



2 October 2023

Bengwenyama Project Mining Right Application Submitted

Highlights:

- The Mining Right application has been submitted to the Department of Mineral Resources and Energy for the 70% owned Bengwenyama Platinum Group Metals project.
- Upon acceptance by the Department, the Social and Environmental phases of permitting will commence, incorporating specialised studies to establish baseline socio-economic and biophysical conditions. These studies will evaluate the potential impacts of proposed operational activities.
- Resource modelling incorporating results of the on-going drill programme has started. A second interim resource update on the existing 25.11 million ounces JORC Resource is scheduled for release in the fourth quarter of 2023.

Southern Palladium (ASX:SPD and JSE:SDL), 'Southern Palladium' or 'the Company' is pleased to announce the submission of a Mining Right Application (MRA) to the Department of Mineral Resource and Energy (DMRE) for its 70%-owned Bengwenyama Platinum-Group Metal project, situated on the Eastern Limb of the Bushveld Complex in South Africa.

The company's management is confident in proceeding with this application, bolstered by the recent 34% increase in the total Mineral Resource (comprising Indicated and Inferred categories), now standing at 25.11 million ounces of 6PGE+Au. This growth has been achieved alongside ongoing drilling activities on the property, as also outlined in the ASX Announcement of 10 July 2023. Drilling is continuing and the company is planning to release a 2nd interim resource update in 4Q 2023.

Managing Director Johan Odendaal, said: *"The submission of the Mining Right Application signifies a significant milestone in our successful Platinum Group Metal exploration journey since its commencement in August 2022. We are confident to proceed with this application following the recent 34% increase in our resource which now stands at 25.11 million ounces of 6PGE+Au. This application marks our transition from a pure exploration to a development-focused company".*

Mining Right Application

The submission of a Mining Right Application (MRA) to the Department of Mineral Resource and Energy (DMRE) has been executed for the company's 70%-owned Bengwenyama Platinum-Group Metal project.

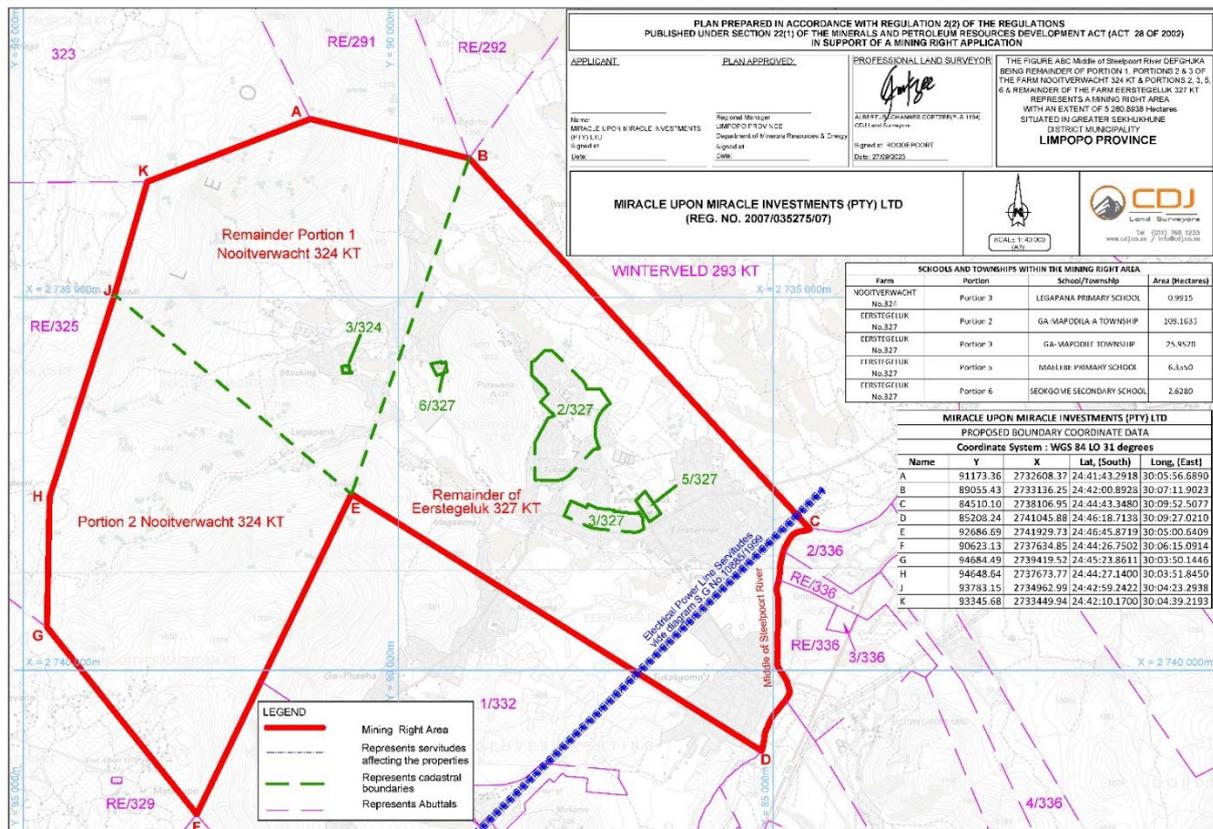
The application is for Platinum Group Metals, Gold, Copper, Chrome, Cobalt, Silver and Nickel over the full extent of the farms Nooitverwacht 324 KT and Eerstegeluk 327 KT, both of which are in the Limpopo Province of South Africa. The Exploration tenement is 100% held by Miracle Upon Miracle Investments (Pty) Ltd (MUM) in which the Company holds a 70% interest. The total application area over the two farms measures 5,280 ha in extent.

Southern Palladium Limited

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Figure 1: Regulatory Plan Submitted for the Mining Right Application



Pending acceptance of the MRA, an environmental scoping phase will commence, followed by a full Social and Environmental Impact Assessment phase. Concurrently, an Integrated Water Use Licence process will take place. During this time, specialist studies will be undertaken to determine baseline socio-economic and biophysical environments and assess impacts of proposed operational activities. Full public participation processes with stakeholders will accompany each phase. In terms of regulated timelines, the processes should be concluded within 300 days before the right is finally granted.

Future Work

- A geotechnical study has been initiated, critical for the detailed mine designs and Scoping /Prefeasibility Study (PFS) planning and is anticipated to conclude in October.
- Ongoing metallurgical test work encompasses flotation efficiency tests (MF2 testing) and determinations of the bond ball mill work index due in the fourth quarter.
- Drilling operations are on-going, with a primary focus on the Eastern side of the Eerstegeluk farm, with the objective of converting Inferred to Measured and Indicated resources. The company is in the process of preparing for the release of a second interim resource update in the fourth quarter of 2023.
- Completion of the second interim resource update should allow the finalisation of an updated Scoping Study for the Bengwenyama Project, due for release in the first quarter of 2024.
- Work on the PFS has commenced and is expected to be completed in the second quarter of 2024.

This announcement has been approved for release by the Board of Southern Palladium Limited.

JORC Compliance Statement

The information is extracted from the report entitled “Bengwenyama drilling and PFS progress update: Combined PGE Mineral Resource now totals 25.1Moz (7E basis)” created on 10 July 2023 and is available to view on the Company’s website www.southernpalladium.com. The Company confirms that it is not

aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

About Southern Palladium:

Southern Palladium Limited (ASX:SPD, JSE:SDL) is a dual-listed platinum group metal (PGM) company developing the advanced Bengwenyama PGM project, particularly rich in palladium/rhodium, in South Africa. The project is located on the Eastern Limb of the Bushveld Complex, which contains more than 70% of the world's known Platinum Group Metal (PGM) Resources.

The Company, holding a 70% stake in the project, will primarily concentrate on delivering a Pre-Feasibility study. Additionally, following the completion of geophysical survey conducted in 2022 and the September 2023 submission of the Mining Right application, they will oversee the completion of the diamond drill programme initiated in August 2022, along with several other concurrent technical studies.

Bengwenyama presents a substantial opportunity in the global PGM market. Previous exploration efforts have already yielded a JORC 2012-compliant Inferred Mineral Resource of 25.12Moz within two ore horizons—the UG2 chromitite and Merensky Reef, achieved in 2023.

Moreover, an assessment conducted by mining industry consultants CSA Global in 2021, has identified a significant exploration target beyond the currently explored area. The Company is led by a seasoned on-ground management team, including some of South Africa's most distinguished mining industry executives.

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