

For immediate release

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Sylvania Resources Limited ('Sylvania' or the 'Company')

ASX, AIM: SLV

**Sylvania Successfully Commissions Third PGM Plant
*Adds volume growth to low cost and low-risk production profile***

Johannesburg, 23 March 2009. Sylvania Resources Limited is pleased to advise that its Lannex tailings dump classification section and PGM recovery plant near Steelpoort in the eastern Bushveld have been successfully commissioned. The plant is currently in ramp-up phase and is forecast to produce at steady state levels of approximately 2,100 PGM oz (4E) per month by the end of June 2009.

Prior to the commissioning of the PGM plant the Broken Hill section of the Lannex plant was commissioned successfully in the second week of October 2008. The capital cost for Lannex is expected to total around R150 million, which includes process improvement costs associated with the bead mill, filter press and power generation. At Millsell and Steelpoort these innovations have already translated into improved recoveries and production. Operating costs at Lannex are estimated at US\$240/oz, approximately the same level as those of the other low-cost plants in the group stable.

This pleasing development follows delays resulting from adverse weather conditions and difficulties associated with the availability of concrete during December 2008 and January 2009. The commissioning delay was contained to one month only and the capital cost of the plant has been kept within the assigned budget.

Lannex, (the third PGM operation in the Sylvania stable), is the first of the company's four near-production assets to come on stream, adding life and growth to the asset base. At full production, the contribution from Lannex of some 25,000 oz per annum will immediately more than double the group's existing output.

Sylvania relies on a combination of sources for feed to its plants, and its plants have the inbuilt flexibility, with only minor adjustments required, to accommodate changes in feed source. "This flexibility will stand us in good stead in the event of Samancor resuming their mining operations. Our ability to treat tailings and dump material mitigates the risk associated with the potential lack of run-of-mine feed," explained Terry McConnachie, Sylvania CEO.

In conclusion, McConnachie said: "The commissioning of Lannex demonstrates Sylvania's ability to grow PGM production volumes while maintaining our well-established low-cost and low-risk production profile, and remaining profitable in what remain tough global market conditions."

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