



SOUTHERN PALLADIUM LIMITED



The Bengwenyama Platinum Group Metals Project: +25 Moz in Elephant Country

Australian Investor Update | September 2023 | ASX: SPD | JSE: SDL

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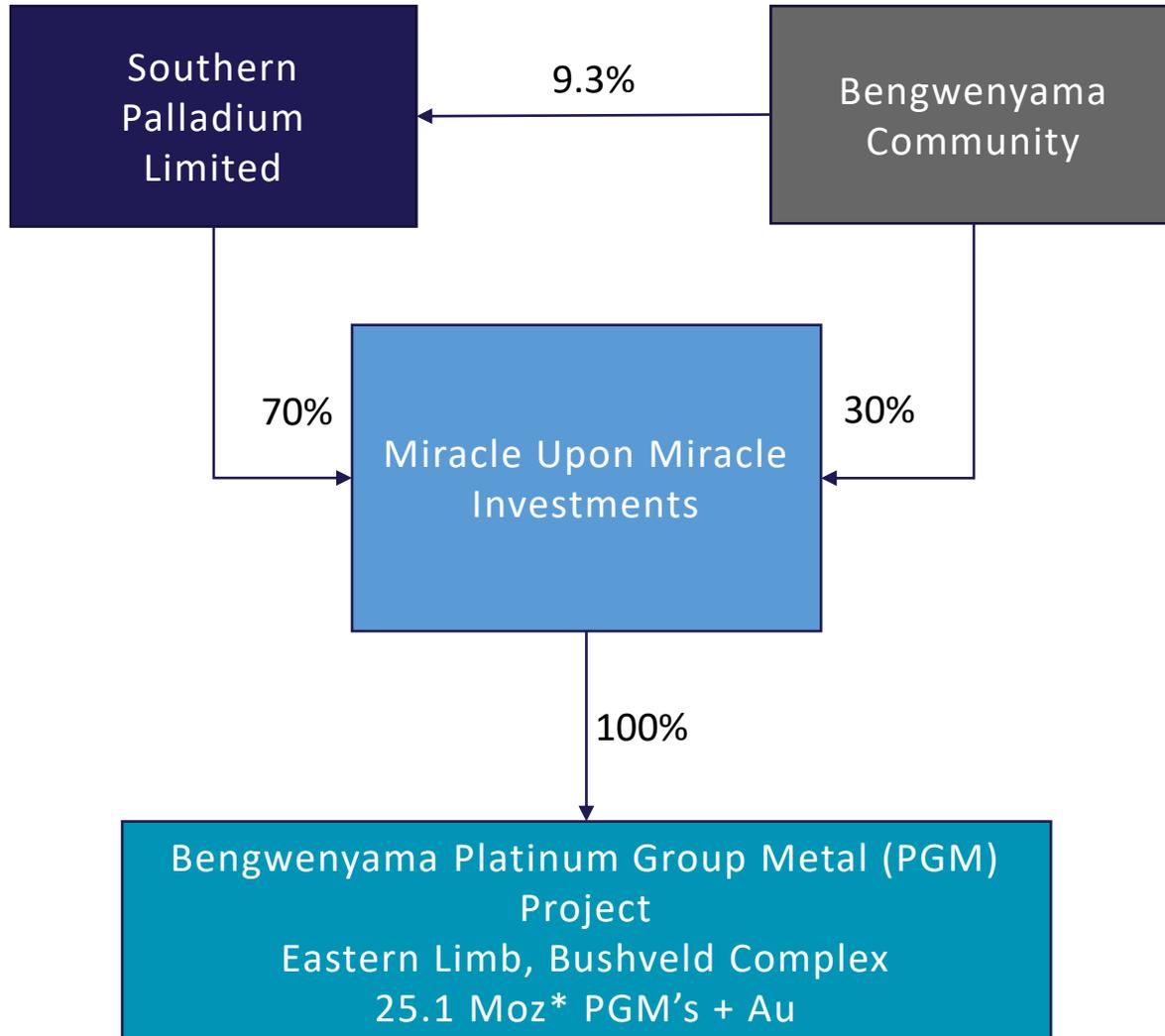
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All dollar values are in Australian dollars, unless otherwise stated.

SOUTHERN PALLADIUM LIMITED (ASX:SPD,JSE:SDL)

CORPORATE AND ASSET OWNERSHIP STRUCTURE



* Stated at 100% equity basis, 7E resource (Pt + Pd + Rh + Au + Ir + Os + Ru)

BOARD OF DIRECTORS – SOUTHERN PALLADIUM ('SPD')



Mike Storzaker
Non-Executive
Interim
Chairperson
NED MUM



Johan Odendaal
Managing Director
CEO MUM

NON-EXECUTIVE DIRECTORS

Daan van Heerden **NED MUM**

Rob Thomson

Geoff Hiller

COMPANY SECRETARY

Andrew Cooke

BOARD OF DIRECTORS – MIRACLE UPON MIRACLE ('MUM')



Adv. Lindi Nkosi-Thomas
Non-Executive
Chairperson



Daniel Nkosi
Executive Director –
Site Manager and
Community Affairs



Joel Nkosi
Non-Executive
Director, Deputy
Chairman
Bengwenyama
Traditional Council

EXPLORATION MANAGERS: Minxcon – Uwe Engelmann

Capital Structure Summary

Total number of shares issued	89.75m
Market cap @ A\$0.27 cps	A\$25m
Cash at Bank (30 June 2023)	A\$11.5m
Enterprise Value	A\$13.5m
Founder Deferred Shares*	1.2m
Options with exercise price (A\$0.875) at 75% premium to IPO issue price	7.34m

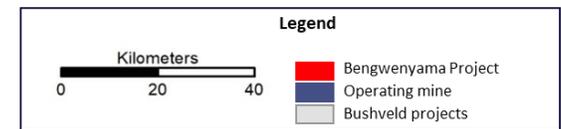
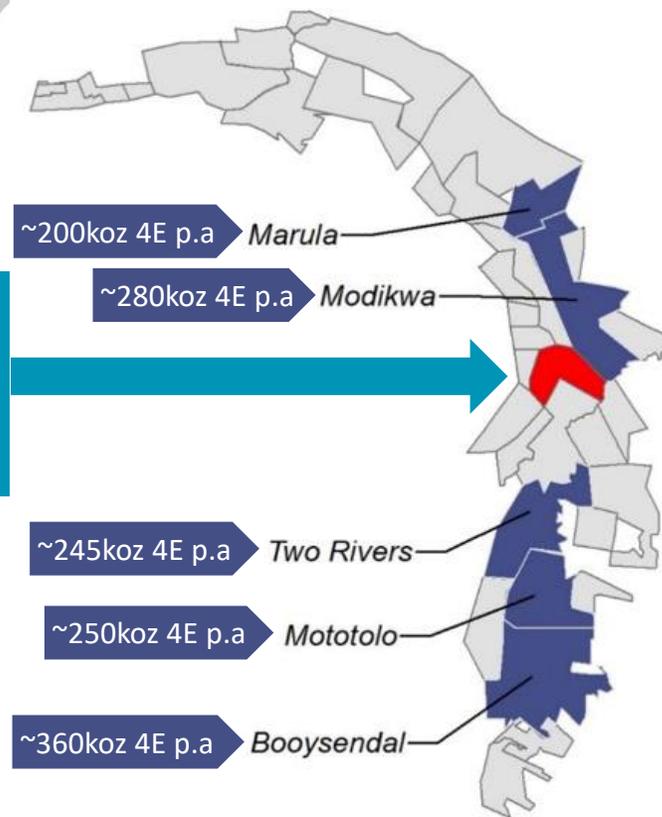
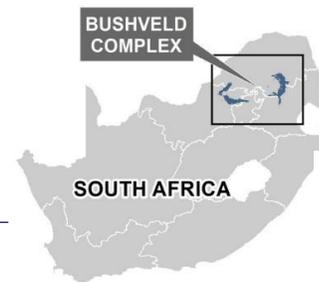
* Issued if at least 2,000,000 oz of PGE (4E) Reserves have been identified, comprising at least 15 million tonnes and a grade of at least 3.0 grams per tonne within four years after the IPO date



A large, shallow, advanced exploration/development Platinum Group Metals (PGM) opportunity



Two-year exploration programme targeting delivery of a PFS for a significant new mine, and the submission of a Mining Right Application



BENGWENYAMA PROJECT (70%)

PGM project in the heart of the Eastern Limb of the Bushveld Complex adjacent to Tier 1 Operations



UG2 and Merensky Resource* (7E): 25.12Moz
Plus significant Exploration Target



A single local community strongly supportive of development. Experienced local management

* Stated at 100% equity basis. JORC (2012) compliant

THE BENGWENYAMA PROJECT: IN ELEPHANT COUNTRY



Company (Market Cap)

Mine: Resource Ounces & Annual Production*



Impala Platinum
A\$6.8 billion Market Cap

Marula: 15.1Moz UG2 reef
Total resource ounces 21.48Moz



Amplats / ARM
A\$14.1 / A\$3.2 billion Market Cap

Modikwa: 50.4Moz UG2 reef
Total resource ounces 70.2Moz



Southern Palladium
A\$25 million Market Cap

Bengwenyama: 12Moz UG2 reef
Total resource ounces 21.5Moz



Impala Platinum / ARM
A\$6.8 / A\$3.2 billion Market Cap

Two Rivers: 26.1Moz UG2 reef
Total resource ounces 41.6Moz



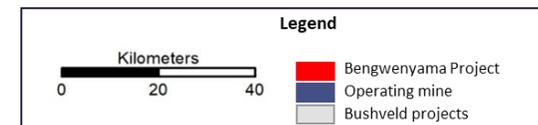
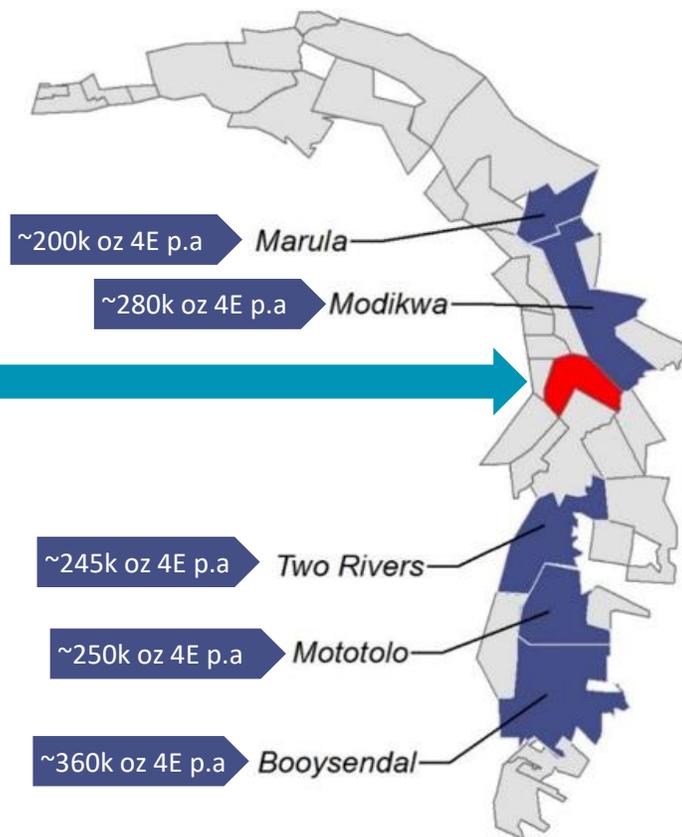
Amplats
A\$14.1 billion Market Cap

Mototolo: 51.6Moz UG2 reef
Total resource ounces 77.1Moz



Northam Platinum
A\$3.9 billion Market Cap

Booyensdal: 72.5Moz UG2 reef
Total resource ounces 101.3Moz



* Stated at 100% equity basis, 4E resource (Pt + Pd + Rh + Au)

LOCATION ADVANTAGE

SITUATED IN AN ESTABLISHED INDUSTRIAL HUB



A strategic shallow resource nestled between Tier 1 operations

Easy access to major roads, power, railway, water, skill and services

Established downstream beneficiation industry with defined terms

25.12Moz for A\$7.1m capital spent
Significant upside to the resource

Drilling extremely successful with excellent inferred to indicated conversion rate



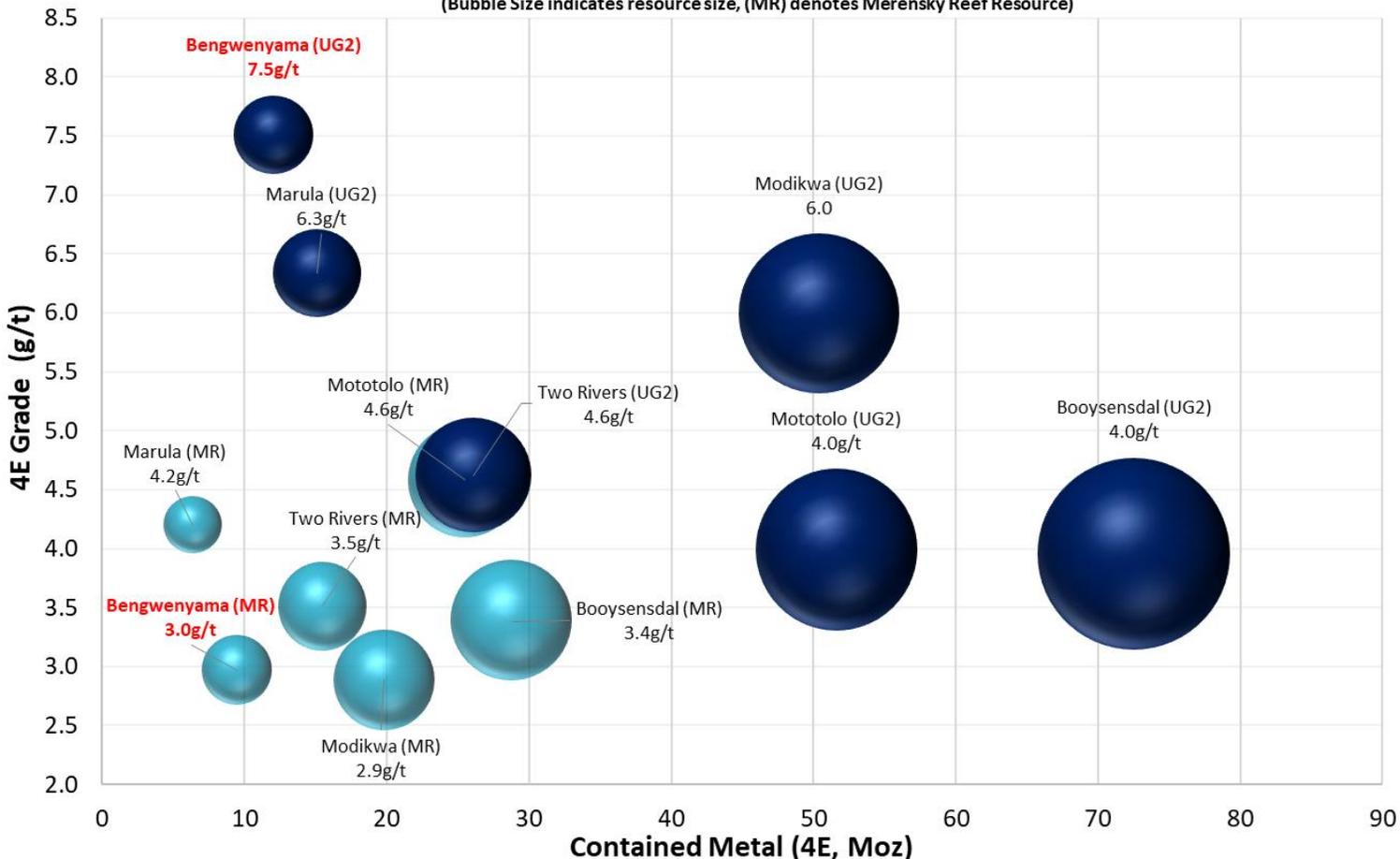
BENGWENYAMA: A HIGH GRADE UG2 REEF PGM PROJECT

12 MOZ AT A GRADE OF 7.51G/T (4E)



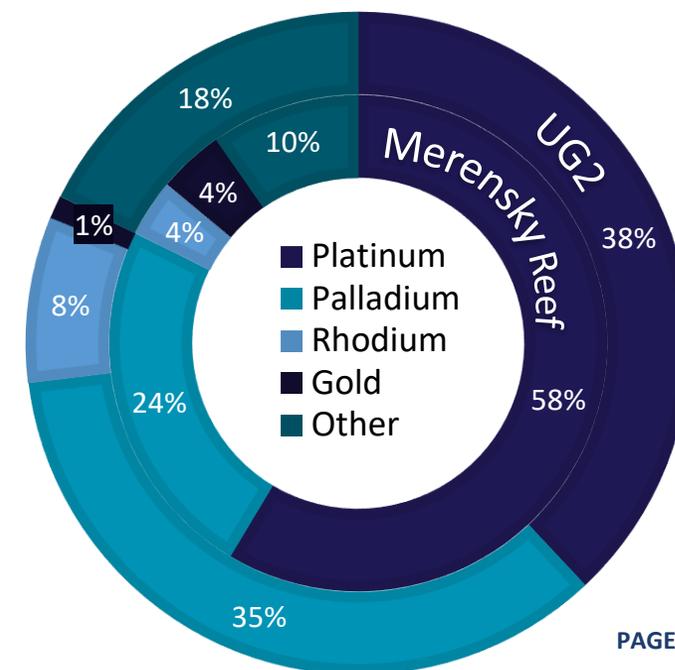
Selected South African PGM Resources

(Bubble Size indicates resource size, (MR) denotes Merensky Reef Resource)



Bengwenyama JORC Resource, July 2023

Deposit	Category	Tonnes	4E Grade	Contained 4E ounces
Merensky	Indicated	21.6 Mt	2.5 g/t	1.7 Moz
Merensky	Inferred	77.9 Mt	3.1 g/t	7.8 Moz
Merensky Total		99.5 Mt	3.0 g/t	9.5 Moz
UG2	Indicated	10.8 Mt	7.7 g/t	2.6 Moz
UG2	Inferred	39.1 Mt	7.5 g/t	9.4 Moz
UG2 Total		49.9 Mt	7.5 g/t	12.0 Moz
Project Total		149.3 Mt	4.5 g/t	21.5 Moz



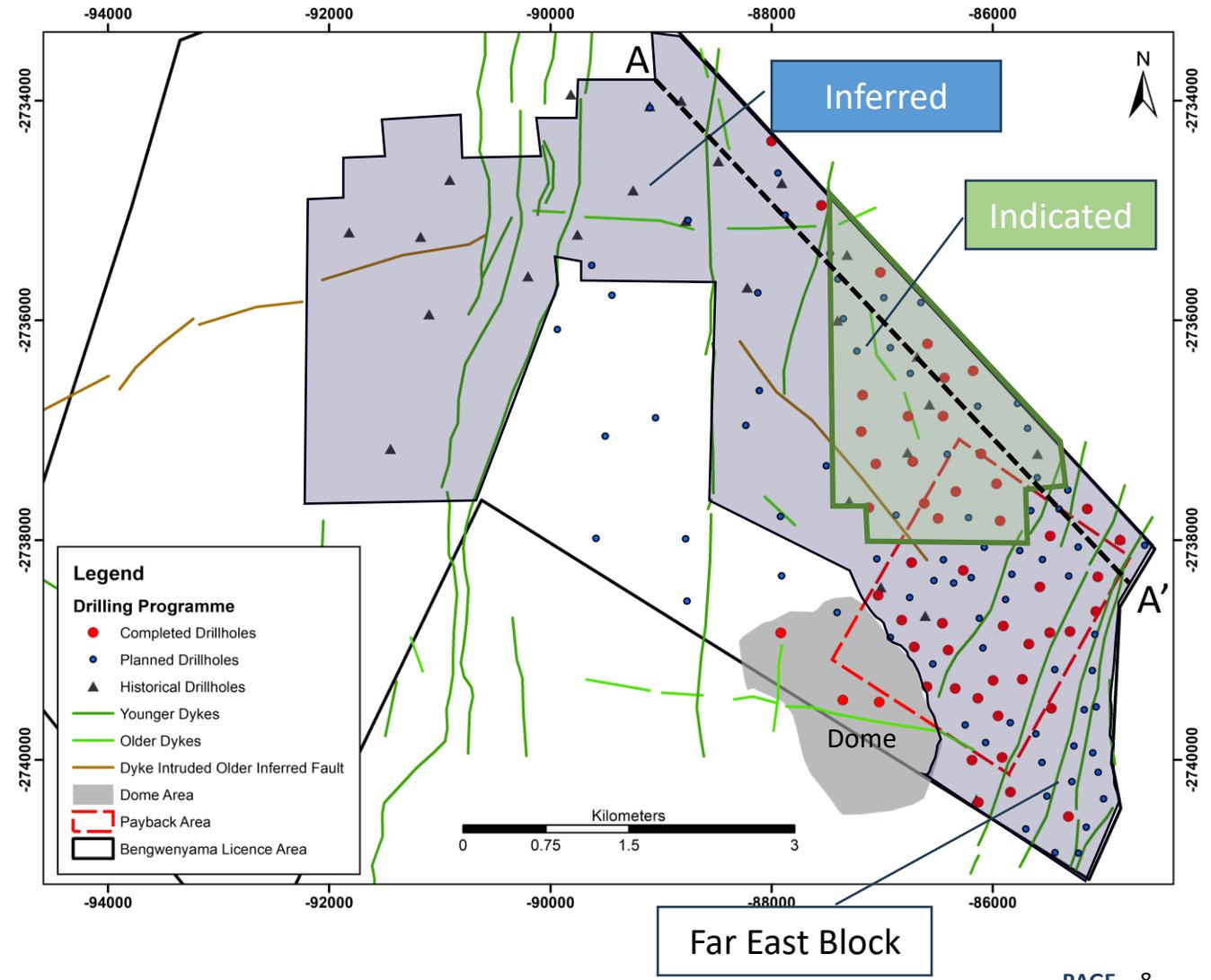
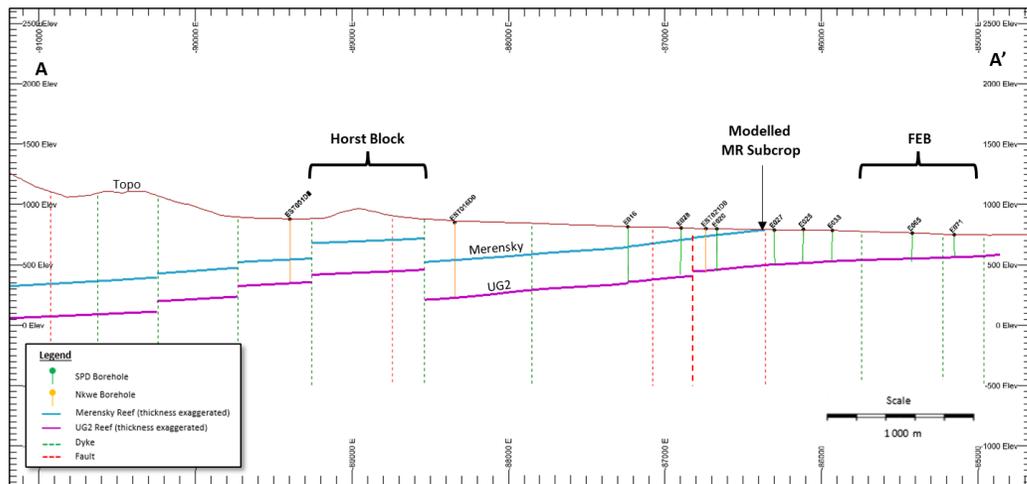
Source: Calculations based on data sourced from Company Reports

NEAR TERM DRILLING

INTERIM RESOURCE INCREASE BY 34% WITH FURTHER GROWTH POTENTIAL



- Eastern Portion of the project area is now well understood and structurally less complex than originally thought
- Interim resource increased by 34% to 25.12Moz mainly attributable to the “Far East Block” discovery
- Indicated Resources now make up 20% of total and 22% of the UG2 Resource
- Focus now on getting a better understanding of the geology and structure to the West
- Bulk of the current resource shallower than 500 meters
- Internal scoping study suggests that the UG2 Reef is the most likely prospect for development



OUR ACHIEVEMENTS AND GOALS

ON-TIME AND ON BUDGET DELIVERY



Community meetings



2021/22



A\$19m raised in June 2022.



Jun 2022



Drilling Commenced



Aug 2022



Drilling Intersects UG2 Reef



Sep 2022



Far East Block Discovery



Mar 2023



Submit Mining Right Application



Jun 2023



2nd Interim Resource Estimate



Sep 2023



Scoping Study

1Q 2024



Complete PFS

2Q 2024



Feasibility and FID

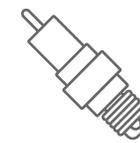
2024/2025
Future Funding

Construction Starts

2024/2025



HYDROGEN SUPPLY CHAIN: 'MADE OF PLATINUM'¹



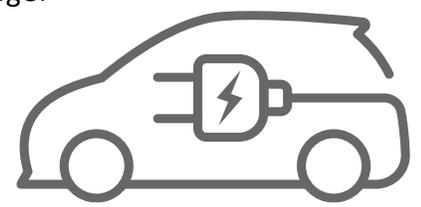
Autocatalysts in Internal Combustion Engine ("ICE") (Palladium, Platinum and Rhodium still the biggest driver)

- Current developments in terms of new supply and exploration are limited – the low hanging fruit has been taken
- Existing PGM mines getting deeper
- Electrolyser Capacity grew by 30% in 2022



RISING DEMAND FOR ALL PGMS

- Strict emissions standards (higher loadings) for ICE
- Fuel cells and Hybrid vehicles will consume more Platinum
- BEVs will replace some ICE
- Autocatalyst demand will stay stronger for longer



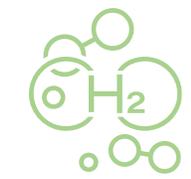
PGM USE IN VEHICLES

2

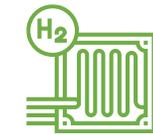


OUR FUTURE IS GREEN
Green movement has sparked a significant renewed interest in **Platinum**

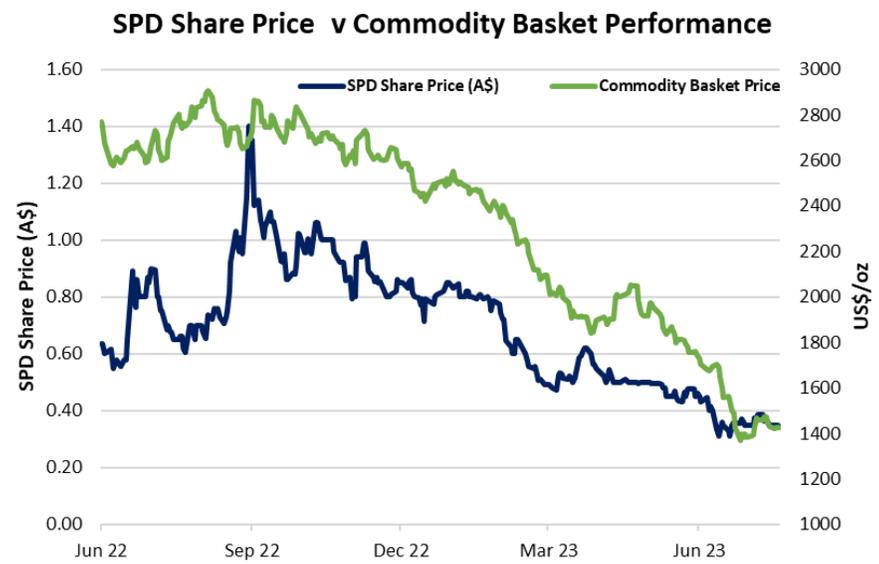
1 APPLICATION



Green hydrogen Production (PEM) (Platinum and Iridium)



Fuel cells (Platinum)



¹Michael Widmer, Bank of America Global Research 2023

ESG

BENGWENYAMA COMMUNITY ENGAGEMENT



Security



JSE Listing



Communication



First tender



Social upliftment development programme



Khomanani exploration office



Geology



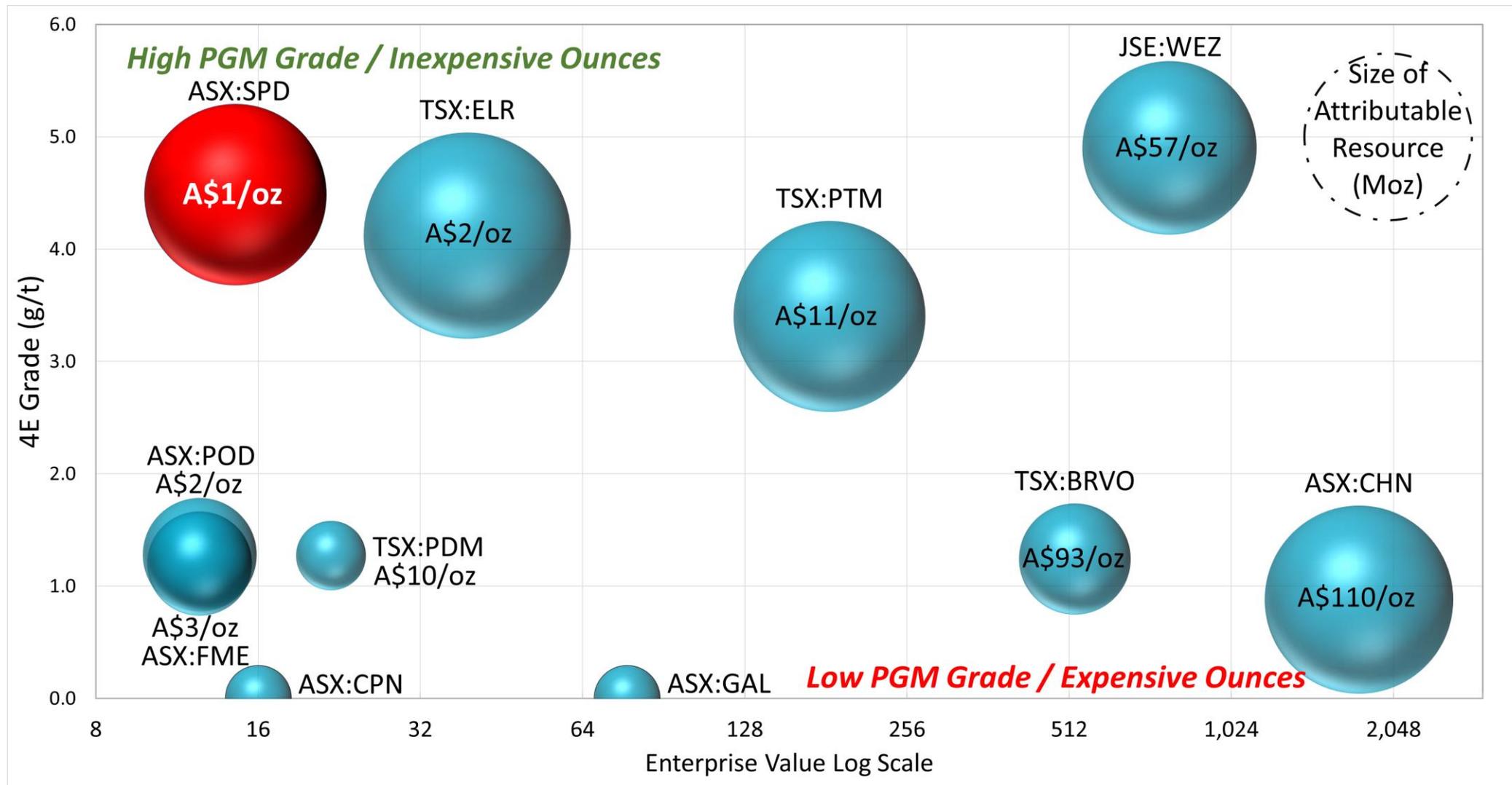
Sanitation and diesel



School Visit



BENGWENYAMA: HIGH-GRADE AND VERY INEXPENSIVE OUNCES



Note: BRVO – Non-compliant Resource Estimate, excludes credits from base metals + chromes

Source: Calculations based on data sourced from Company Reports, as at 29/8/2023

INVESTMENT SUMMARY

	LOCATION	<ul style="list-style-type: none"> • The right address amongst Tier 1 operations • Excellent access to infrastructure
	UNLOCKING POTENTIAL	<ul style="list-style-type: none"> • Exploration is proving grade, reef width and geology • Focus is now to improve knowledge of the larger area • Optimise the value metrics.
	GREEN ECONOMY	<ul style="list-style-type: none"> • Global carbon reduction and ICE emission control has stimulated renewed interest in PGMs
	MANAGEMENT TEAM	<ul style="list-style-type: none"> • Management team with an outstanding track record in PGMs, South Africa, mine project development and mining experience
	RAPID ADVANCEMENT	<ul style="list-style-type: none"> • Positive surprises on the upside • Mining Right Application ahead of schedule
	ATTRACTIVE VALUE	<ul style="list-style-type: none"> • Project appears to be robust. • External factors are influencing stock price • Attractive EV/oz



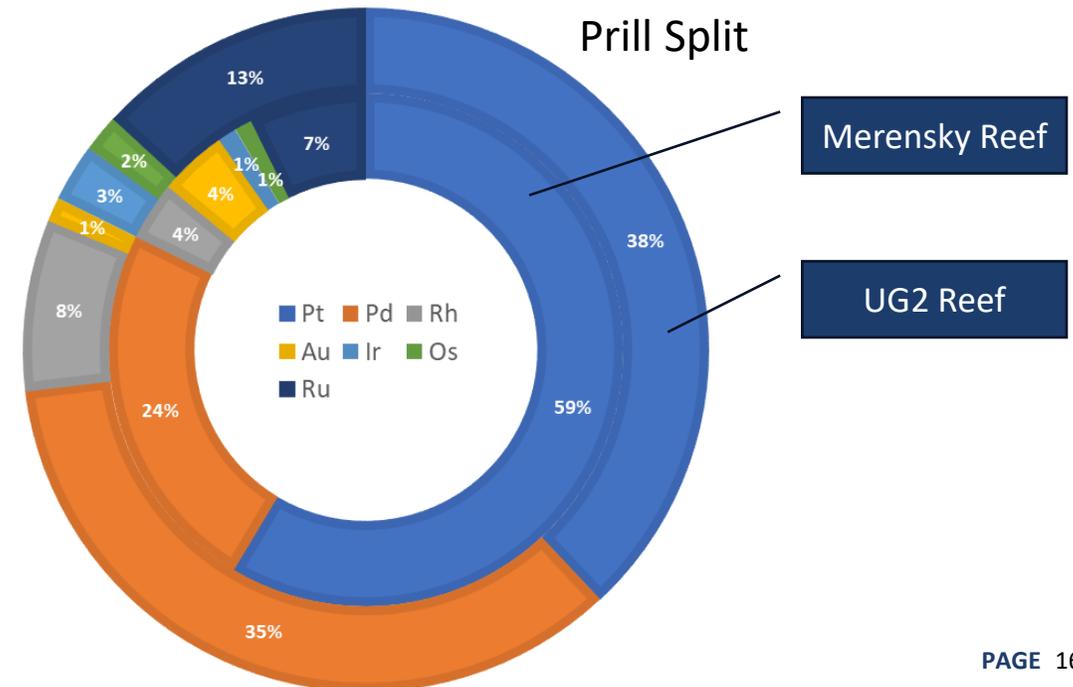
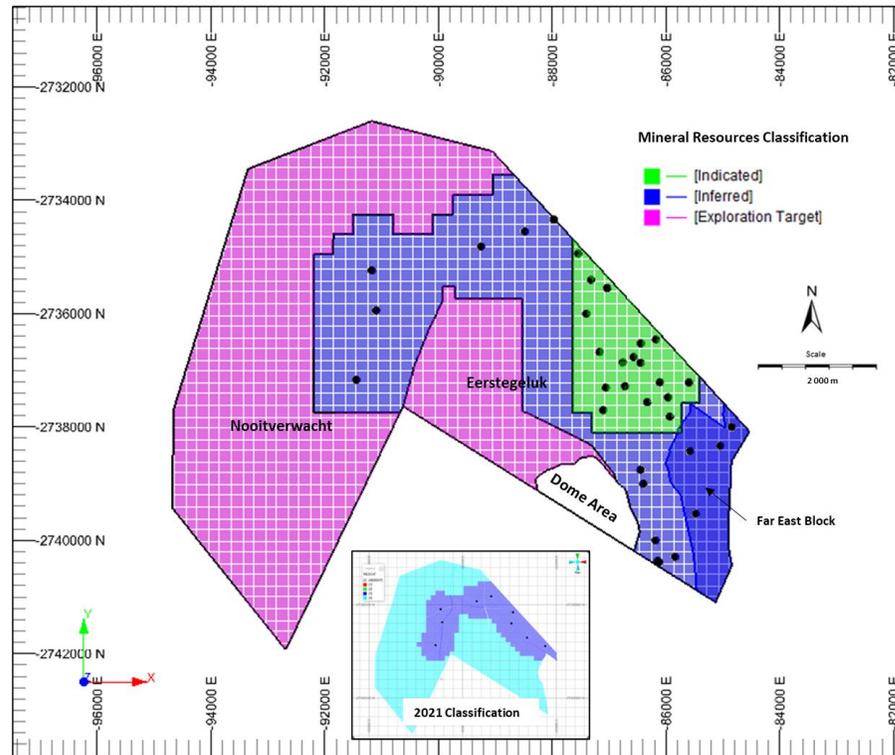
Additional Slides



MINERAL RESOURCE ESTIMATE (JORC CODE 2012), 10 JULY 2023



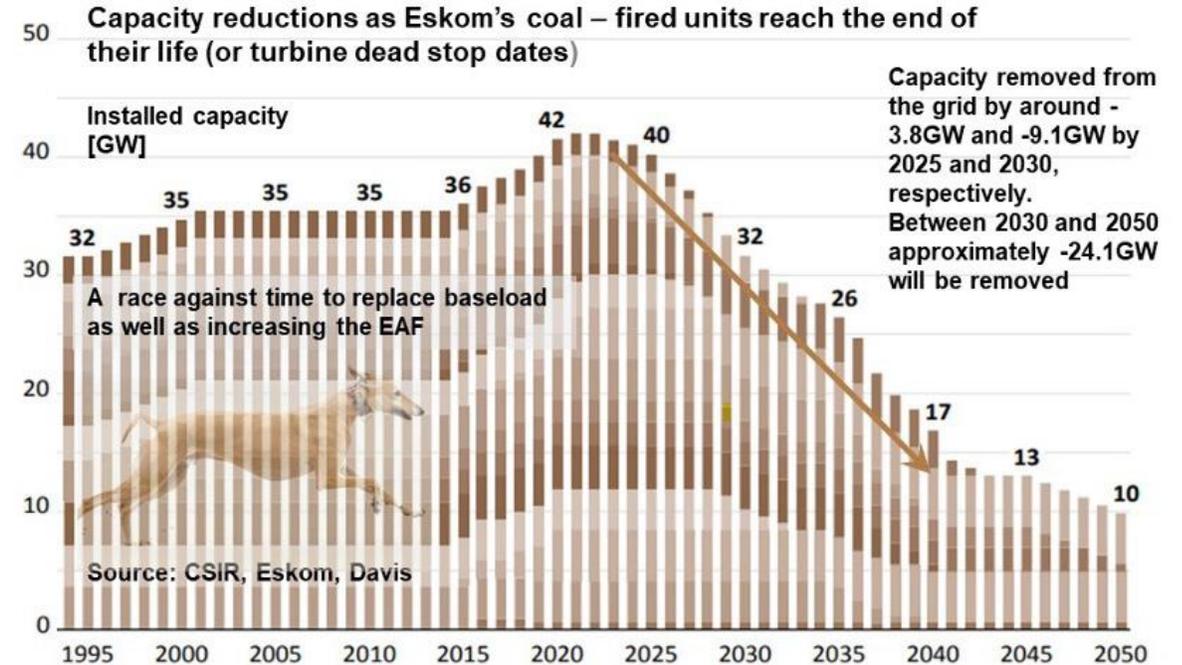
	Category	Tonnes Mt	Thickness (m)	Grade											PGE+AU		Base and Ferrous Metals					
				Pt	Pd	Rh	Au	Ir	Os	Ru	4E	7E	Cu	Ni	Cr ₂ O ₃	(4E)	(7E)	Cu	Ni	Cr ₂ O ₃		
				(g/t)											(g/t)		Moz			Kt		
Merensky	Indicated	21.59	2.05	1.59	0.65	0.10	0.12	0.03	0.03	0.21	2.48	2.75	0.038	0.125	0.72	1.72	1.91	8	27	155		
Merensky	Inferred	77.90	1.97	2.01	0.81	0.13	0.15	0.04	0.04	0.25	3.10	3.43	0.035	0.119	0.73	7.77	8.60	27	92	565		
Total		99.49	1.99	1.92	0.78	0.12	0.14	0.04	0.04	0.24	2.97	3.28	0.035	0.120	0.72	9.49	10.50	35	119	720		
UG2	Indicated	10.76	0.71	3.48	3.34	0.75	0.12	0.25	0.16	1.19	7.65	9.24	0.031	0.160	29.53	2.64	3.20	3	17	3,176		
UG2	Inferred	39.09	0.69	3.47	3.16	0.74	0.10	0.25	0.16	1.21	7.48	9.08	0.032	0.156	28.23	9.40	11.42	13	61	11,037		
Total		49.85	0.69	3.47	3.20	0.74	0.10	0.25	0.16	1.20	7.51	9.12	0.032	0.157	28.51	12.04	14.61	16	78	14,212		
Total		149.34	1.56	2.44	1.59	0.33	0.13	0.11	0.08	0.56	4.48	5.23	0.034	0.132	10.00	21.53	25.12	51	198	14,933		



SOUTH AFRICAN POWER ISSUE - LOADSHEDDING



- Eskom’s ageing fleet of coal-fired power stations
- A number of megawatts must be shed to protect the integrity of the national power grid.
- Frequency of High Intensity Loadshedding (Above Level 4) impacts mining industry negatively.
- Mining companies are taking major steps to secure energy supply
- PV Installations proposed
 - **Sibanye-Stillwater:**
 - 89 MW wind energy wheeling agreement
 - 200MW
 - **Tubatse Ferrochrome** - 100 MW
 - **Anglo American Platinum Mogalakwena** - 100MW
 - **Gold Fields** – 40 MW
 - **Harmony** – 167 MW
 - **Impala Platinum Northwest Operations**– 100MW
- Southern Palladium Initiatives



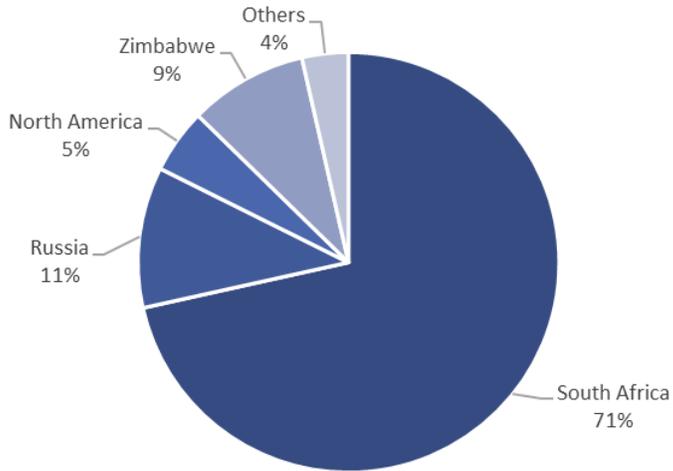
Renewable Energy	Current Installed Capacity (MW)
CSP	500
PV	2212
Wind (Eskom and IPP)	2613
Other RE's	26
Total	5351

Source: Eskom

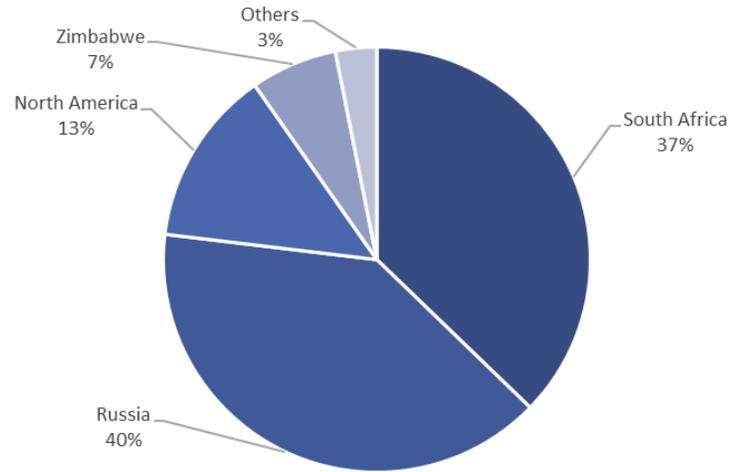
PLATINUM GROUP METAL INDUSTRY -2023 (SOURCE: JOHNSON MATTHEY)



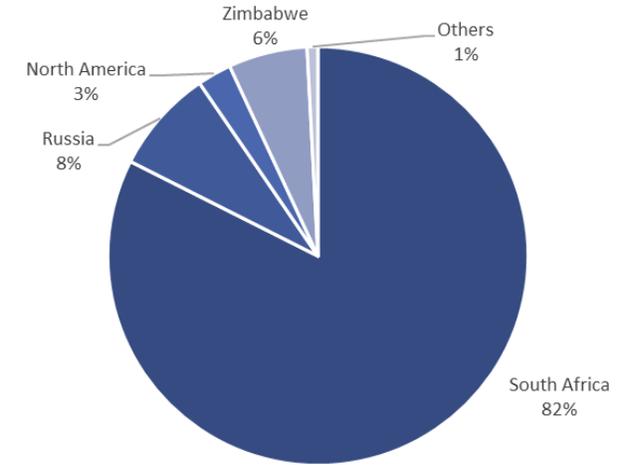
Platinum Supply - 5,808koz



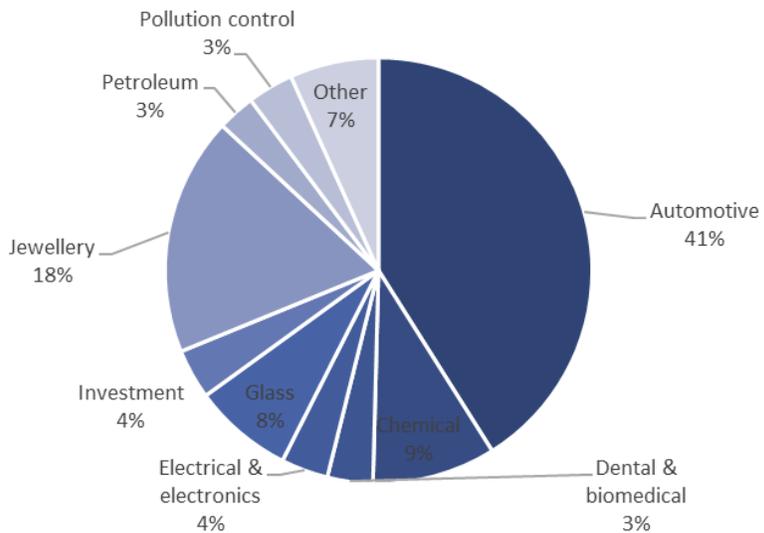
Palladium Supply – 6,556koz



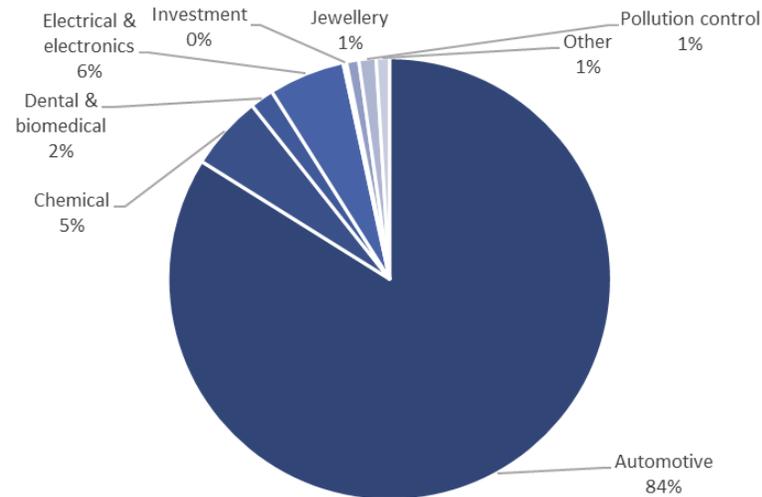
Rhodium Supply - 724koz



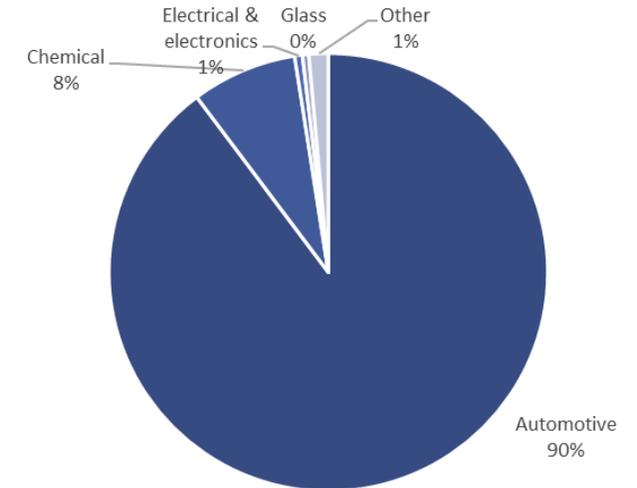
Secondary Supply – 1,521koz
Platinum Demand – 7,457 koz



Secondary Supply – 3,234koz
Palladium Demand – 9,833koz



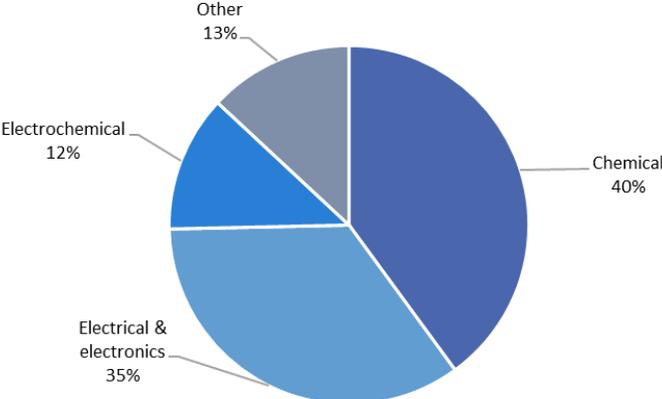
Secondary Supply – 345koz
Rhodium Demand – 1,055koz



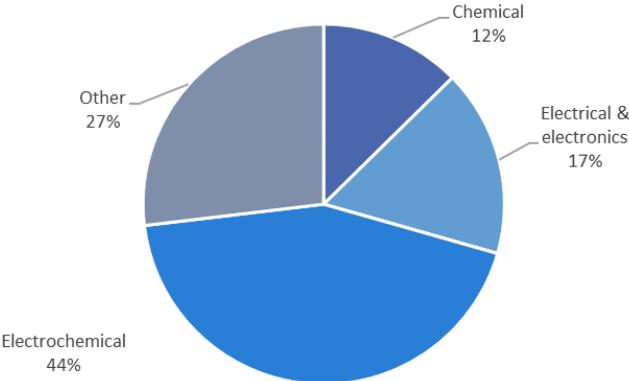
PLATINUM GROUP METAL INDUSTRY -2023 (SOURCE: JOHNSON MATTHEY)



Ruthenium Demand – 1,081Koz



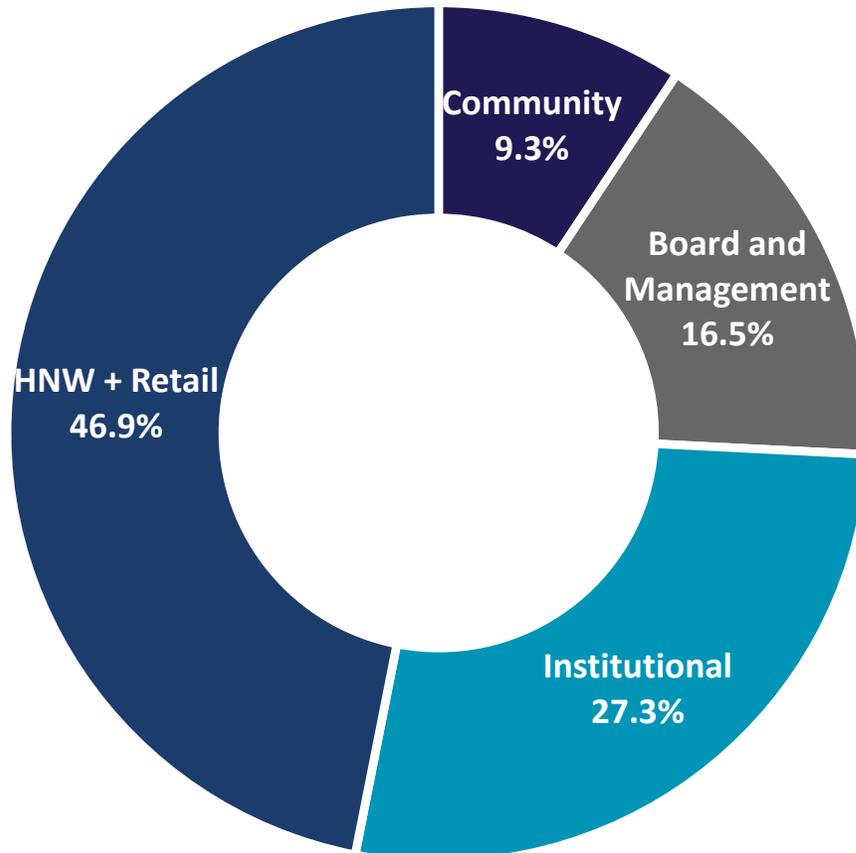
Iridium Demand – 238Koz



COMPANY SHAREHOLDERS AND CAPITAL STRUCTURE



Shareholder Summary



Substantial Shareholders

Nicholas Daniel Resources Pty Ltd	14.11%
UK Family Office	5.85%
Regal Funds Management	5.32%
Top 20 Shareholders	59.6%

Capital Structure Summary

Total number of shares issued	89.75m
Market cap @ A\$0.27 cps	A\$25m
Cash at Bank (30 June 2023)	A\$11.5m
Enterprise Value	A\$13.5m
Founder Deferred Shares*	1.2m
Options with exercise price (A\$0.875) at 75% premium to IPO issue price	7.34m

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