development Act
MRA	Mining Right Application
MRE	Mineral Resource Estimate
Mt	Million Tons
NUMSA	National Union of Metals Workers of South Africa
NWA	National Water Act 36 of 1998
PGM	Platinum group metals comprising mainly platinum, palladium, rhodium and gold
PAR	Pan African Resources Plc
PDMR	Person displaying management responsibility
PEA	Preliminary Economic Assessment
PFS	Preliminary Feasibility Study
Pipeline ounces	6E ounces delivered but not invoiced
Pipeline revenue	Revenue recognised for ounces delivered, but not yet invoiced based on contractual timelines
Pipeline sales adjustment	Adjustments to pipeline revenues based on the basket price for the period between delivery and invoicing
Project Echo	Secondary PGM Milling and Flotation (MF2) program announced in FY2017 to design and install additional new fine grinding mills and flotation circuits at Millsell, Doornbosch, Tweefontein, Mooinooi and Lesedi
Revenue (by products)	Revenue earned on Ruthenium, Iridium, Nickel and Copper
ROM	Run of mine
SDO	Sylvania dump operations
SHE	Safety, health and environmental
Silly Season	The 'Silly Season' campaign is historically where a high number of accidents at mines are reported during the last quarter of the calendar year. This period is often challenging from a health and safety perspective and is commonly known as 'Silly Season/ Critical Season'.

SLP	Social and Labour Plan
Sylvania	Sylvania Platinum Limited, a company incorporated in Bermuda
Sylvania Metals	Sylvania Metals (Pty) Limited
tCO2e	Tons of carbon dioxide equivalent
Thaba JV	Thaba Joint Venture
TRIFR	Total recordable injury frequency rate
TSF	Tailings storage facility
UNSDGs	United Nations Sustainability Development Goals
USD	United States Dollar
WULA	Water Use Licence Application
UK	United Kingdom of Great Britain and Northern Ireland
ZAR	South African Rand
Zero Harm	The South African mining industry is committed to the shared aspiration of achieving the goal of Zero Harm, which aims to ensure that mineworkers return home from work healthy and unharmed every day