



Success



Growth



Sylvania Platinum

Results update. September 2011
www.sylvaniaplatinum.com



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.

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All comments about ounces in the document refers to Platinum, Palladium, Rhodium and Gold or 4E ounces.

The technical exploration and mining information in relation to the Everest North project contained in this report was compiled by Mr Ed Nealon, a former Sylvania Resources Limited director. Mr Nealon provides consulting services via his Company Athlone International Pty Limited. Mr Nealon is a member of the Australasian Institute of Mining and Metallurgy and is considered to be a Competent Person in his respective area of expertise pursuant to the Australasian Code for Reporting of Mineral Resources and Ore Reserves. Mr Nealon consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in relation to Northern Limb Project (also known as the Aurora and Harriets Wish Projects) is based on information compiled by Mike Hall who is a member of the Australasian Institute of Mining and Metallurgy and who is employed by the MSA Group, Johannesburg, South Africa. Mr Hall. Has sufficient experience relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person for the purposes of the 2004 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mr Hall consents to the inclusion in the report of the matters based on the information in the form and context in which they appear.

Sylvania in brief

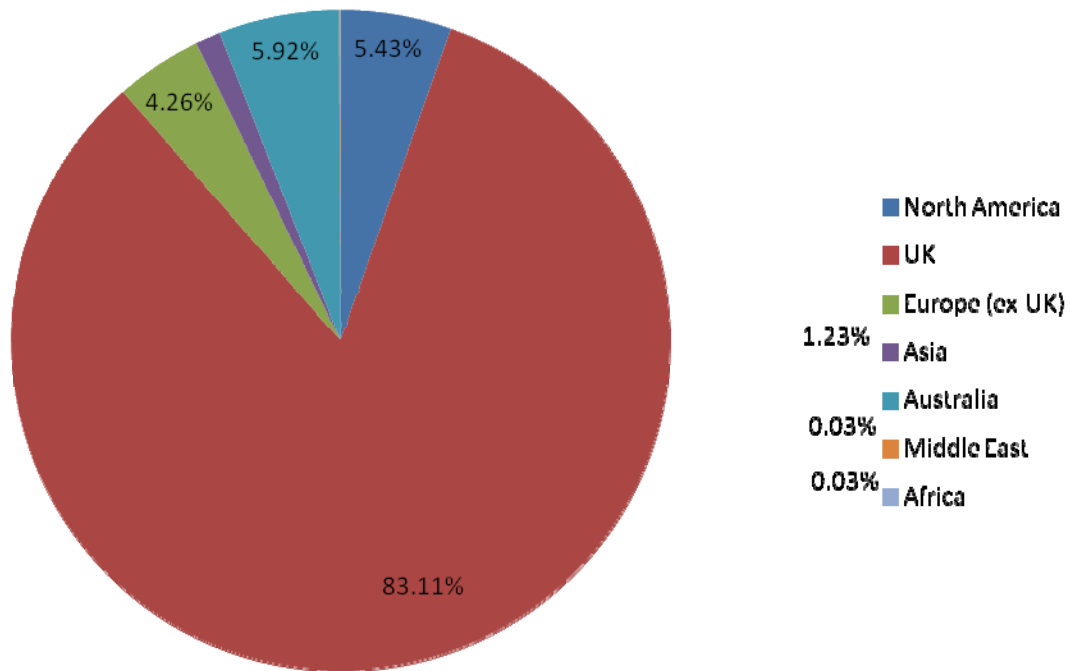
- Domicile in Bermuda
- Listings
 - Primary:- Australian securities Exchange (ASX:SLP)
 - Secondary:- London's AIM market (AIM:SLP)
 - Shares in issue: 301 251 805
- Market Capitalisation: GBP 66.3 million *
- Shareholders with > 5% of shares on issue (>50% of equity in total)
 - Asia Africa Capital
 - Audley
 - M&G Investment Management
 - Odey Asset Management
 - Henderson Global
 - UBS AG
 - JP Morgan Asset Management
 - Credit Suisse
- Brokers/ Ambrian Partners and recently appointed RBC

*Based on a share price of £0.22



Shareholder distribution

- Over 80% of shareholders in the UK
- Less than 6% shareholding in Australia



Audited Final results for year ended 30th June 2011

- **Financial highlights**
- Revenue increased by 79% to \$46,872,232 (\$26,115,145 FY 10)
- Sylvania dump operations (“SDO”) EBITDA \$15,419,750 increased 253% (\$4,370,742 FY10)
- Group EBITDA \$12,340,998, 547% turnaround (\$2,759,039 loss FY 10)
- Net operating cash inflow \$7,708,174 (Outflow \$2,660,627 FY 10) a 390% turnaround
- Group cash balance \$23,497,092 as at 30th June 2011 (\$20,107,830 FY10)
- Net Profit after tax of \$1,608,126 (Loss after tax of \$7,781,911 in FY 10)

Audited Final results for year ended 30th June 2011

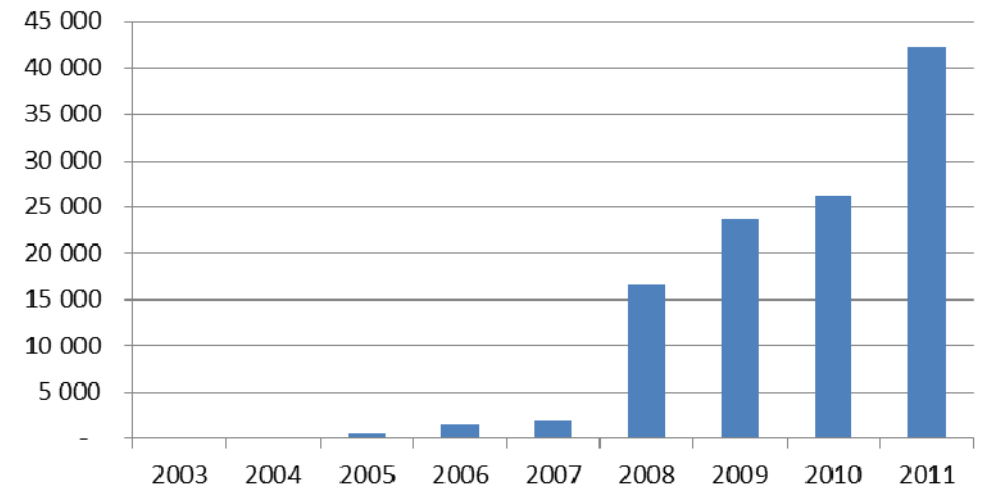


- **Operational Highlights**
- PGM production increased 67% to 41,013oz (24,605 in FY10)
- Plant feed increased 56% to 1,410,883tonnes (907,032 tonnes in FY10)
- PGM Plant feed tonnes increased by 62% to 652,597 tonnes (403,825 tonnes in FY10)
- PGM recoveries increased by 8% to 43% (40%in FY 10)
- Average costs at operating level decreased by 2,3% to \$601/oz (\$615/oz FY 10)
- Average PGE basket price increased by 15% to \$1,166oz (\$1,015 FY10)

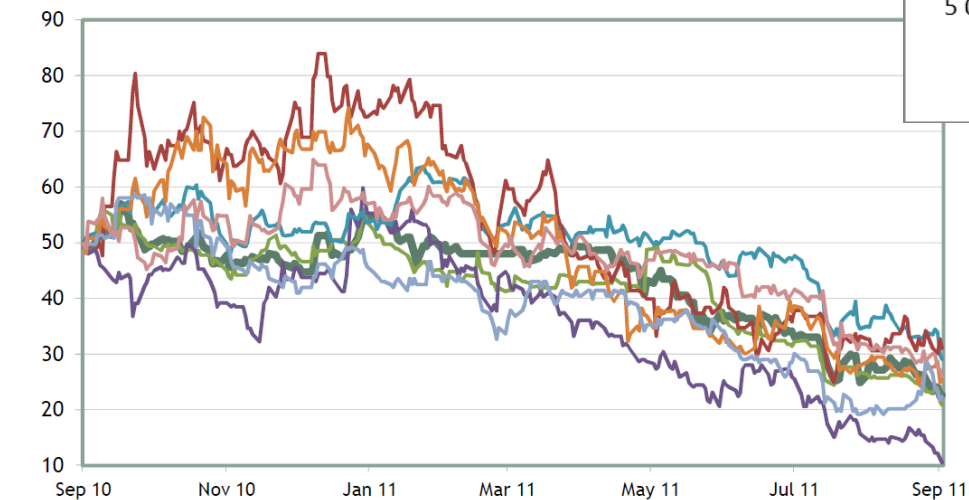
Consistent delivery

- Share performance linked to market with impact of steady growth and good margins not visible

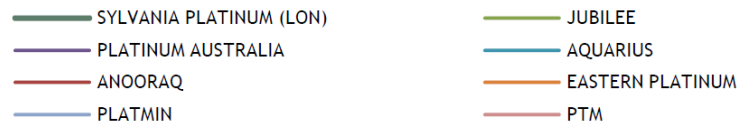
Sylvania Platinum - Ounces Sold



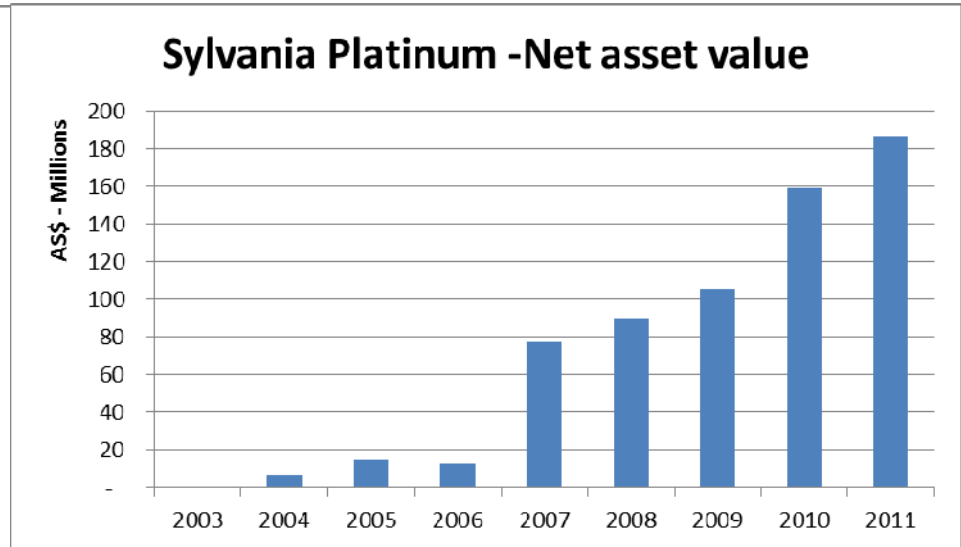
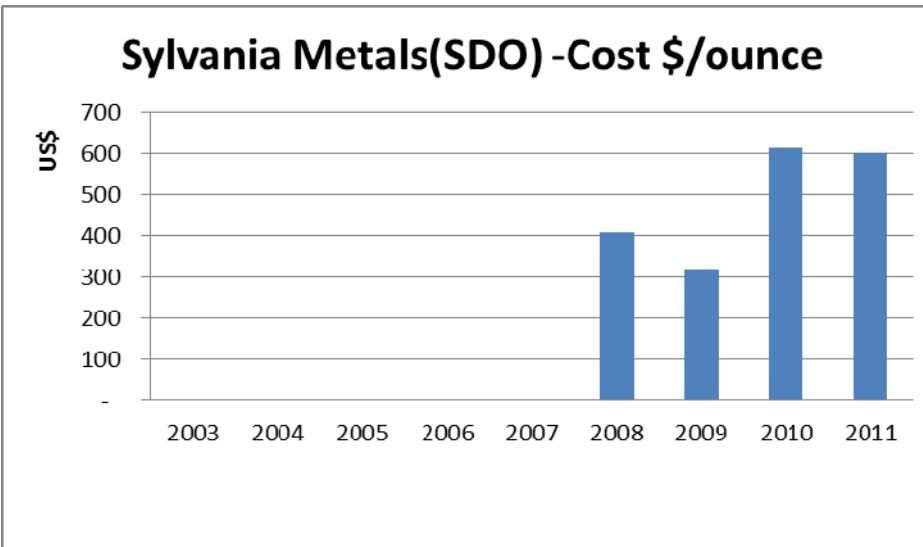
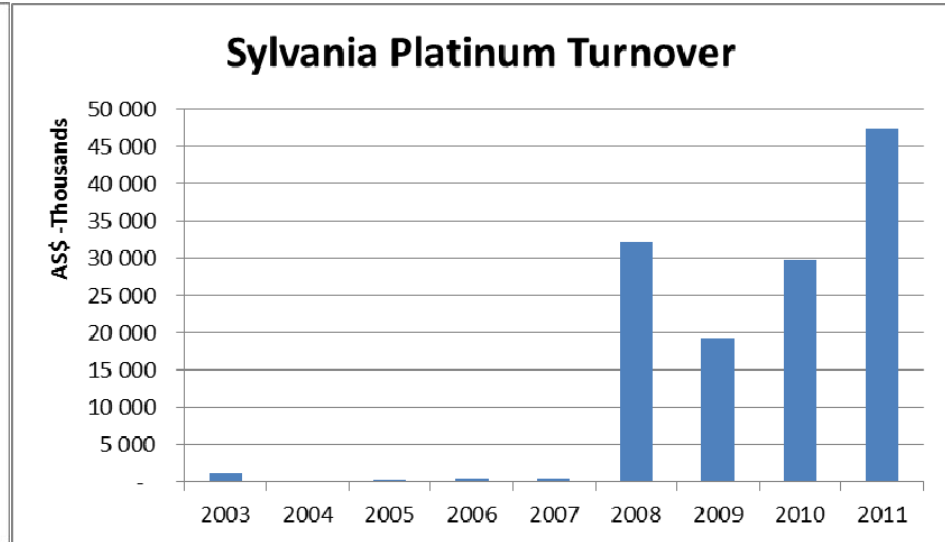
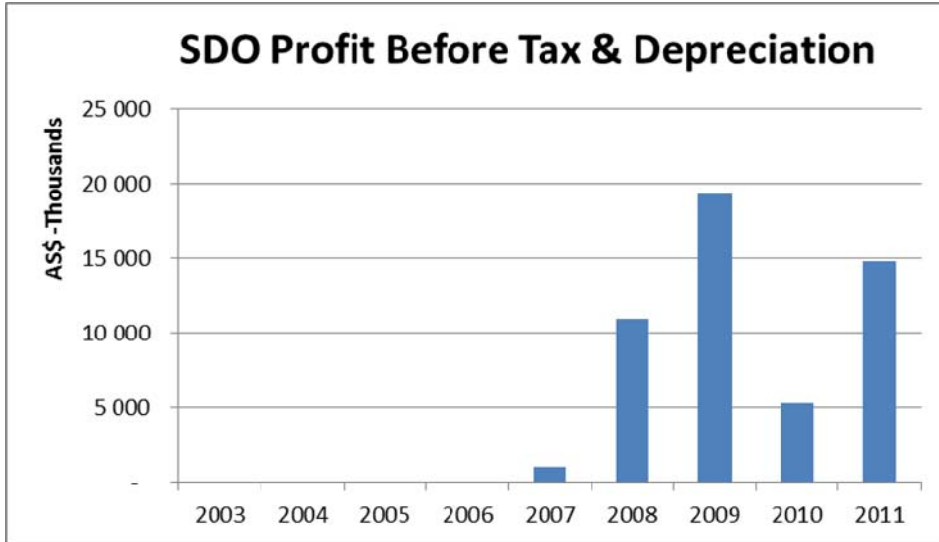
Sylvania vs Peer Group (-12M)



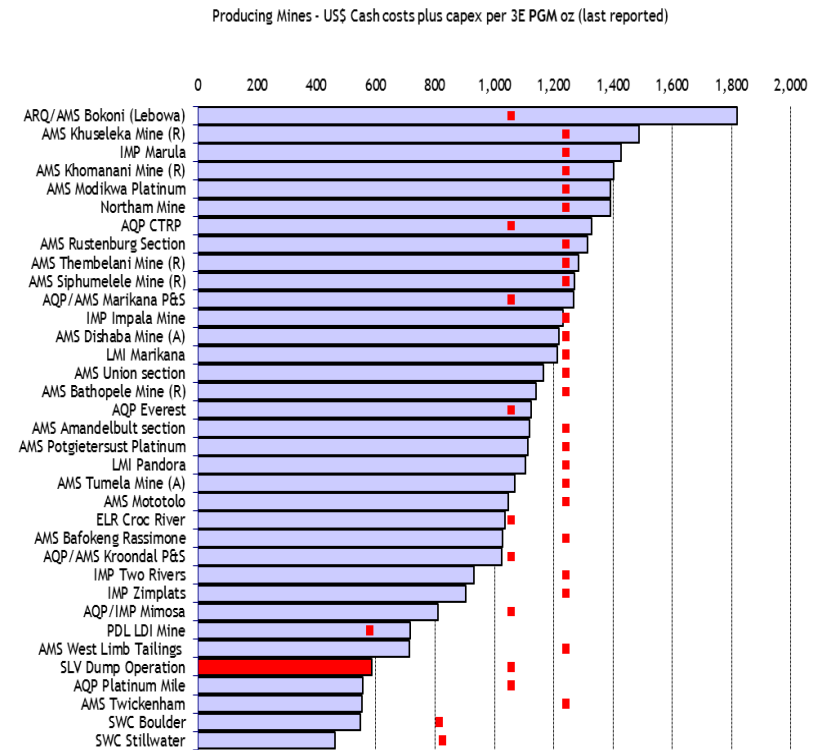
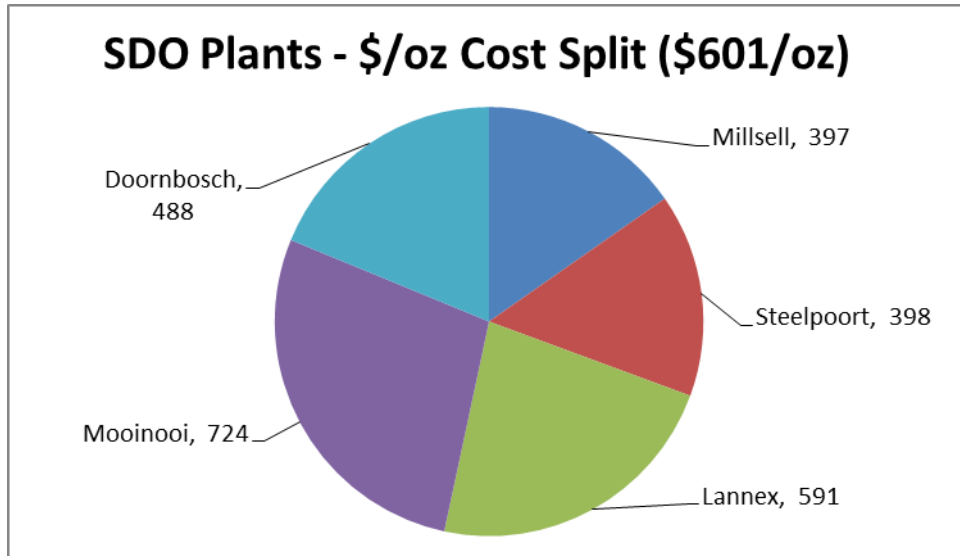
Source Ambrian



Long Term Performance



Costs /\$ ounce at operation level, Plant by plant



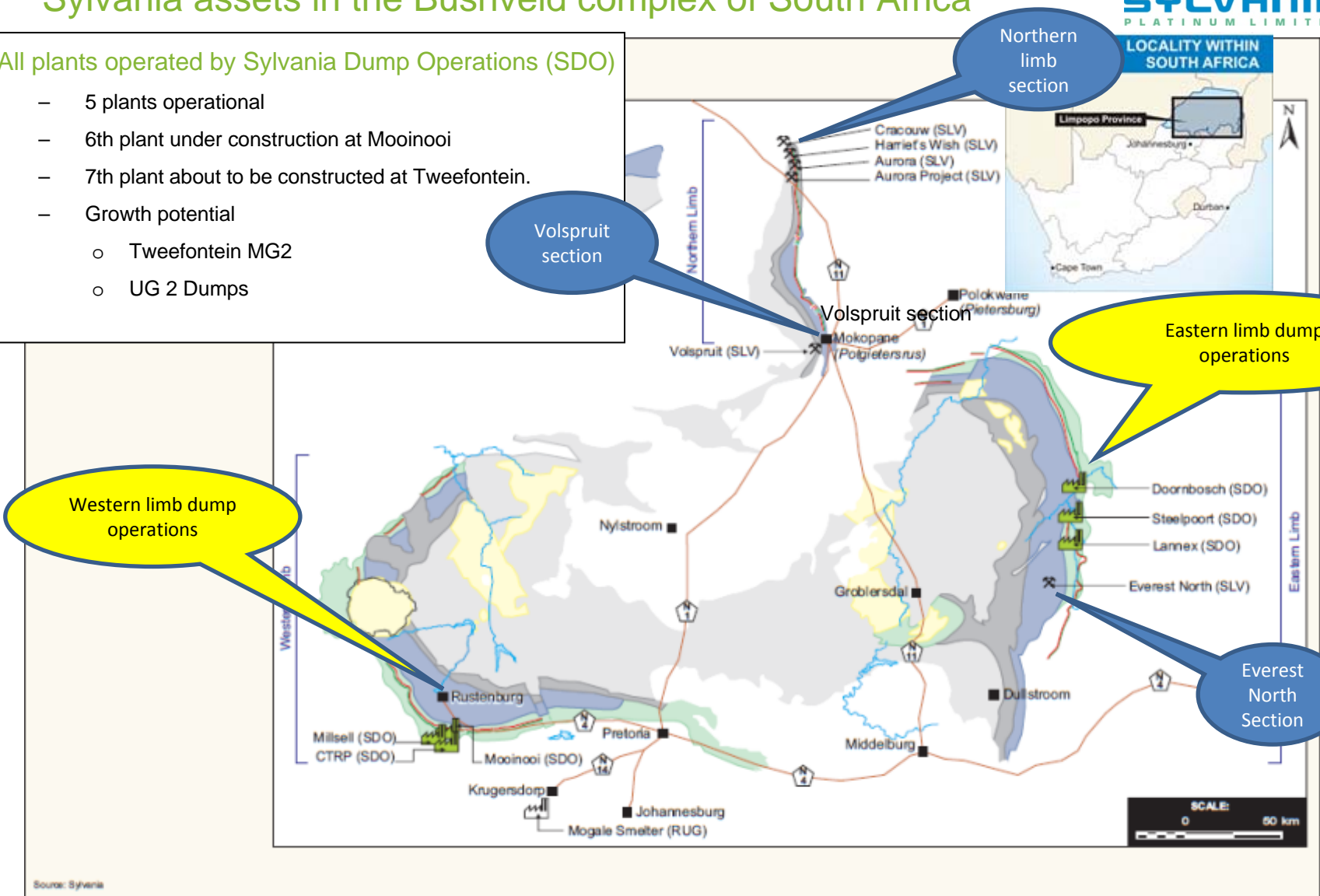
Source RBC

Sylvania assets in the Bushveld complex of South Africa



All plants operated by Sylvania Dump Operations (SDO)

- 5 plants operational
- 6th plant under construction at Mooinooi
- 7th plant about to be constructed at Tweefontein.
- Growth potential
 - o Tweefontein MG2
 - o UG 2 Dumps



Source: Sylvania

SWOT Analysis

Strengths

- 5 plants operating well
- Plants 6&7 under construction
- Production set to increase to 60000 ounces this year
- Achieving a 50% operating margin
- Strong cash flow
- Low risk

Weakness

- Critical Mass at this stage
- Linked to chrome fortunes
- South Africa
- New process at northern limb

Opportunity

- Sale of Iron ore
- Everest North
- Volspruit
- Northern limb
- MG resources from Samancor

Threats

- Hostile takeover bid due to low share price
- Take private
- Team poached

Strong Mineral Resource

- Dump Material , Current Arisings & Run of Mine improved
- Encouraging results from 11 months of MG2 ore trials at Mooinooi (Will vastly extend plant operational life)
- Volspruit Mine (Northern and Southern Ore Bodies)
 - o No change to previously announced resources
 - *Source: RNS 29 September 2010*

	Measured	Indicated	Inferred	
PGM	1.15	1.7	0.7	Million Ozs
Nickel	87.8	129.2	45.6	Million Lbs
Copper	25.5	38.2	13.3	Million Lbs

- Northern Platreef Resource Confidence improved
 - o Inferred Resource of 5 mil oz (2E) at 1.26 g/t
 - After 1 g/t & 100m depth cut off & 15% geological discount
 - Additional holes planned as Mining Right required in 2013
 - *Source MSA report 30th March 2011, extracted from MSA resource 5th October 2010*



Near Term Projects

Proposed Iron ore spin out

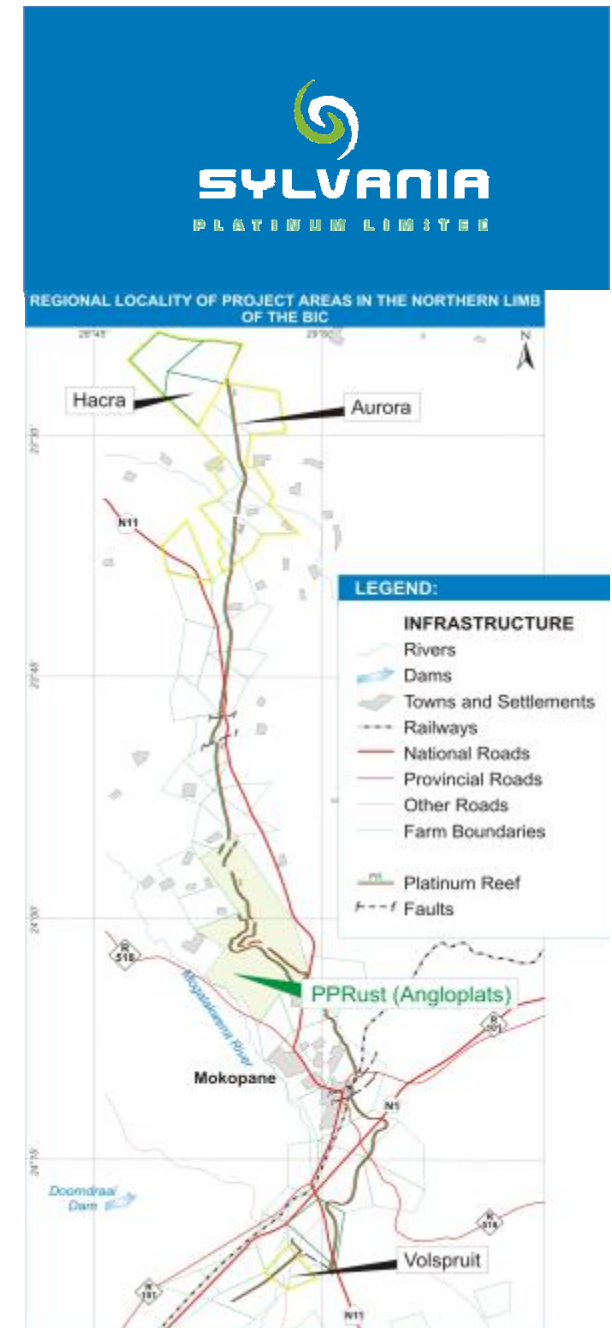
- Iron ore proposed to be spun out into new listing
- Shares to be distributed to existing shareholders as “in specie” distribution
- Independent valuation being undertaken by Venmyn
- Team in place and drilling underway

Everest North

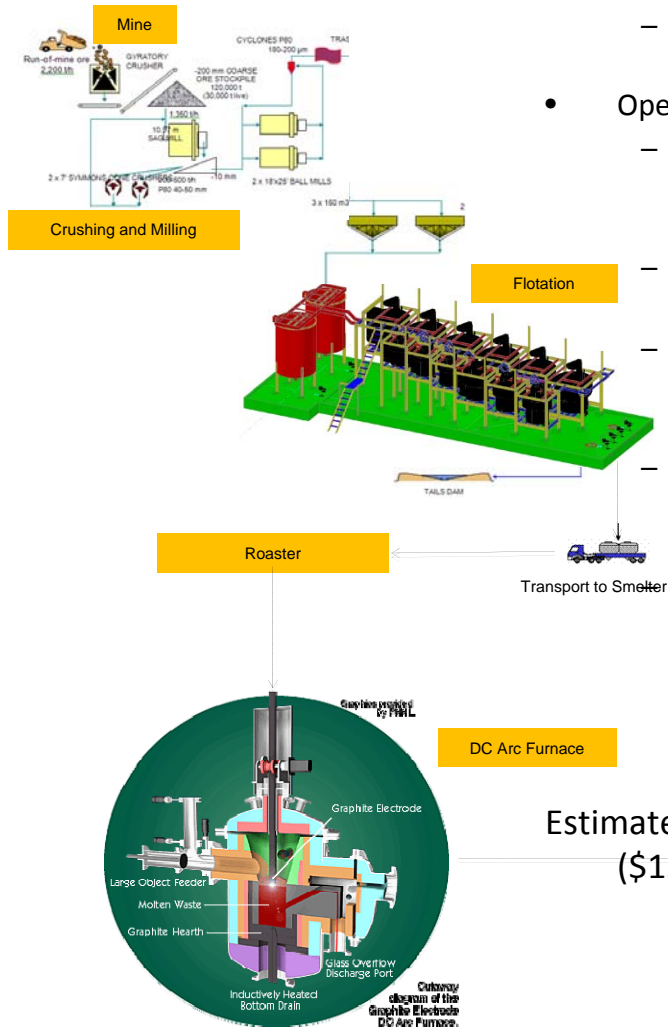
- Agreement with Aquarius Platinum SA in relation to the feasibility study
- Detailed studies underway as well as a proposed joint venture company.
 - Decision as to whether to proceed expected end of November 2011
- Mining right application to be submitted January 2012
- EIA process to be completed by July 2012
 - No change to previously announced resource
 - 773 000 measured ounces
 - 50% attributable if JV goes ahead

Volspruit (Southern section of northern limb)

- Extensive trials completed and project viability independently verified
 - Smelting trials produced metal alloy ready for refining.
 - Refining trials have produced PGM rich metal powder and pure Nickel powder
- Total project design well underway
 - PFS for Mine design with concentrator complete
 - Smelter / Refinery designs under JV agreement with Jubilee.
- Exploration Drilling
 - Additional drilling being done for sterilisation and EIA purposes
 - Commenced September 2011, 6 month programme.
- Permitting.....responses expected during 2012
 - Mining Right application submitted
 - Request for power allocation submitted to ESKOM
 - EIA process well underway
 - Surface rights of one of three farms purchased

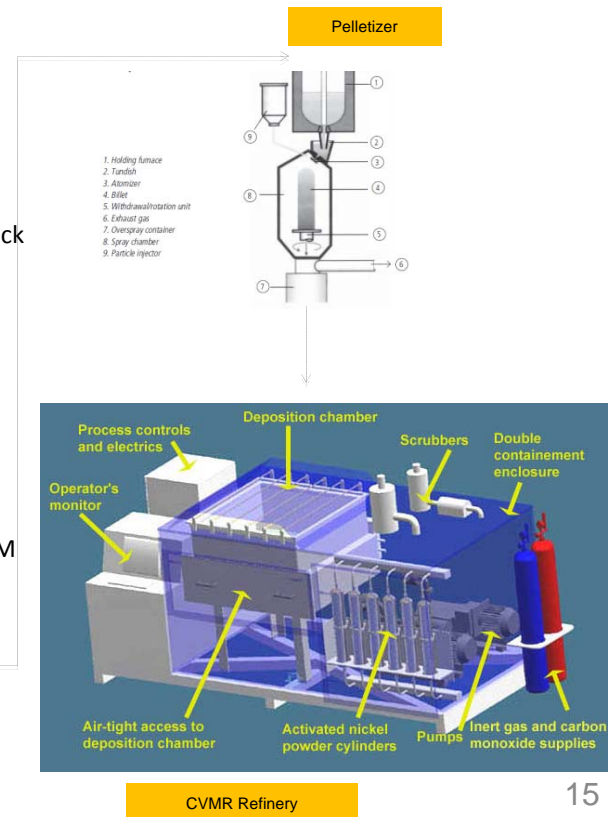


Volspruit & Northern Limb Project Development Strategy



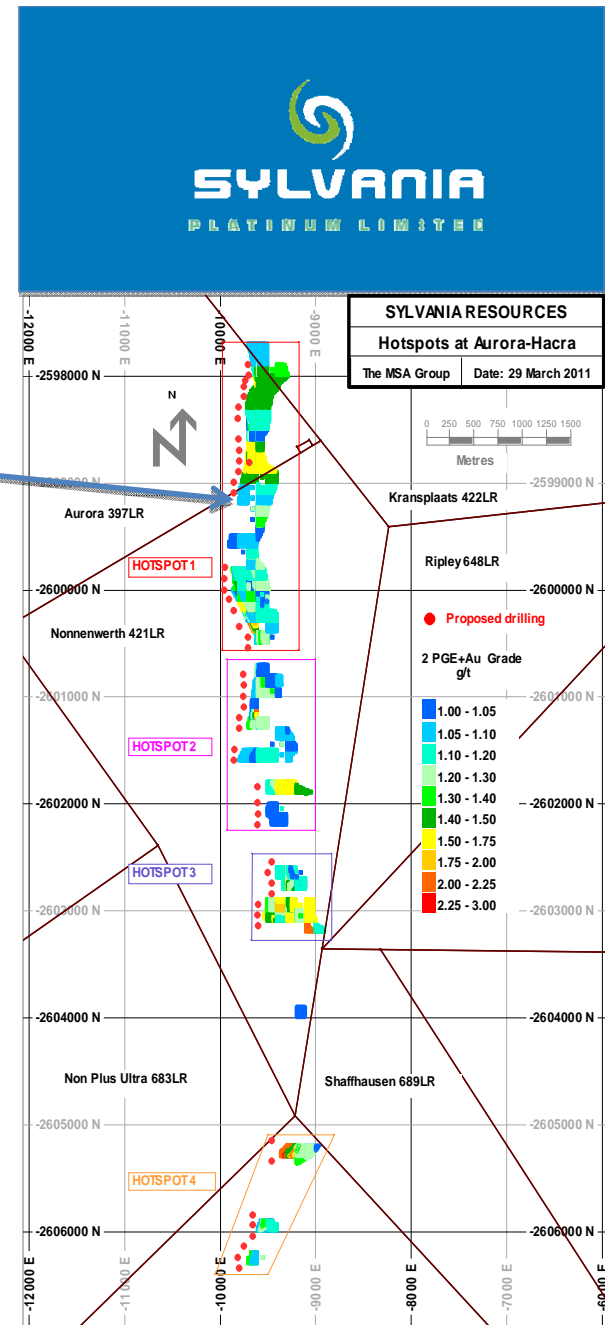
- Operating Strategy
 - The Volspruit project becomes the model for future mines
- Operations Overview
 - Open pit mine
 - Conventional drill and blast
 - Ore transported to concentrator plant
 - Processing plant
 - Traditional crushing and milling
 - Concentration
 - Flotation plant
 - Concentrate transported to smelter by truck
 - Smelter
 - Ore roasted to remove Sulphur
 - DC Arc furnace produces a metal alloy
 - Refining
 - Ore pelleted
 - Pellets fed to CVMR refinery
 - Base Metals refined
 - PGM rich alloy despatched to PGM refinery

Estimated development capex of R1,2 bn (\$153m) to R1,5 bn (\$191m)



Growth Potential

- Northern Limb Projects
 - Drilling under way in most prospective area
 - 4 "Hot spots" identified
 - Leap frog strategy employed requiring only enough work to be done to prove up enough resource to maintain growth objective



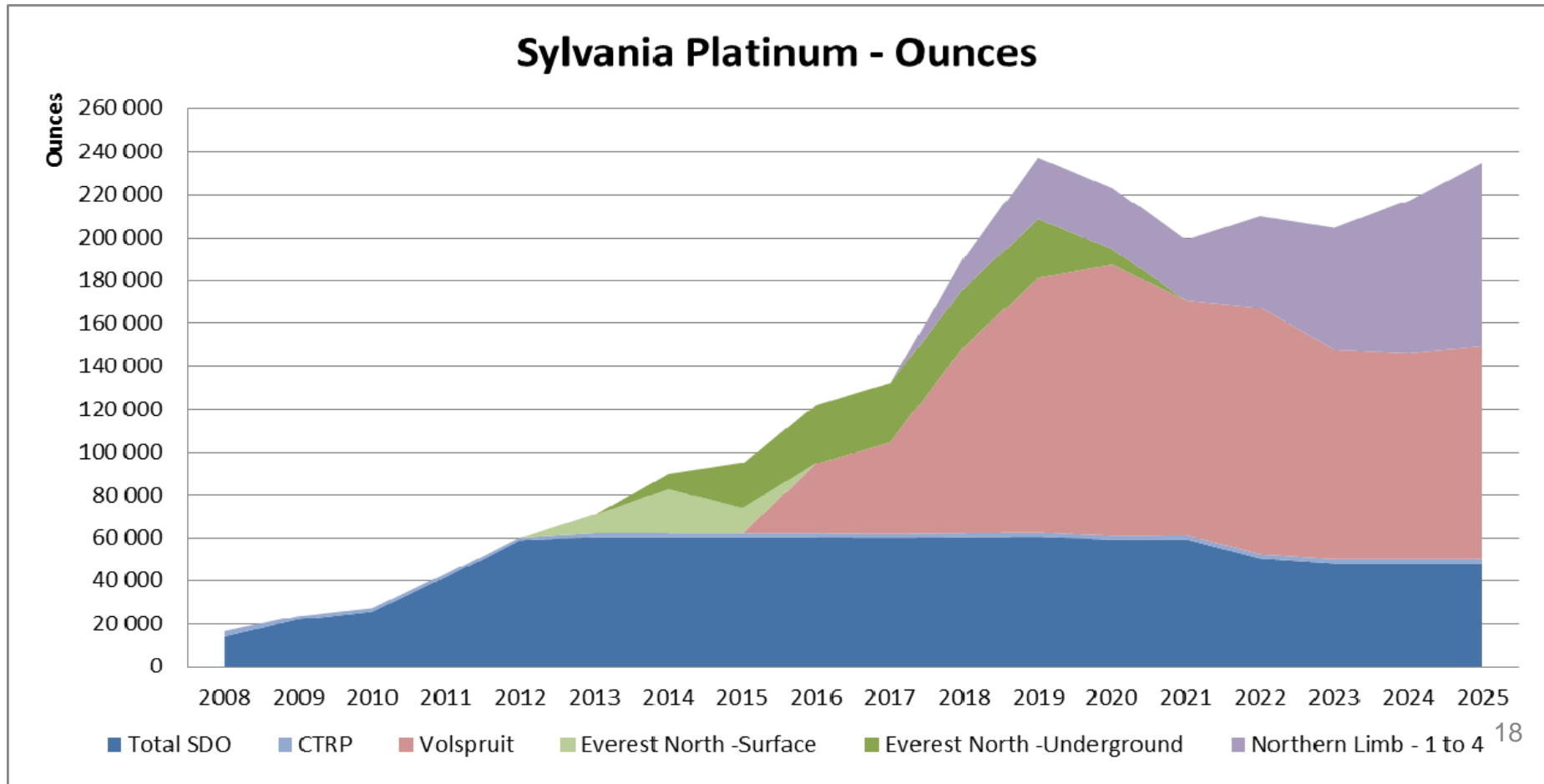
Opportunities

- South Africa has a vast opportunity in the MG and LG horizons where symbiotic projects between chrome mining and platinum mining can be exploited.
- For 11 months MG material has been feeding the Mooinooi plant. The MG 2 option is viable with attractive margins. Good opportunity to extend the plants life after the dumps have been treated for the second time.
- Current UG 2 platinum dumps may hold potential
 - Our ability to smelt low grade concentrate into an alloy makes us one of the only viable options to process these dumps

Sylvania Platinum theoretical potential

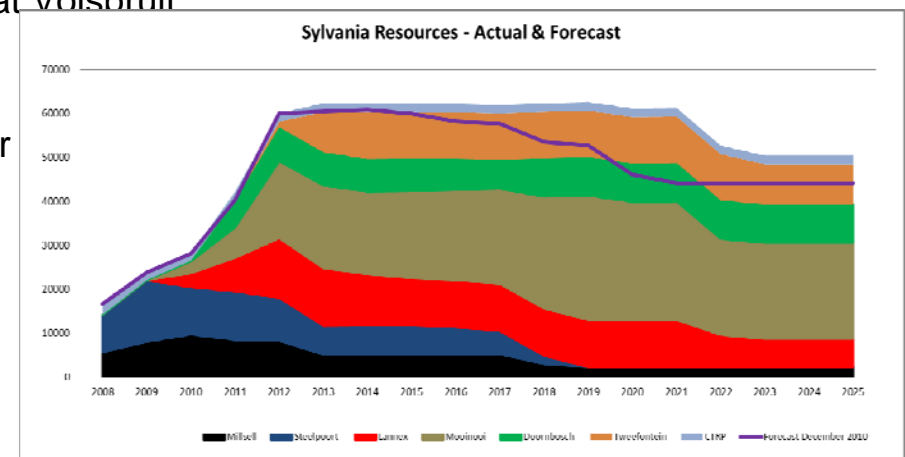


- Longer term production potentially anticipated to build up to > 225 000 oz per year



Conclusion

- Dump process working well and profitable
 - Sylvania Dump Operations margins in excess of 48%
- Upside with expansion via MG, LG chrome and UG2 PGM dumps
- Forecast to reach 60000 ounces this year.
 - This 60000 ounces set to continue for at least 10 years out of existing dumps
- Proposed disposal of Iron ore assets and distribution to shareholders as a ‘in specie’ distribution
- Volspruit project viable as indicated by independent consultant,
 - In mining terms fast access to ore resources at Volspruit
- Everest North
 - Detailed planning expected in early December
- Strong team
- Low capex



Attractive company valuations



Recent research reports



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