SYLVANIA
RESOURCES LIMITED

High-margin, low-risk PGM producer

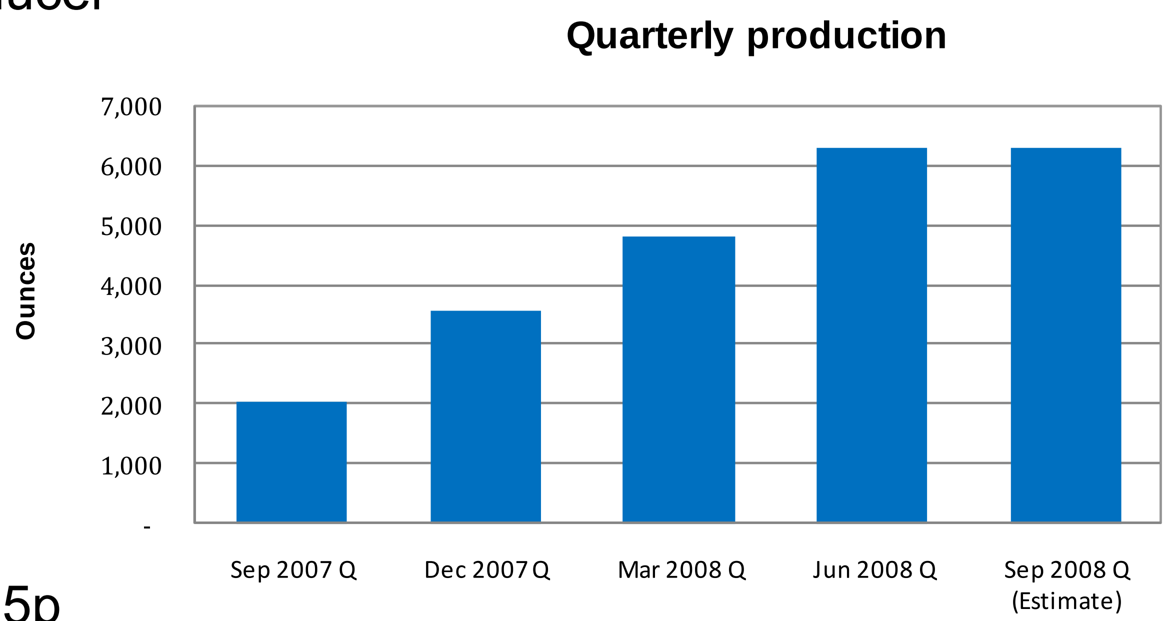
Investor presentation
October 2008

Disclaimer

Certain forward-looking statements may be contained in this presentation which include, without limitation, expectations regarding platinum prices, estimates of production, operating expenditure, capital expenditure and projections regarding the completion of capital projects as well as the financial position of the company. Although Sylvania believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be accurate. Accordingly, results could differ from those projected as a result of, among other factors, changes in economic and market conditions, changes in the regulatory environment, and other business and operational risks.

Sylvania in brief

- South African PGM producer
- ASX and AIM-listed
  - (ASX, AIM:SLV)
- S&P/ASX 300 Index
- 180m shares in issue
  - quality shareholders
- Share price: A$0.81; 37.5p
- Market cap: A$146m; £68m
- Cash: $43m; no debt; strong cash flow



Vision

- Leading South African mid-tier PGM producer
- Low-risk tailings and shallow mining assets

Key drivers

1. Business model
   - high-margin, low-risk surface operations
2. Sector
   - PGM market fundamentals remain positive
3. People
   - relevant experience with track record in value creation
4. Future
   - growth funded by strong cash flows and balance sheet

1. Business model

PGM extraction from chrome tailings

Near-surface, hard-rock PGM exploration

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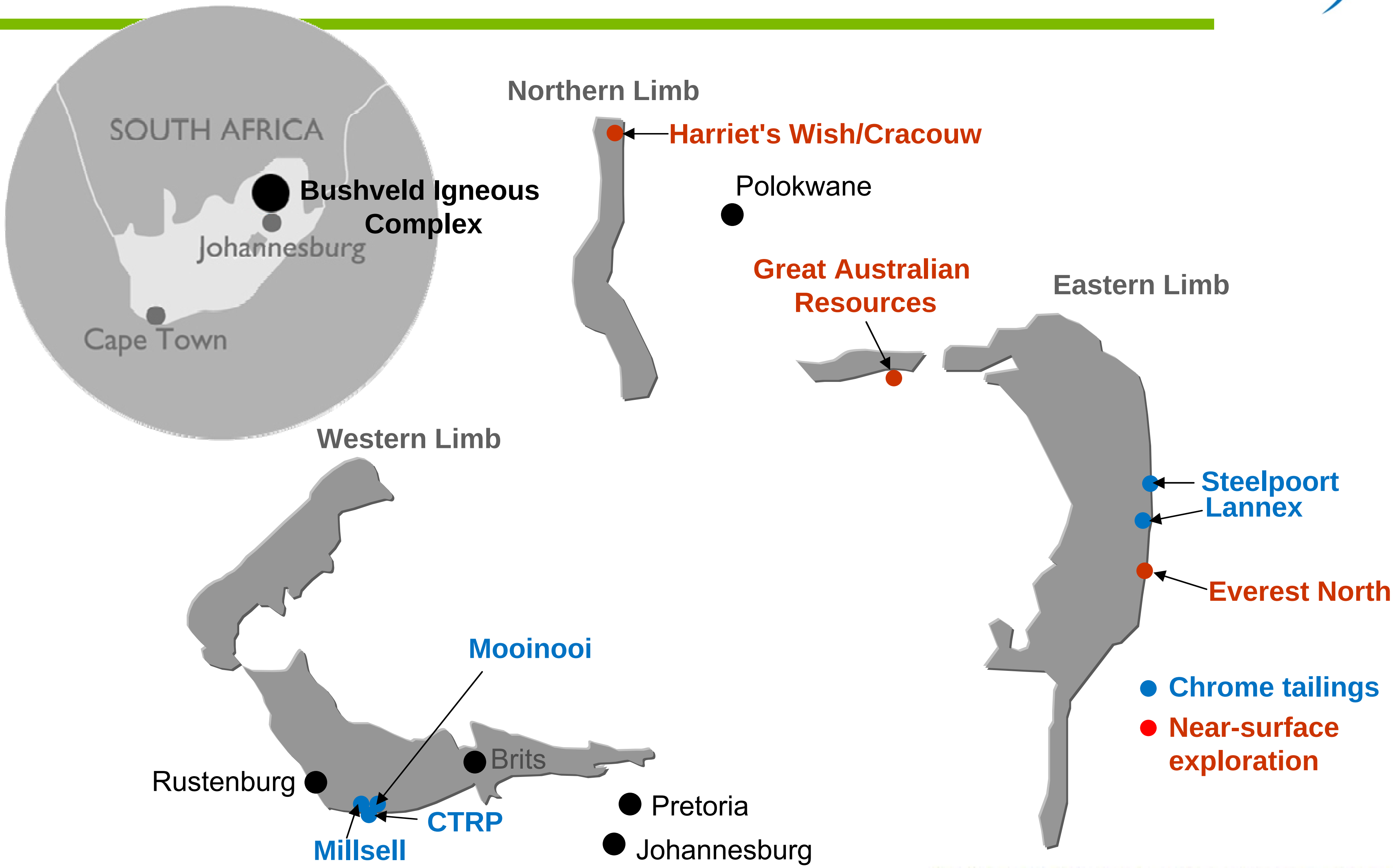
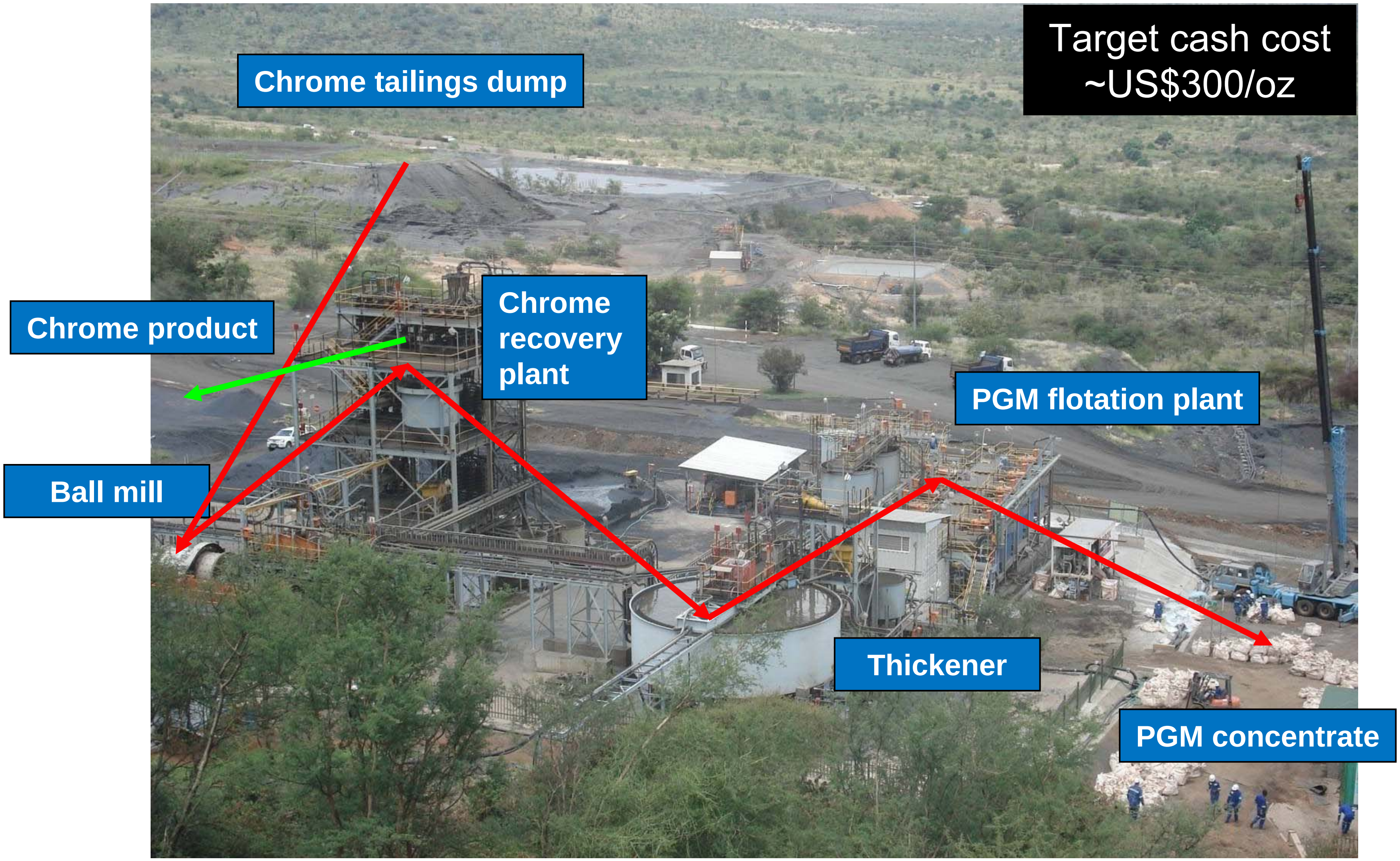
Ehlobo Metals (Pty) Ltd

- Sylvania Dump Operations (SDO)
- **CTRP**
- Everest North (exercising option to acquire 100% of Vygenhoek)
- Exploration (NOPR)
  - Aurora (100%)
  - Harriet's Wish (50%)
  - Cracouw (50%)
- Great Australian Resources
  - Mooiplaats

Location – in the heart of ‘PGM country’

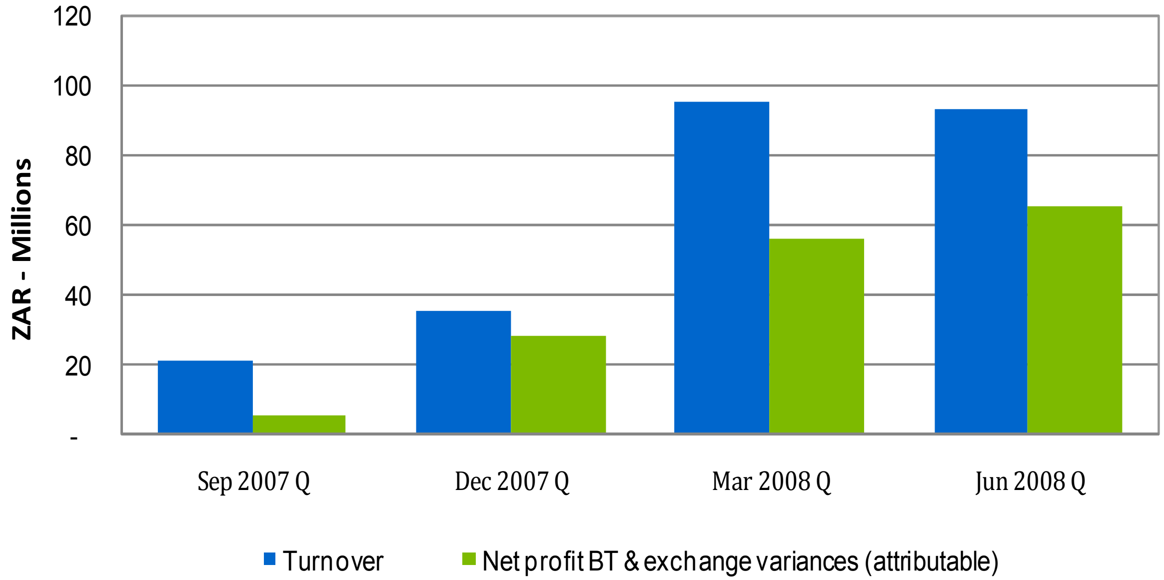


Low-risk surface operations



Track record – robust profit growth

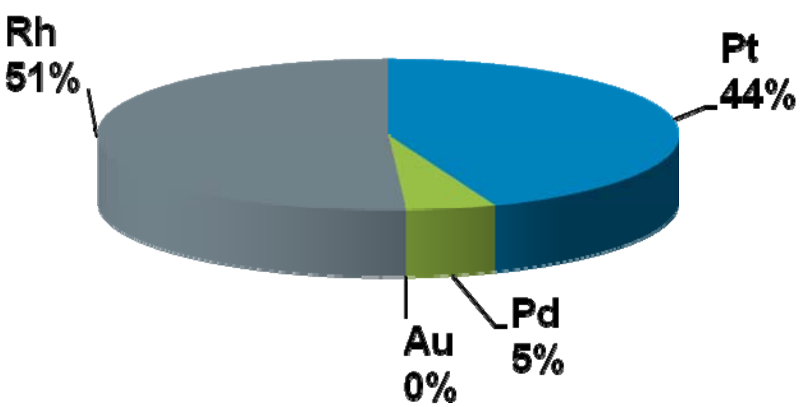
- Pre-tax profit growth
  - high PGM prices
  - higher production (+30%)
  - lower costs
    - US$308/oz (-15%)
  - operating margins >80%



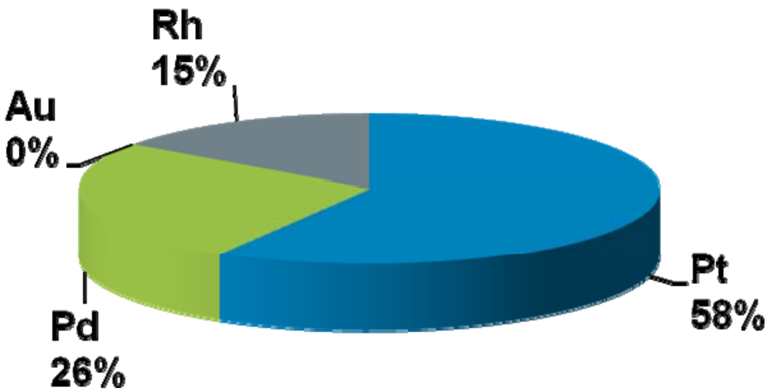
Revenue per ounce - PGM (3E+Au)

	Q3 FY08	Q4 FY08
	$/oz	$/oz
Total	2 737	2 692

Revenue split

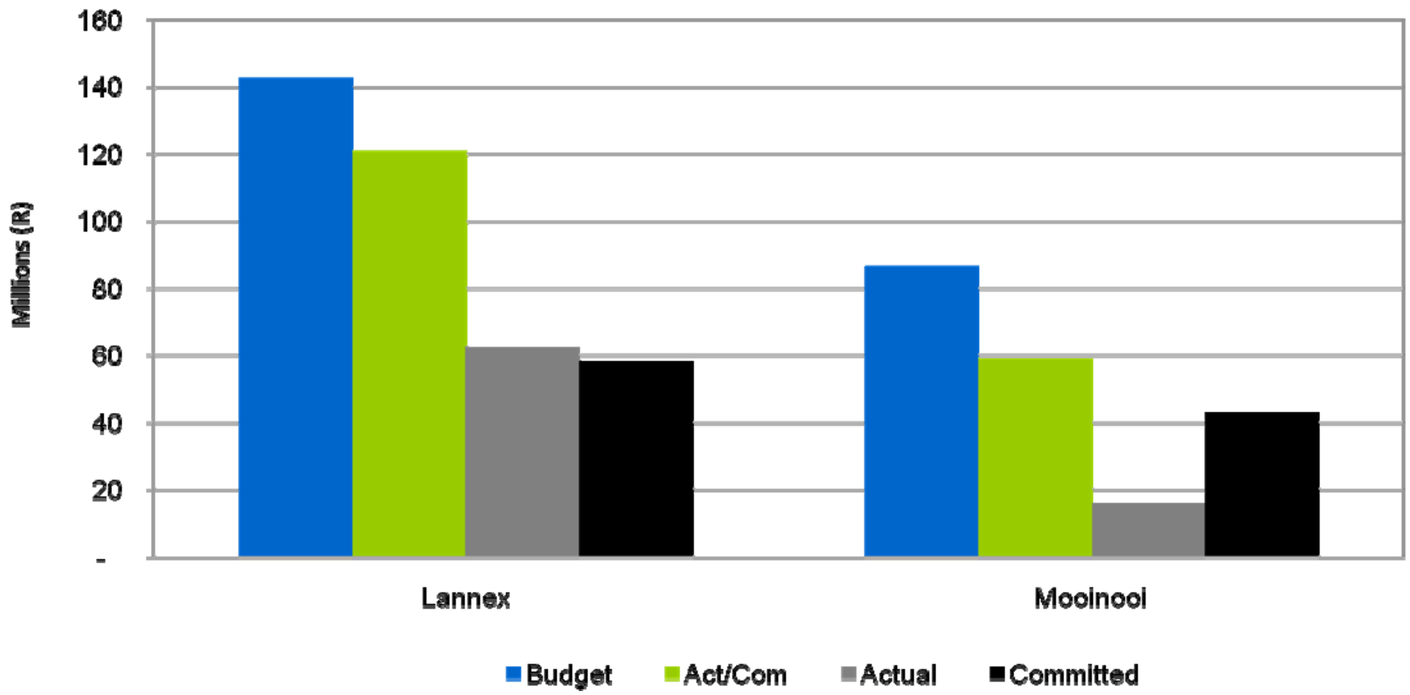


Production split

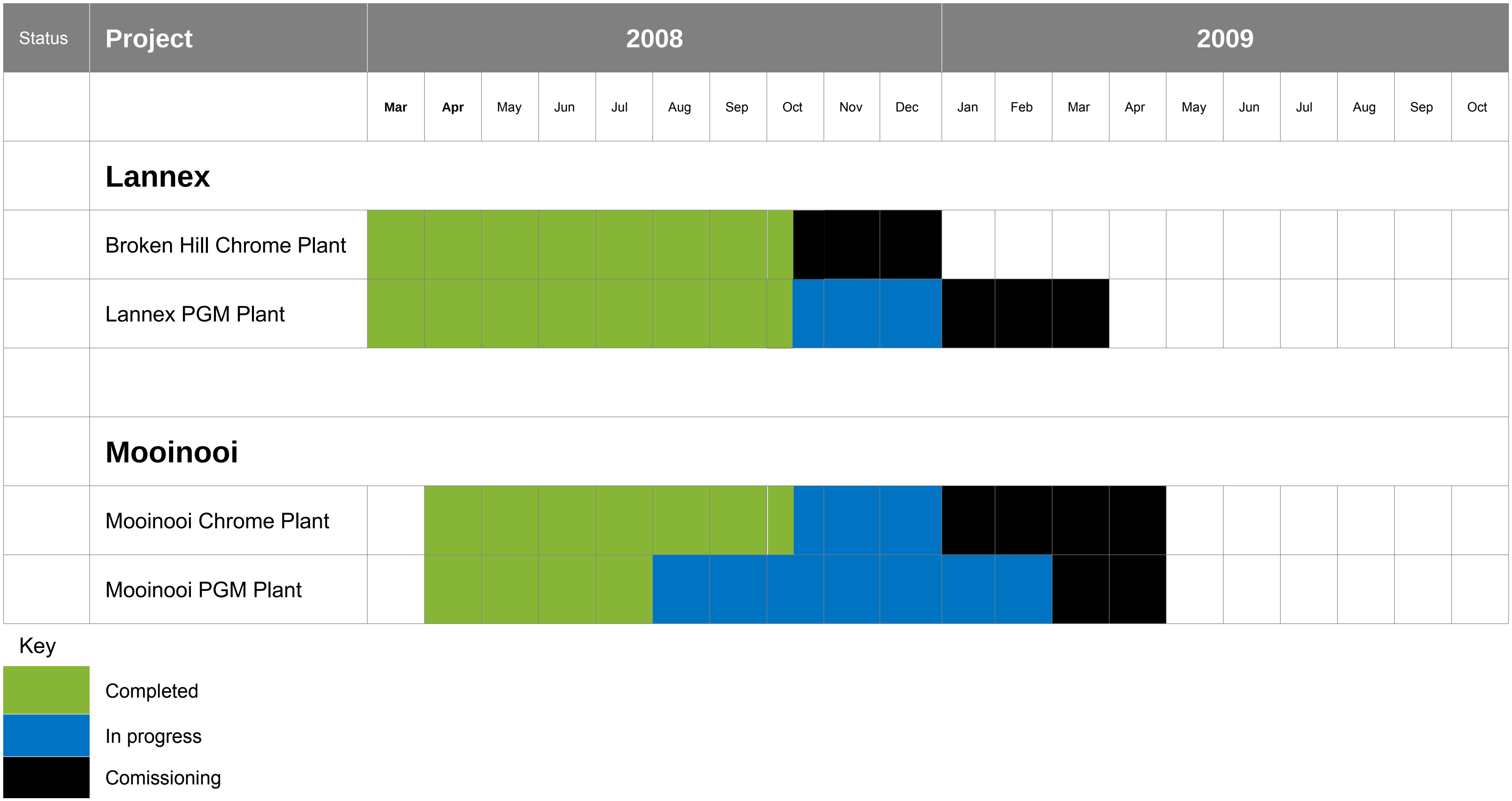


 Data - SDO basket PGM (3E+Au) price; revenue, production splits

Capital - Lannex and Mooinooi



Project development timeline

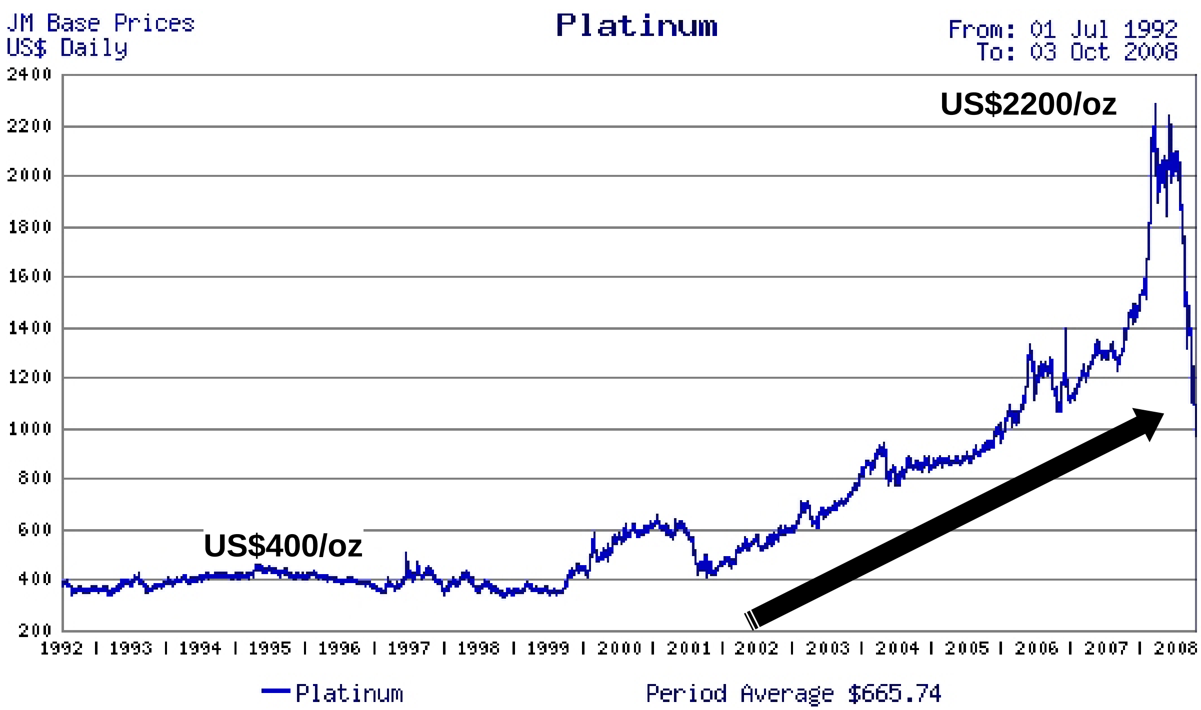


Attractive valuation

- Recent research reports:
  - Ambrian (Nomad); Landsbanki; Investec; Mirabaud
  - buy recommendations
    - Landsbanki 1/10/08 forecast: 96% upside

Sector:
positive long-term PGM industry fundamentals

- Demand growth
  - autocatalysts, emissions legislation, developing nations
- Supply-side constraints – South Africa ~80%
  - Sylvania less affected by power constraints



PGM basket:
- Pt US$968/oz
- Pd US$198/oz
- Rh US$3 350/oz

 Source: Johnson Matthey data on 3/10/08

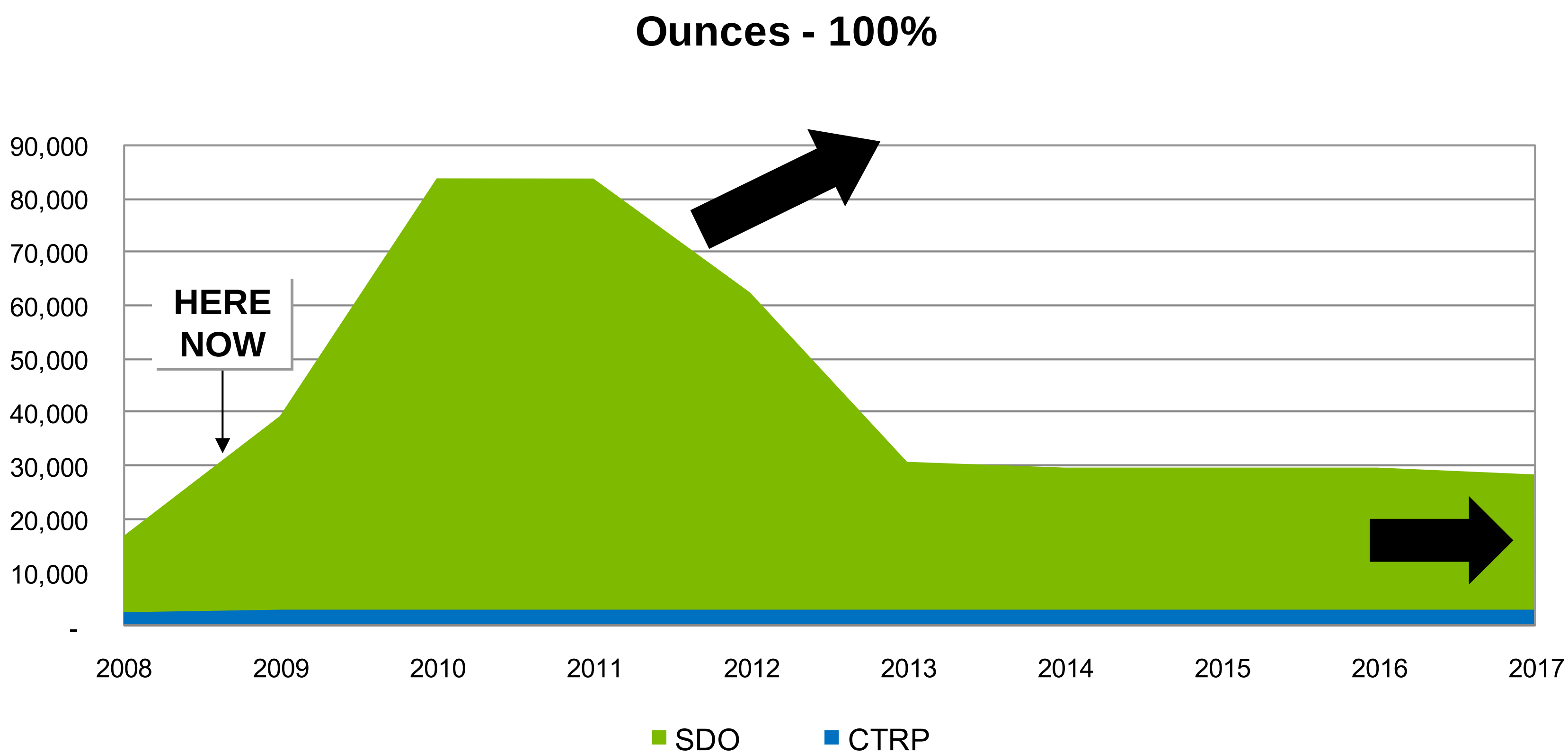
3. People

- Experienced board focused on value creation
- Committed and talented employees and contractors
- SHE-driven culture
- Empowered
  - Ehlobo Metals (Pty) Ltd

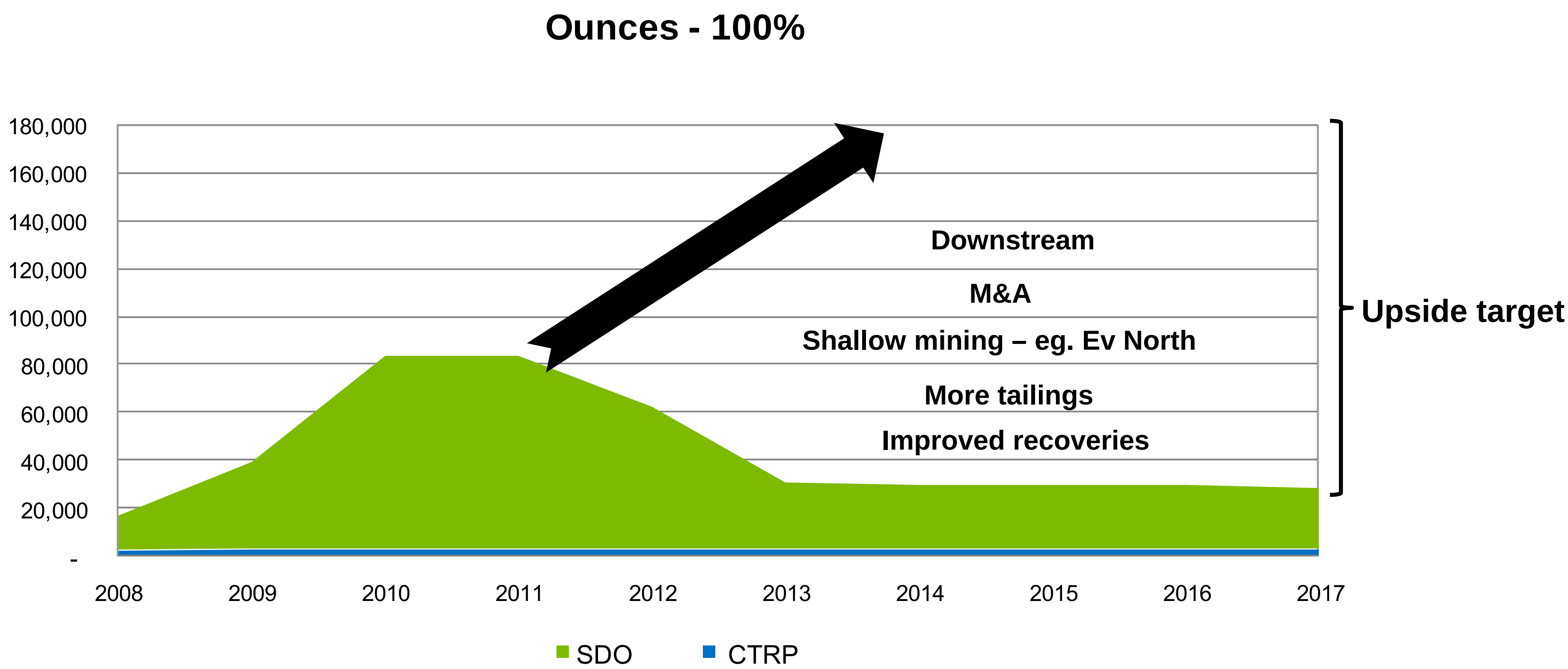
				
Terry McConnachie (Managing Director) Mining, entrepreneur	Louis Carroll (Finance Director) Finance	Richard Rossiter (Non-executive Chairman) Geology, banking	Alastair Ruiters (Non-executive Director) Public/private sector	John Cooke (Non-executive Director) Finance

4. Future

- Next two plants by early calendar 2009
- Ramping up to > 70koz pa



Illustrative targets – aggressive growth focus



Investment case

1. Business model – high margin, low costs and low risks; attractive valuation
2. Sector – positive PGM fundamentals
3. People – growth focus and track record
4. Future – growth funded by robust cash flows



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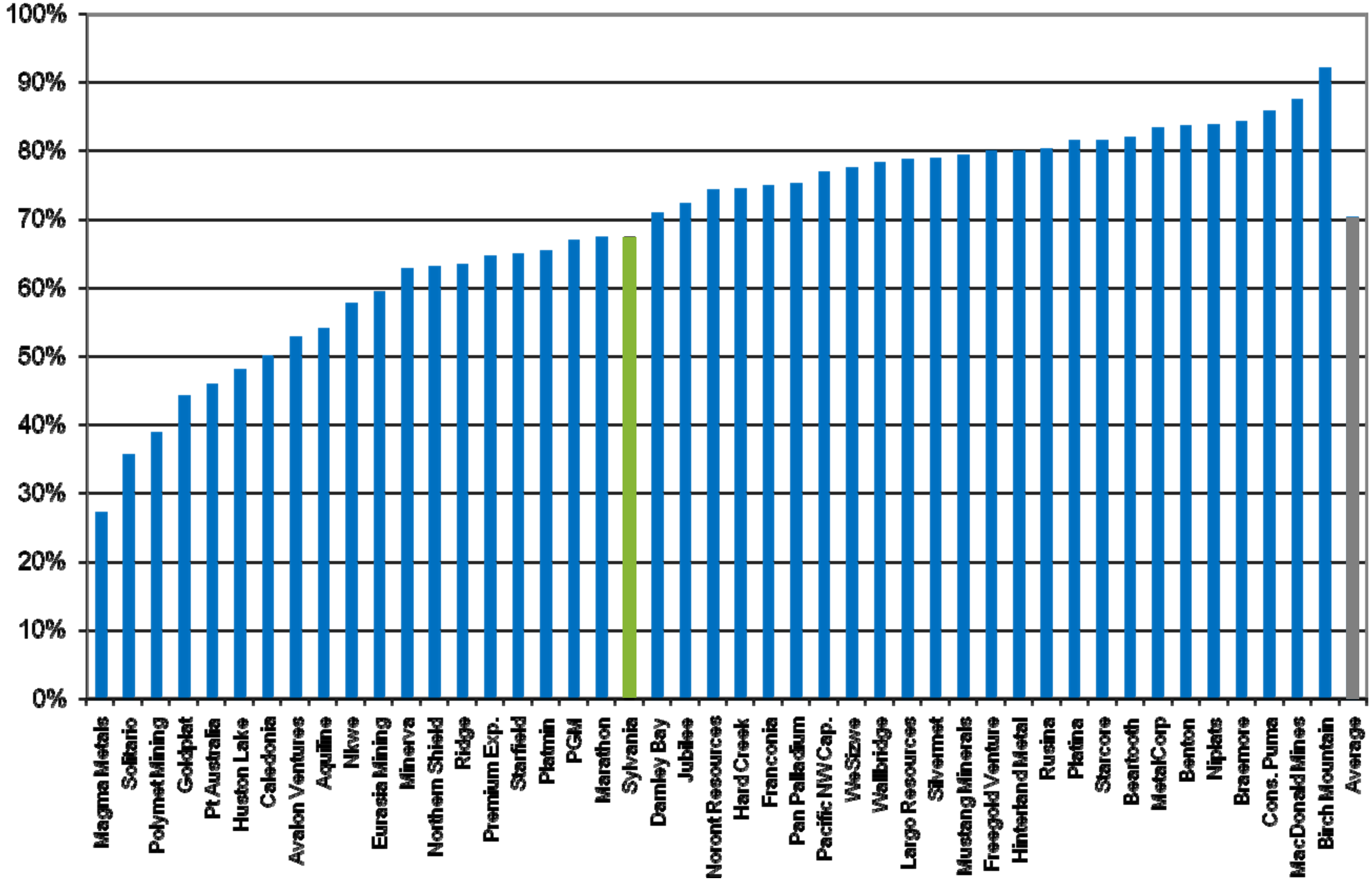
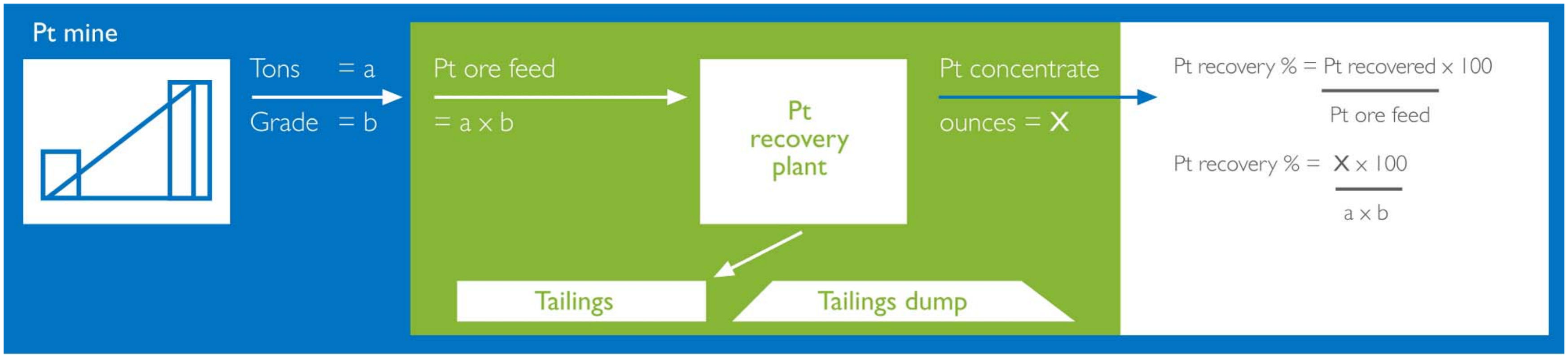
Share price decline benchmarked



 Source: Mineweb, data covers past 12 months

Comparison between a Sylvania surface retreatment operation and a conventional platinum (Pt) mine

Conventional Pt mine



Sylvania surface retreatment operation