



For immediate release

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SYLVANIA PLATINUM LIMITED
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(ASX: SLP; AIM: SLP)

OPERATIONAL UPDATE

The Sylvania Platinum Board today announces the following operational update on its PGM production projects, tailings retreatment operations and near surface exploration projects.

Highlights

Lannex Plant

- Dam now undergoing final de-snagging
 - Tailings deposition scheduled to commence 6th April 2011
- Production results for Q3 (Jan-Mar 2011) estimated at 2,300 oz.
 - 60% improvement on Q3 2010 figures

Mooinooi Plant

- Joint investment project with the host mine to expand plant is underway
 - Enhancement of Run-of-Mine capability
 - Ability to treat lumpy chrome ore directly from underground
- Investment of R8.1 million planned
- Production at Mooinooi is expected to increase by 220 oz. per month

Northern Limb (Combination of Aurora, Hacra, Harriets Wish, Nonnenworth)

- Independent review of all Northern Limb sites undertaken by MSA Group
- Four targets ("Hot Spots") identified for further exploration in Resource Statement received on 30th March 2011.
 - Combined Inferred mineral resource at 1 g/t cut-off of 4.99 million PGM ounces (2E), 137 million pounds of copper and 101 million pounds of Nickel down to 100m.

Volspruit section

- Bulk sample, Mintec float test results and DC smelting trial result complete on Volspruit section. CVMR results expected shortly



Upside potential from Magnetite Iron ore identified on Northern limb exploration permit.

Terry McConnachie the Sylvania CEO commented: "A new chapter in the Sylvania evolution has just started. We now have our Dump operations ramping up as planned where we expect to see 40,000 ounces produced for the year ending June 2011. This ramp up will continue into the next year where we expect to achieve the full capacity production volume of 60,000 ounces per annum. The planning of growth into primary platinum and nickel production is well on its way and we are optimistic that our modular plant method and ore to metal alloy approach will revolutionize the way platinum is processed. Upside from the Iron ore is a further exciting development."

Sylvania Dump Operations (SDO)

Lannex Plant Production Ramp Up

Sylvania Platinum is due to commence deposition of tails from the Lannex plant into the new Lannex tailings dam this week. The dam has now entered into the commissioning phase of the project and should be fully functional by mid-April. During this time, the Company has implemented several strategies to prepare the plant for full production and the result of this work is now being seen.

Final assayed results have been received for January 2011 and February 2011 and using the preliminary assay results for March 2011, the expected ounce production results for Q3 (Jan-Mar 2011) for the plant are currently estimated at 2,300oz., a 60% improvement on the previous best performance of 1,425 oz. in Q3 2010.

The Lannex plant was commissioned during 2010 and suffered production impediments due to delays in the construction of tailings disposal facilities because of permitting delays. Sylvania announced in 2010, that the required permits had been received and that the Lannex plant would see a production improvement during early 2011.

Lannex plant is situated in the Steelpoort region on the eastern Bushveld complex of South Africa.

Expansion of Mooinooi Plant

The Company has commenced a joint investment project with the host mine whereby the Sylvania plant at Mooinooi will acquire the capability to treat the lumpy chrome ore directly from underground.

This project is an enhancement to the existing Run-of-Mine capability at Sylvania's Mooinooi plant and prepares the plant for future expansion.

The project is being executed in partnership with the host mine with Sylvania taking responsibility for the screening building, cone crusher and associated (6) conveyors and the host mine is taking responsibility for the HMS (heavy media separation) Plant, Wet Screening building, Waste Bin and associated (3) conveyors.

The project was presented to the Board of Sylvania as part of the overall growth strategy for the Mooinooi plant and an investment of R8.1 million (Sylvania share) is planned. Production at Mooinooi is expected to climb by up to 220 oz per month from July 2011 and the project is expected to have a payback period of 7 months.



The Sylvania construction progress (status 1 April 2011) is at 80% whilst the host mine construction progress (status 1 April 2011) is currently on 67% with completion expected by June 2011.

Project Fundamentals:

1. The MG2 seam will now be mined thus giving a valuable source of chrome and PGMs as without the project, it was not considered viable for the production of a chromite concentrate.
2. Construction of the crushing section enables Sylvania to process Run-of-Mine MG2 ore and to deliver Run-of-Mine fines to the existing plant thus improving PGM production.
3. The addition of the HMS section should improve the Chrome head grade of plant Run-of-Mine feed thus improving the PGM recovery
4. The entire Run-of-Mine crushing and HMS section secures a future feed potential of approximately 60,000 tonnes per month of fresh MG2 ore to the plant and allows the plant to further increase PGM production with further investment into the plant – this is currently under review.
5. The PGM recovery of the fresh ore should exceed the recovery of dump material and current arisings to yield potentially an additional 220 PGM ounces per month.

Northern Limb Project Resource

The Company is pleased to announce a JORC compliant Inferred Resource based on a report prepared by MSA Geoservices (Pty) Ltd (“MSA”) covering four identified higher grade prospecting target areas (“Hot Spots”) within the Northern Limb resource (The Aurora Project).

MSA was contracted by Sylvania in 2010 to review all previous resource statements, all drilling data and all other work performed over the prospecting rights in the Northern Limb and to prepare a new resource statement and to identify target areas (“Hot Spots”) for more detailed prospect drilling. MSA delivered its initial internal report in October 2010, as a result of which Sylvania contracted additional studies. On the 30th March 2011 MSA delivered the final review and resource statement for four geological targets or “Hot Spots” identified as priority for evaluation. The report was authored by Mike Hall.

Mr. Hall is Consulting Geologist – Mineral Resources with The MSA Group, a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and the Geological Society of South Africa (GSSA). Mr Hall has the appropriate relevant qualifications, experience, competence and independence to act as a “Competent Person” as that term is defined in the JORC Code and a “Qualified Person” for the purposes of the AIM Note for Mining and Oil and Gas Companies. Mr Hall has reviewed the content of this section of the announcement.

Peer review has been undertaken by Mr. Mike Robertson who is a professional geologist with 25 years’ experience in mineral exploration and assessment within Africa. Mr. Robertson is registered with the South African Council for Natural Scientific Professionals and has the appropriate relevant qualifications, experience, competence and independence to act as a “Competent Person” as that term is defined in the JORC Code.



Within MSA's report of 30th March 2011, Inferred Resources are estimated at various cut off grades, a 15% discount for geological disturbances and an open pit depth limitation of 100m.

A summary of the results at 1 g/t cut-off indicates a resource of 4.99 million PGM ounces (2E), 137 million pounds of copper and 101 million pounds of Nickel for 100% of the Hot Spot areas, as shown in the table below.

To 100m depth	Oxide						
1 g/t cut off	tonnes	grade 2E	Cu ppm	Ni ppm	2E ounces	lbs Cu	lbs Ni
Hot Spot 1	13,000	1.03	661	509	430	18944	14588
Hot Spot 2	113,000	1.09	381	511	3960	94915	127300
Hot Spot 3	-	0	0	0	0	0	0
Hot Spot 4	1,911,000	1.24	434	390	76186	1828438	1643066
Total & Average	2,037,000	1.23	433	398	80,576	1,942,297	1,784,954

To 100m depth	Fresh Ore						
1 g/t cut off	tonnes	grade 2E	Cu ppm	Ni ppm	2E ounces	lbs Cu	lbs Ni
Hot Spot 1	76,584,000	1.25	414	329	3077789	69,898,554	55,547,401
Hot Spot 2	26,281,000	1.2	635	457	1013944	36,791,324	26,478,165
Hot Spot 3	14,431,000	1.34	762	457	621716	24,242,712	14,539,264
Hot Spot 4	4,162,000	1.48	484	326	198041	4,440,964	2,991,228
Total & Average	121,458,000	1.26	506	372	4,911,489	135,373,553	99,556,059

To 100m depth	Averages and Totals						
1 g/t cut off	tonnes	grade 2E	Cu ppm	Ni ppm	2E ounces	lbs Cu	lbs Ni
Hot Spot 1	76,597,000	1.25	414	329	3,078,219	69,917,498	55,561,989
Hot Spot 2	26,394,000	1.20	634	457	1,017,904	36,886,238	26,605,466
Hot Spot 3	14,431,000	1.34	762	457	621,716	24,242,712	14,539,264
Hot Spot 4	6,073,000	1.40	468	346	274,226	6,269,402	4,634,294
Total & Average	123,495,000	1.26	504	372	4,992,065	137,315,850	101,341,013

Source: MSA Geoservices (Pty) Ltd

Volspruit Mine and Smelter / Refinery Project

As announced on 26th November 2010, Sylvania and Jubilee entered into a specific agreement on PGE/Ni, Cu smelting and refining of Sylvania's new JORC compliant Volspruit deposit ("Smelting Agreement"). Under the Smelting Agreement the parties agreed that a scoping study would be completed by 28 February 2011.

Since November 2010, many aspects of the study have progressed well beyond the scoping study stage causing Sylvania and Jubilee to improve the approach to the project beyond what was originally contemplated in the agreement. This has allowed aspects of the project to move directly to feasibility study level. The roasting and smelting trials have been successfully concluded as part of this and have delivered positive results. The Nickel refining trials will be concluded over the coming two weeks but early indications of the alloy produced from the smelting trails indicated good correlation with alloy used on previous refining trials suggesting nickel and PGM recoveries exceeding 95%.



From the encouraging results achieved during these trials the decision was taken to appoint consultants to the project to compile a technological and economic feasibility review. This is expected to be concluded in June 2011.

The above arrangements are not expected to alter the timeline for the smelter / refinery project.

Volspruit Mine and Concentrator

A bulk sample of ore from the Volspruit mine was delivered to Mintek to perform a number of extractive capability tests. The concentrate from these tests was then smelted in the Mintek DC arc furnace and an alloy produced. Alloy was delivered to Sylvania in February 2011. This alloy has now been submitted to CVMR Canada for testing.

Other preparatory work is progressing to plan and Sylvania expects to file a Mining Right Application with the Department of Mineral Resources (DMR) in July 2011.

The Environmental Impact Assessment (EIA) process has begun with the project registration with the provincial government being completed mid-March 2011. The EIA scoping report is ready for submission, the preliminary meeting with NGOs has occurred, the newspaper advert and Background Information Document (BID) for the project have been finalised and will be communicated on schedule to inform the public and to invite participation at the public participation meeting.

The definitive feasibility study (DFS) tender document, being prepared by SRK Consulting is on track for submission in May 2011.

Corporate Presentation

The Company's latest corporate presentation is now available on the Company's website and is attached to this announcement.

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