25 October 2023

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

First Quarter Report to 30 September 2023

Sylvania (AIM: SLP), the platinum group metals ("PGM") producer and developer with assets in South Africa, announces its results for the three months ended 30 September 2023 (the "Quarter"). Unless otherwise stated, the consolidated financial information contained in this report is presented in United States Dollars ("USD" or "$").

Highlights

- Sylvania Dump Operations ("SDO") produced 20,173 4E (25,533 6E) PGM ounces in Q1 (Q4 FY2023: 19,072 4E (24,383 6E) PGM ounces), in line with guidance for the Quarter;
- No Lost-Time Injuries ("LTIs") were recorded during the Quarter;
- SDO recorded $19.7 million net revenue for the Quarter (Q4 FY2023: $24.4 million);
- Group EBITDA of $2.8 million (Q4 FY2023: $7.8 million);
- Lannex MF2 flotation circuit commissioned with optimisation well advanced;
- Improved recoveries are expected at the completion and commissioning of the Lannex fine grinding circuit; and
- The Thaba Joint Venture ("Thaba JV") project execution is progressing as planned and ordering of long-lead time items and first construction packages are in progress.

Outlook

- Commissioning of the Lannex fine grinding circuit expected by the end of Q2 FY2024;
- Continuous operational performance improvements relating to the optimisation of feed sources, throughput, recoveries, and cost saving initiatives implemented;
- An updated Mineral Resource Estimate ("MRE") statement for both Volspruit North and South orebodies is currently under review;
- Preliminary Economic Assessment ("PEA") for the entire Volspruit project, along with the results from the metallurgical test-work are expected during H2 FY2024; and
- The Group maintains strong cash reserves, which increased 2% in the Quarter to allow funding of expansion and joint venture ("JV") initiatives, process optimisation capital, upgrading of the Group's exploration and evaluation assets with the potential to return value to shareholders.

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

"I am happy with the good start to the new financial year where the SDO achieved 20,173 4E PGM ounces for the Quarter. This performance was achieved on the back of a solid production effort from all operations, with all plants exceeding production throughput targets, as well as the contribution of the new *Lannex flotation MF2 circuit that also added to our performance.*

"The 15% lower PGM basket price recorded during the Quarter impacted both the 4E revenue as well as the sales adjustment for the Quarter. Consequently, revenues and profits were lower than in Q4 FY2023, nonetheless, the Company maintained a strong cash position.

"On the cost front, SDO cash costs decreased 3% in both rand and dollar terms, benefiting from the higher ounces produced compared with Q4 FY2023. Operations continue to navigate higher global cost inflation impacts and thus operating cost focus remains a top priority for management.

"The Thaba JV announced during the Quarter represents a key milestone in Sylvania's growth strategy and is a significant step forward for Sylvania Metals in expanding our operations and leveraging the Group's expertise in the recovery of chrome and PGM concentrates. The orders of long-lead time items and first construction packages are in progress with civil construction works expected to commence in Q2 FY2024. Additionally, an updated MRE statement for both Volspruit North and South orebodies is currently under review. The PEA for the Volspruit project, along with the results from the metallurgical test-work are expected during H2 FY2024. The optimisation of value from the exploration assets remains a key component of Sylvania Platinum's growth strategy and will aid in supporting the Company's future value proposition for all stakeholders."

Operational and Financial Summary

Production	Unit	Q4 FY2023	Q1 FY2024	% Change
Plant Feed	T	702,236	666,824	-5%
Feed Head Grade	g/t	1.81	1.93	7%
PGM Plant Feed Tons	T	359,658	358,602	0%
PGM Plant Feed Grade	g/t	2.89	2.94	2%
PGM Plant Recovery[1]	%	57.01%	56.71%	-1%
Total 4E PGMs	Oz	19,072	20,173	6%
Total 6E PGMs	Oz	24,383	25,533	5%

Unaudited		USD				ZAR		
	Unit	Q4 FY2023	Q1 FY2024	% Change	Unit	Q4 FY2023	Q1 FY2024	% Change
Financials[3]								
Average 4E Gross Basket Price[2]	$/oz	1,581	1,344	-15%	R/oz	29,524	25,069	-15%
Revenue (4E)	$'000	21,826	19,631	-10%	R'000	407,707	366,112	-10%
Revenue (by-products including base metals)	$'000	3,454	3,303	-4%	R'000	64,526	61,607	-5%
Sales adjustments	$'000	(859)	(3,201)	273%	R'000	(16,056)	(59,700)	272%
Net revenue	$'000	24,421	19,733	-19%	R'000	456,177	368,019	-19%
Direct Operating costs	$'000	12,577	12,886	2%	R'000	234,945	240,323	2%
Indirect Operating costs	$'000	2,939	3,226	10%	R'000	54,899	60,159	10%
General and Administrative costs	$'000	701	699	0%	R'000	13,095	13,036	0%
Group EBITDA	$'000	7,806	2,818	-64%	R'000	145,816	52,556	-64%
Net Interest	$'000	1,784	1,642	-8%	R'000	33,325	30,623	-8%
Net Profit[4]	$'000	3,136	1,802	-43%	R'000	58,580	33,607	-43%
Capital Expenditure	$'000	6,185	3,218	-48%	R'000	115,537	60,013	-48%
Cash Balance[5]	$'000	124,983	126,865	2%	R'000	2,360,929	2,402,823	2%
Ave R/$ rate					R/$	18.68	18.65	0%
Spot R/$ rate					R/$	18.89	18.94	0%
Unit Cost/Efficiencies[4]								
SDO Cash Cost per 4E PGM oz[4]	$/oz	660	639	-3%	R/oz	12,319	11,913	-3%
SDO Cash Cost per 6E PGM oz[4]	$/oz	516	505	-2%	R/oz	9,636	9,412	-2%
Group Cash Cost Per 4E PGM oz[4]	$/oz	824	782	-5%	R/oz	15,392	14,584	-5%
Group Cash Cost Per 6E PGM oz[4]	$/oz	645	618	-4%	R/oz	12,049	11,526	-4%
All-in Sustaining Cost (4E)	$/oz	881	830	-6%	R/oz	16,446	15,476	-6%
All-in Cost (4E)	$/oz	1,159	959	-17%	R/oz	21,642	17,894	-17%

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 recorded 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 September 2023 gross 4E basket used for revenue recognition of ounces delivered in Q1 FY2024, before penalties/smelting costs and applying the contractual payability.
[3] Revenue (6E) for Q1 FY2024, before adjustments is $22.7 million (6E pill 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 cost for example royalty tax and EDEP payments.
[5] Q1 FY2024 cash balance includes restricted cash held as guarantees of $0.8 million.

A. OPERATIONAL OVERVIEW

Safety, health and environment

The safety, health and environmental ("SHE") performance for this period has again been impressive, driven by the concerted focus on compliance. The Group is proud to report that there were no significant SHE related incidents reported during this time.

The Company continues to target Zero Harm to employees and every injury that is recorded is fully investigated and corrective measures are implemented to prevent any future reoccurrences. Sylvania continuously strives to maintain high safety standards and a safe working environment at all operating sites, with each plant continuing to operate in accordance with legislated safety and occupational regulations pertaining to the industry through the collaborative efforts of management and employees. The 'Make It Personal' campaign is still in full swing and will be supported by the launch of the 'Silly Season' campaign in November 2023. Historically, 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'. Sylvania, therefore, is initiating a safety campaign with the objective to proactively prevent incidents from happening, focusing on current issues and challenges with the potential to cause injuries and fatalities.

Meanwhile, the 'Make It Personal' campaign is designed to improve and maintain personal safety on site. The Company believes that by making safety a personal matter that everyone is responsible for, it will become second nature for all. This will assist to ensure all workers make it home safely, every day, in line with Sylvania's goal of achieving Zero Harm.

The current lost-time injury frequency rate ("LTIFR") for the financial year is 0.00 which is a marked improvement from last quarter when two LTIs were reported.

Operational performance

The SDO delivered 20,173 4E PGM ounces for the Quarter, which was a 6% improvement on Q4 FY2023. The increased PGM ounces included approximately 995 4E PGM ounces released from stock and was supported by the consistency of the PGM feed tons and a 2% improvement in PGM feed grade, while PGM recoveries declined marginally during the period. The slightly lower PGM recovery was primarily due to Mooinooi and Lesedi experiencing lower recovery efficiencies associated with current feed sources.

The Lannex MF2 flotation circuit has been commissioned with optimisation well advanced. The completion of the fine grinding circuit is expected towards the end of Q2 FY2024. Recovery improvements have been noted with further improvements expected at the completion and commissioning of the fine grinding circuit.

SDO operating cash costs per 4E PGM ounce decreased 3% in rand and dollar terms to ZAR11,913/ounce and $639/ounce respectively (Q4 FY2023: ZAR12,319/ounce and $660/ounce). The average ZAR:USD exchange rate remained largely unchanged during the Quarter.

The Group incurred capital expenditure of ZAR60.0 million ($3.2 million), in line with planned capital project schedules.

Operational opportunities

The Lannex flotation MF2 circuit has been successfully commissioned. With the construction, completion and commissioning of the fine grinding circuit scheduled for Q2 FY2024, a further increase in recoveries is expected.

PGM concentrate quality remains a focus area with the potential to improve smelter payability, as both concentrate grade and metal recoveries contribute positively towards the revenue stream of the Group. A filtration plant is also being evaluated to facilitate the conversion to dry filtered concentrate instead of the current slurry tankers, which would assist in reducing concentrate transport costs and remediate handling challenges at off-take smelters.

The effect of load curtailment of power at Lesedi decreased significantly from the 221 hours downtime recorded in Q4 FY2023 to 81 hours in Q1 FY2024, no other operations were impacted. In line with the power mitigation strategy, the Lesedi back-up generator installation is progressing and scheduled for commissioning during the latter part of Q2 FY2024.

The Company's Pelletiser project, developed with a 'binding technology' player, continues to make progress. Following the completion of the pilot-scale work, discussions are still ongoing with potential industry partners to assess the commercial viability of the technology.

B. FINANCIAL OVERVIEW

Financial performance

Revenue (4E) for the Quarter decreased by 10% to $19.6 million (Q4 FY2023: $21.8 million) impacted by the 15% decrease in the basket price recorded in September 2023 and applied to calculate revenue for ounces produced and delivered in the Quarter. These deliveries are invoiced in the following quarter and revenue will be adjusted in the month of invoice. The higher ounces produced in the quarter contributed $1.2 million to the gross revenue. The average 4E gross basket price for the Quarter was $1,344/ounce against $1,581/ounce in Q4 FY2023, impacted mainly by the drop in rhodium and palladium prices in Q1 FY2024.

Net revenue for the Quarter, which includes base metals and by-products and the quarter-on-quarter sales adjustment, was $19.7 million (Q4 FY2023: $24.4 million). Net revenue also includes attributable revenue received for ounces produced from material processed from a third-party on a trial basis.

Group cash costs per 4E PGM ounce decreased by 5% in rand terms from ZAR15,392/ounce to ZAR14,584/ounce and saw a 5% decrease in dollar terms from $824/ounce in the previous quarter to $782/ounce as a result of the 5% increase in ounce production quarter-on-quarter.

General and administrative costs were unchanged at $0.70 million quarter-on-quarter. These costs are incurred in USD, GBP and ZAR and were minimally impacted by the exchange rate as the USD/ZAR exchange quarter-on-quarter remained aligned.

Group EBITDA for the Quarter was $2.8 million (Q4 FY2023: $7.8 million) and net profit was $1.8 million (Q4 FY2023: $3.1 million), the decrease was primarily a result of the lower basket price and increase in total operating costs.

The Group cash balance increased 2% from $125.0 million (including restricted cash held as guarantees of $0.8 million) to $126.9 million during the Quarter. Cash generated from operations before working capital movements was $3.1 million with net changes in working capital amounting to $0.7 million, which is mainly due to the change in trade debtors and trade creditors. The 15% decrease in basket price off-set marginally by a 6% increase in production, resulted in the decrease in the trade debtors balance quarter-on-quarter. Trade debtors arise from the concentrate delivered in the Quarter but only paid for in the following quarter as per the concentrate off-take agreements.

Provisional payments for both mineral royalty tax and income tax are made in December 2023 in line with the South African tax authority timelines, at an anticipated rate of 6% - 7% for mineral royalty tax on applicable ounces, and 27% on taxable income in South Africa. A final cash dividend for FY2023 of 5 pence per Ordinary Share was declared and is payable on 1 December 2023 to all shareholders on the register at the close of business on 27 October 2023. The Group spent $3.2 million on capital projects for the quarter mainly at Lannex for the Lansky Screens $0.6 million (ZAR10.8 million); MF2 project $0.4 million (ZAR6.8 million) and elevated penstock and drains $0.2 million (ZAR3.4 million) and at Mooinooi for the recommissioning of the tailings storage facility $0.2 million (ZAR3.4 million).

C. MINERAL ASSET DEVELOPMENT AND JOINT VENTURES

The Group holds approved mining rights for three PGM–base metal projects on the Northern Limb of the Bushveld Igneous Complex in South Africa. Optimisation of the assets has been on-going since 2021 in order to ascertain how best to develop these projects. An Exploration Results and Resource Statement was completed during FY2023, and further work continues based on recommendations made in this report.

Volspruit Project

Work has continued on both the Volspruit North and South orebodies with large diameter boreholes being drilled on the North in order to better understand metal recoveries as well as provide the required detail for plant and infrastructure design to be completed during the Preliminary Feasibility Study ("PFS"). This phase of work will commence upon the completion of a positive PEA, which is expected in the second half of FY2024. Results from the metallurgical test-work are expected in the same period.

Updated draft MRE statements for both the North and South ore bodies have been received and are currently under review. These updated draft statements include estimates for rhodium and ruthenium which historically have not been assayed for. Samples collected from the large diameter drilling campaign were assayed for 6E PGMs and the results statistically analysed against the historic assay database. Strong relationships exist between the presence of platinum, palladium, gold, rhodium and ruthenium, which allows for the latter two PGM values to be predicted from the historical 3E PGM results. It is anticipated that these statements will be published within the next quarter once the internal review process has been completed.

Steady progress is being made in the permitting process necessary for the existing mining right. Local Economic Development projects are gaining traction with discussions kicking off with the relevant local municipalities. The Water Use License application for mining and on-site processing operations and the updated Environmental Impact Assessment submissions are expected to be made in the first quarter of FY2025, which although later than anticipated, does allow for a more comprehensive public engagement process to be completed.

Far Northern Limb Projects

Relogging of the historical core continues across the Aurora project area with more than 75% of the work being completed. Once the final data has been compiled and assessed a targeted drilling programme will be designed and implemented. This is likely to occur during the fourth quarter of FY2024 to support an updated MRE and PEA to be commissioned for Aurora.

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 second quarter of FY2024.

D. 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 Limberg Mining Company (Pty) Ltd ("LMC"), a subsidiary of ChromTech Mining Company (Pty) Ltd (“ChromTech”), the Thaba JV.

The Thaba JV represents a major step in 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 chromite concentrate to Sylvania Metals’ existing annual production profile. The project execution phase will be 18-24 months with first production expected in H2 FY2025.

The first contractor is already on site for demolition of redundant works and to make space at the plant’s front-end for new crushing infrastructure and for the optimisation of conveyor transfers and stockpile capacity. Procurement of long-lead items and the first construction packages are currently in progress. The Thaba JV’s civil works are on schedule to commence during Q2 FY2024.

E. CORPORATE ACTIVITIES

Notification of Transaction by PDMR

The Company announced on 12 September 2023 that Adrian Reynolds, Non-Executive Director, purchased 20,000 ordinary shares of $0.01 each in the Company ("Ordinary Shares") at 80.40 pence per Ordinary Share on 11 September 2023.

Following this transaction, his shareholding in the Company totals 40,000 Ordinary Shares, representing 0.01% of the total number of Ordinary Shares with voting rights.

CONTACT DETAILS

For further information, please contact:	
Jaco Prinsloo CEO	+27 11 673 1171
Lewanne Carminati CFO	
Nominated Adviser and Broker	
Liberum Capital Limited	+44 (0) 20 3100 2000
Richard Crawley / Scott Mathieson / Kane Collings	
Communications	
BlytheRay	+44 (0) 20 7138 3205
Tim Blythe / Megan Ray	sylvania@BlytheRay.com

CORPORATE INFORMATION

Registered and postal address:	Sylvania Platinum Limited Clarendon House 2 Church Street Hamilton HM 11 Bermuda
SA Operations postal address:	PO Box 976 Florida Hills, 1716 South Africa

Sylvania Website: www.sylvaniaplatinum.com

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, treating a combination of 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 Programme
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
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
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
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