
Sylvania Platinum Limited
AIM (SLP)
ARBN 147 331 726
Issued shares: 300,764,896

25 July 2012

Sylvania Platinum Limited
(“Sylvania Platinum”, “Sylvania” or the “Company”)
(AIM: SLP)

Twefontein Project Update

Highlight

- Project remains on track for float plant to be completed at the end of August 2012 and commissioned in September
 - This will be the 7th dump operations plant to be commissioned
- Board approves expansion of run of mine capacity from 20,000 t/mth to 31,000 t/mth

Construction of New Processing Plant at Twefontein

The Twefontein project, located in the Steelpoort area, commenced construction just over six months ago and remains on track to produce its first ounces in September 2012 following completion of the float plant at the end of August, as per original plan. This will bring the number of operating plants to seven, including the recently commissioned second plant at Mooinooi, and allow continued Company production growth into 2013.

Expansion of Plant Capacity

During the plant planning period, a design option was considered which would allow for the processing of the planned expanded production from the host mine. This option has now been approved by the board of Sylvania and this design is now incorporated into the Twefontein plant construction plan. The expanded plant will be able to process additional run of mine (“ROM”) material from the host mine’s Twefontein MG2 adit once phase 2 is approved, erected and commissioned. The impact of the change in design has not changed the commissioning date of the floatation plant but will cause the chrome spiral plant expansion to be commissioned at the end of November, a little later than originally planned. The projected total plant cost for Phase 1 is now expected to be R109.5m.

The new Twefontein plant is being constructed around the existing small chrome washing and spiral plant and when complete the float plant will be similar in size to Sylvania’s Doornbosch plant.

Commenting today, Terry McConnachie, CEO, said: “We are very encouraged that the commissioning of our seventh plant is very near completion. We have experienced very challenging operating conditions including unusual tropical storms and strike action at host mines which has impeded work at the site. However, it is testament to the hard work of our team that the construction remains on track for completion in August, with first production expected in September. Once in production, the Twefontein plant will allow the Company’s continued growth plans to be realised.”



Background

On 1 June 2011, Sylvania announced the completion of the planning for the Tweefontein plant at an estimated cost of R90m for phase 1 and also indicated the possibility of a phase 2 which would allow the treatment of ROM ore from underground.

Following the presentation to the board of these plans, the project team was instructed to review the plant design and look to incorporate phase 2 into the overall strategy to optimise design and costs. The original plant design of 20,000 t/mth of ROM feed was consequentially updated to 31,000 t/mth and is now aligned with the host mine's MG2 adit planned production volumes.

On 27 January 2012, Sylvania announced it had commenced the construction of phase 1 of the updated Tweefontein plant design and had completed the concept design for the phase 2 of the project which would allow for the treatment of ROM material from the new adit at the host mine.

The detailed design of phase 2 of the project which is the classification section for the ROM tons from the MG2 adit will be presented to the board for approval in September 2012.

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