

**For immediate release**

**30 July 2010**

**Sylvania Resources Limited ('Sylvania' or the 'Company'; ASX, AIM: SLV)**

**SYLVANIA RESOURCES LIMITED**

**ASX:SLV**

**AIM:SLV**

**Registration No: 091 415 968**

**ISIN AU000000SLV8**

### **Construction of New Tailings Dam for Lannex Plant**

Sylvania is pleased to announce that it has been advised by SamancorCr that the water licence required for Sylvania to commence construction of a new tailings dam for its Lannex plant has been granted.

Sylvania advised shareholders on 27 April this year that it had temporarily suspended activities at its Lannex plant due to the limitations of the existing tailings dam.

Terry McConnachie commented: "The delays experienced in obtaining the permissions necessary for the construction of the new tailings dam seriously delayed Sylvania being able to exploit the full potential and capacity of its biggest plant and had a significant impact on the ounces produced by the group during the second quarter of 2010. However, once the construction of the new tailings dam is completed in approximately three months, Sylvania expects to be able to quickly ramp up the Lannex plant to its full design capacity of approximately 70 000 tonnes a month.

We expect that during the fourth quarter of 2010 the Lannex plant will have ramped up to its full design capacity and our other four completed plants, currently in various stages of ramp up to full production, will also be producing close to their full design capacity."

#### **For further information please contact:**

##### **In South Africa**

Terence McConnachie (MD Sylvania Resources Limited)  
(+27 11) 673 1171

Louis Carroll (FD/Joint Company Secretary)  
Sylvania Resources Limited  
(+27 11) 673 1171

##### **In Australia**

Richard Rossiter (Chairman)  
Sylvania Resources Limited  
(+614) 1868 8338

Grant Button (Director/Joint Company Secretary)  
Sylvania Resources Limited  
(+618) 9226 4777

**In United Kingdom**

Richard Brown/ Richard Greenfield  
Ambrian Partners Limited  
+44 (0) 20 7634 4700

Laurence Read/Beth Harris  
Threadneedle Communications  
+44 (0) 20 7653 9855

