



For immediate release

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Sylvania Platinum Limited
("Sylvania Platinum", "Sylvania" or the "Company")
(ASX: SLP, AIM: SLP)

PGM Operations Update, South Africa

Following the announcement on 4th April 2011, Sylvania Platinum, the low cost producer of Platinum Group Metals, today announces an operations update relating to its PGM tailings retreatment plants at Mookimooi and Lannex and on plant development progress at the Tweefontein project.

Highlights

Mookimooi Tailings Plant (Western Limb, Bushveld Complex)

- Joint investment project with the host mine to expand Run of Mine (ROM) capability through the construction of a Heavy Media Separation (HMS) plant is now complete and commissioned on time and in budget.
- Whilst total plant feed remains at 40,000 t/mth, the increased ROM feed allows better recoveries and is expected to increase by 220 oz. per month
- Mine life extended from 5 year dump project to a +15 year dump and run of mine project due to displacement of dump feed.
- Run-of-Mine (ROM) throughput increases from 15,000 t/mth to 40,000 t/mth
 - Ability to treat lumpy chrome ore directly from underground
 - Waste separation now possible thus increasing recovery
- Importantly, this projects allows a second phase expansion at the plant, recently approved by the board which, through the construction of additional chrome spiral capacity and a second PGM flotation plant, will;
 - Allow ROM feed to increase to 60,000 t/mth
 - Allow additional tailings retreatment and thus total plant feed will increase to 75,000 t/mth
 - Allow PGM production to increase to +1,600 oz/mth
- Phase 2 is due to be completed in November 2011



Lannex Tailings Plant (Eastern Limb)

- New Lannex tailings dam completed April 2011 – now commissioned

Tweefontein Development Project (Eastern Limb)

- Final project study for the Tweefontein chrome and PGM plant is complete
 - Project to be presented to the board for approval in June 2011
 - Estimated full project cost of R90m made up of the following elements:
 - Construction of plant R64m
 - Infrastructure R16m
 - Power reticulation from national power utility (Eskom) R10m
 - Estimate still to be verified by Eskom
 - Plant construction will be completed by May 2012
- Tweefontein also has the possibility of a second phase where a similar strategy to Mooinooi is possible where feed could be treated directly from underground. This second phase is still under review with the host mine.

Overall impact

- These changes facilitate Sylvania's targeted PGM production from all sources to increase to 60,000 oz for the financial year ending 30 June 2012.

Commenting today, Terry McConnachie, CEO of Sylvania Platinum Limited, said: "In line with forecasts we are well under way with expanding production at our existing plants in addition to commissioning a sixth operation during 2012. Lannex is ramping up to full production with the completion of the new tailings dam which is now able to receive the final tails after PGE and chrome has been removed. We expect the new floatation section and chrome spiral circuit to come online at Mooinooi towards the end of 2011. I would like to thank Nigel Trevarthen and his team for their hard work over the last 12 months."

Nigel Trevarthen, Deputy CEO, added: "The above announcements coupled with record production results from each quarter this year should demonstrate that Sylvania is able to deliver on promises made to the market. We remain on target to achieve 40,000 oz by the end of June 2011 and believe the above expansion projects will allow a continuation of our excellent production performance shown over the past year. In addition, work is progressing well at our Volspruit and Northern Limb projects and we look forward to validating our ability to deliver a profitable business that exploits the low grade deposits in the Bushveld Complex."

Sylvania Platinum announces an operations update of its Platinum Group Metals ("PGM") production operations in the Bushveld complex of South Africa. Sylvania currently has five producing PGM plants. Today's announcement concerns the operating Mooinooi and Lannex plants in addition to the Tweefontein development project. The PGM expansion work being undertaken at these three projects will allow the Company to produce 60,000 oz of PGM material from all sources in the financial year ending June 2012 and is currently expecting to maintain this level of production from dump retreatment until 2017.. Sylvania is on target to meet its 40,000 oz PGM production target for financial year, 30 June 2011.



Mooinooi Tailings Plant (Western Limb, Bushveld Complex)

The Mooinooi plant has been operating at the Samancor Mooinooi mine in the Western Limb since 2009. The plant is currently being fed by 3 sources of material; tailings fed directly from the Samancor chrome plant, tailings from the existing tailings dam and ROM ore coming directly from the underground mining of the MG2 chrome reef seam.

A three stage optimisation programme is currently being undertaken at the Mooinooi plant of which the first stage is complete:

1. Construction of a Heavy Media Separation (HMS) plant to reduce the amount of waste fed into the plant from underground. The HMS section expansion comprises a Heavy Media Separation plant, additional crushers, and an upgrade to existing conveyors, screens and chutes. This project has the following impact on the Mooinooi plant.
 - Total plant feed remains at 40,000 t/mth, however, because more of the feed is directly from underground and that waste can now be separated from the feed, recoveries are improved allowing production of PGMs to increase by 220oz / month and chrome production to increase from 10,000 to 25,000 t/mth from 1st quarter of 2012 financial year.
 - Run-of-Mine (ROM) throughput increases from 15,000 t/mth to 40,000 t/mth
 - Mine life extended from 5 year dump project to a +15 year dump and run of mine project due to displacement of dump feed.
2. Construct additional chrome spiral capacity to maintain chrome recovery from the additional feed from the HMS section and also allow the ROM section to increase to 60,000 t/mth and thus total plant feed will increase to 75,000 t/mth
 - Completion due November 2011
 - Note the HMS section is designed to allow underground tonnage to increase to 60,000 t/month
 - Designed to maintain chrome recovery from additional feed
3. Construct a new PGM floatation plant with associated infrastructure to recover PGMs from the increased feed.
 - Completion due November 2011
 - Includes a new floatation plant, similar to the existing plant
 - Includes a thickener upgrade, and piping and tailing facility upgrades.
 - Production of PGMs targeted to increase by 650 oz/month
 - Life of Mine remains + 15 years even though capacity to accept dump feed to the plant is created because the increased volume from underground produces more tailings for treatment in the future.

Phases two and three of the project are expected to be completed by November 2011 with a budgeted Capex at R54 million.



Lannex Tailings Plant (Eastern Limb)

In April 2011, the Company announced that the Lannex tailings dam had been completed. This tailings dam has now been commissioned and Lannex is now able to ramp up to its full capacity as it can now handle the deposition of the increased tonnes.

Twefontein Development Project (Eastern Limb)

Final project study is complete for the Twefontein plant situated in the Eastern Limb of the Bushveld Complex and will be presented to the board for approval in June 2011.

- Estimated full project cost of R90m made up of the following elements
 - Construction of plant R64m
 - Infrastructure R16m
 - Power reticulation from the national power utility (Eskom) R10m
 - Estimate still to be verified by Eskom
- Plant construction will be completed by May 2012

The plant is planned to be built next to the existing Samancor washing plant at the Twefontein mine. The key aspects of the project will be:

1. Construct a plant similar to the Doornbosch operation
2. PGM production expected to reach 880 oz/month

Twefontein also has the possibility of a second phase where a similar strategy to Mooinooi is possible where feed could be treated directly from underground. This second phase is still under review with the host mine.

ENDS

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Notes to Editor

Sylvania Platinum is a profitable producer and developer of Platinum Group Metals (PGMs) with tailings retreatment operations and shallow mining exploration interests located on South Africa's PGM-rich Bushveld Igneous Complex. Sylvania is focused on low-cost tailings retreatment operations, based on the pioneering Chromite Tailings Retreatment Plant (CTRP), which are already contributing revenues and, in the longer term, a focus on shallow mining exploration interests.

Sylvania has a track record of plant design and construction and currently has five chrome tailings processing plants fully operational with the sixth planned to be commissioned by 2012. The Company also has four near surface PGM and iron ore exploration growth targets within the Northern Limb projects, which are being developed using JORC compliant data.

These assets, coupled with well-resourced metallurgical and engineering expertise, position the company firmly as a low-cost, low-risk high-margin PGM producer when compared to conventional underground platinum miners. The Company's strategy is based on deploying revenues from the retreatment operations to fund the longer-term mining prospects.

Sylvania is listed on London's AIM market (SLP) and the Australian Securities Exchange (ASX: SLP) and is a member of the S&P/ASX 300 Index.

For more information please visit the Company's website www.sylvaniaplatinum.com