



BENGWENYAMA

Buhlebetfu

Bohwabarena

OUR TREASURE NEWSLETTER

YEAR IN REVIEW KEY POINTS



Overview of the past six months



Update on our community and stakeholder engagement forums



Local teams go head-to-head for the championship title of our local soccer tournament 2023



Local girl dreams of making a difference for her community



Year-end messages from the Royal Family and the Traditional Council



Operational update



OVERVIEW OF THE PAST 6 MONTHS

Message from Johan Odendaal, Managing Director of Southern Palladium

As we reflect on the past six months, 2023 stands out as a pivotal year for Southern Palladium. Our commitment to this project has propelled the Bengwenyama project into a new phase of growth and development, setting the stage for an exciting future.

Our exploration programme at the Bengwenyama project has achieved significant milestones. The drilling results continue to validate the consistency of grade and the continuity of the UG2 and Merensky reefs. Notably, the newly discovered Far East Block has also revealed promising results, reinforcing the potential of our future operations in a region dominated by the major platinum and chrome producers.

In tandem with our exploration success, we have made significant strides in scoping and feasibility studies which gives us a better understanding of the future development for a mine and processing facility. Our focus on the UG2 reef has been reaffirmed through geotechnical studies, metallurgical test work, and we are currently busy with environmental assessments.

Our longstanding relationship with the Bengwenyama community, spanning over

17 years, remains integral to the success of our project. We view the community as partners in our venture and greatly appreciate your continued support. Sustainability is at the core of our operations, and we are committed to ensuring that our activities benefit not only our stakeholders but also the environment and the community.

The success of Southern Palladium is a collective effort, and we extend our heartfelt appreciation to the Board of Southern Palladium and its subsidiary Miracle Upon Miracle Investments (MUM), the Bengwenyama community, management, and our dedicated field team. Special recognition goes to the Bengwenyama Traditional Council and our partner Nurinox whose contributions have been invaluable.

With the recent submission of a Mining Right Application for the Bengwenyama project, Southern Palladium is transitioning from a pure exploration company to a development-focused entity. We are grateful for the unwavering support of our shareholders on this transformative journey.

Southern Palladium has been extremely fortunate to secure the services of Roger Baxter as the new Chairman who will start the new position from 1 January 2024. Roger brings to the Board significant mining industry experience,

together with his detailed knowledge and understanding of mineral commodity markets and mineral value chains. Roger was the Chief Executive Officer of the Minerals Council South Africa for over eight years. He recently retired from this position. In that role he played a key part in guiding the South African mining sector to achieve an improved safety record with a significant focus on the implementation of mine site solutions based on the adoption of leading global safety practices.

Looking ahead, Southern Palladium is poised for continued success. The momentum gained in 2023 positions us as a new player in the PGM sector. Together, let us embrace the opportunities that lie ahead and work towards a sustainable and prosperous future.

As we approach the festive season, we wish you and your loved ones joy, peace and prosperity. May the spirit of the season fill your hearts with warmth and gratitude. In the spirit of celebration, we also extend our best wishes for safe travels to those embarking on various journeys during this time.

Johan Odendaal

BENGWENYAMA PROJECT UPDATES



Drilling results continue to validate the consistency of grade and the continuity of the UG2 and Merensky reefs



UG2 Indicated Mineral Resource doubles to 6.52 Moz with Total Resource increasing to 26.22 Moz



Southern Palladium is transitioning from a pure exploration company to a development-focused entity

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UPDATE ON OUR COMMUNITY AND STAKEHOLDER ENGAGEMENT FORUMS



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A key development presented at all sectional meetings was the company's plan to submit a Mining Right Application on 29 September 2023, where community members were encouraged to support the application.

The farms visited were Eerstegeluk 327 Molawetsi Village, Maelebe Village, Ga Ragopola Village, Ga Mapodile Township, Winterveld 293 KT (Mahlakwena Village), Nooitverwacht 324 KT (Stocking Village).

Community sectional meetings September 2023

Ga Ragopola Village

On 10 September, the team met with community members of Ga Ragopola village at Ga Ragopola creche. Site Manager Daniel Nkosi presented a progress report on the project relating to drilling holes, recruitments and challenges. Community members were encouraged to follow the Southern Palladium Facebook page as another means of communication.

Issues raised by community members include infrastructure challenges and the need for job opportunities.

Ga Mapodile Township

On 13 September, the team met with the community of Ga Mapodile township, a proclaimed area within Eerstegeluk 327KT, Ga Mapodile Thusong Centre. They presented the progress report on drilling activities and expressed their appreciation to the community for supporting the project. Members were also encouraged to continue attending quarterly meetings to ensure they receive the latest information.

In addition to Facebook, the community was informed of the Southern Palladium newsletter which will contain important details of the project and developments within the community.

Issues raised included training and development in preparation for the project, proposals for stakeholder engagement forums and for considerations to be made for people living with disabilities.

Maelebe Village

On 17 September, the team met with community members of Maelebe Village at Nduna Maphanga kraal to discuss the drilling progress report and upcoming events. Community members were thanked for attending quarterly meetings and for showing their support for the project. Issues raised by community members include training and development.

Stocking Village

On 20 September, the team met with the community of Stocking village at Pay point where the progress report was presented by Daniel Nkosi and a brief on upcoming events was shared.

The team expressed their gratitude to community members who attended the quarterly meeting as a show of support for the project.

Stakeholder engagements meeting

On 22 October, the company and Nurinox team held a stakeholder engagement meeting at Ga Mapodile Thusong Centre. The stakeholders in attendance were the Royal Family, the Traditional Council Ward 02 management team, Fetakgomotubatse municipality and the Steelport cluster under the Bengwenyama Ya Maswazi community. The purpose of the meeting was to present a progress report and project milestones, which included the Mining Right Application planned for 29 September 2023. The agenda also discussed inputs from structures regarding the draft for the Income Distribution Model, Social and Labour Plan and the Scoping Report which is scheduled for upcoming community consultation.

The structures in attendance supported the application for the Mining Right Application with the Department of Mineral Resources and Energy (DMRE) and gave the board the go-ahead on the draft for the Income Distribution model. Khakha Chidi from Steelport cluster made a submission that the Social and Labour Plan must be in line with community needs.

The Minxcon environment team will be meeting with communities to discuss the Scoping Report, which will be held through sectional community meeting consultations.

Stakeholders were informed that the respective teams will meet with them to ensure they are well informed ahead of time.

Scoping Report by the Minxcon team

Environmental assessment practitioner, Bongani Motha and MUM/Nurinox representatives, Daniel Nkosi, Vusi Madonsela and Paul Nzimande, met with the communities of Bengwenyama Ya Maswazi across all villages.

The purpose of the meeting was to inform community members of the availability of the Scoping Report and to consult with stakeholders for their inputs on the environmental and socio-economic impact the project can bring to the community.

The Scoping Report is available to read at the Ga Mapodile Library, Burgersfort Library and the Minxcon website.

Issues raised included graves, noise control, traffic and security on ground water.



COMMUNITY PROJECTS



Local teams go head-to-head for the championship title at our local soccer tournament 2023

On 23 September, Southern Palladium and MUM hosted a soccer tournament at Ga Mapodile Stadium. Local teams came together and played their hearts out in the name of community upliftment, social cohesion and good sportsmanship.

The following teams participated in the tournament:

- **1st position:** Gunners FC from Ga Mapodile Township
- **2nd position:** Liverpool FC from Maelebe Village
- **3rd position:** Mighty Birds FC from Stocking Village
- **4th position:** United Brothers FC from Molawetsi Village

All the teams that participated received soccer jerseys, soccer balls and prize money. The tournament champions, Gunners FC, also received gold medals, a trophy and nets for their goals.

Match officials and referees also received official referee kits and prize money as a token of appreciation for their dedication and oversight during the games.

Southern Palladium Managing Director, Johan Odendaal, MUM directors and Nurinox were in attendance. Johan thanked the different teams for their participation, and the spectators for coming out in their

numbers to support the players. Johan also extended his gratitude to the different team officials for organising a successful tournament.

Sport plays an important role in creating social cohesion as it brings people from all walks of life together. We believe that the Southern Palladium and MUM Soccer Tournament will continue to grow and draw in large crowds each year. Look out for next year's tournament – it will be one for the books!



Local girl dreams of making a difference for her community

Nine-year-old model Ndaloenhle Sibanyoni is the pride of her hometown in Longtill, Steelpoort, having received several accolades at the South African Children's Awards (SACA).

Ndalo, as she is affectionately known by her family and friends, was awarded the People's Choice Award, the Young Philanthropist Award and was appointed as the International Ambassador for Children in South Africa at the SACA ceremony held in October. She is also a finalist in the International Junior Miss South Africa competition, which will be held next year.

"I'm very proud of Ndalo and her achievements. She is now not only my child, but also the community's child. Other children are inspired by her and have seen that it is possible to strive for and achieve their dreams," says her mother Popi Sibanyoni.

Ndalo, who is in Grade 3 at Laerskool Steelpoort, is no stranger to receiving recognition for modelling, which she has been involved in since

the age of five. In July, she won the Mini Miss Planet 2023 competition held in Bulgaria, an accolade that has attracted attention from local and national radio stations and publications.

Her passion for making a difference has led her to start her own foundation, the Ndaloenhle Foundation, which advocates for children's rights, health, education and empowerment. Through this foundation, she has continued her ambassadorial and advocacy role at various community events in and around Steelpoort.

What she has achieved may seem a lot for a nine-year-old, but for Ndalo, she is just getting started.

"Since I started my foundation, I have been able to help a lot of learners in our schools that need uniforms and stationery. We have collected a lot of sanitary items which we gave to families in need. I don't plan to stop here. Christmas is around the corner and I would like to help a few less fortunate families," she said as she made the plea for people from the community to contact her foundation at ndaloenhlesibanyoni.com, to make a difference (Reg number: 2022/674589/08).



"I'm very proud of Ndalo and her achievements. She is now not only my child, but also the community's child. Other children are inspired by her and have seen that it is possible to strive for and achieve their dreams."
– Popi Sibanyoni

YEAR-END MESSAGES



Message from the Royal Family

As we draw closer to the end of 2023, we appreciate the hard work and dedication of the exploration team.

Your commitment to the project has not gone unnoticed and we look forward to another successful year ahead. We encourage everyone involved in the project to look after themselves and to be vigilant at work during the last remaining days of the year. On the roads, we urge everyone to drive carefully and to get enough rest so that we can all come back next year energised.

To the Bengwenyama community, it is worth noting that we are at the threshold of realising our long-held dream of a share in our own mine. It is in times like these that we need to stay united and focused, lest we ruin the Goose that promises to give us golden eggs. Our treasure is about to be born, let us protect

it with all our might.

We have been encouraged by the recent public participation were attendees, including the Royal Family and the Traditional Council, supported the Mining Right Application and the demarcation of the mining site. A temporary fence will be erected and the mining infrastructure will be built to safeguard this site against encroaching illegal occupation.

This is for the good of everyone because as a community we have given the impending mine land-use rights and we cannot give and take at the same time. Our word on this is our bond and through the demarcation, we honour the agreements made.

Let it rain blessings and prosperity on the land. We wish everyone a Merry Christmas and a prosperous new year.

Message from the Traditional Council

As we end the 2023 calendar, we the leadership of the Bengwenyama community, would like to express our heartfelt gratitude to all the role players in the community mining project for the support, enthusiasm and understanding from community members.

As the community leadership, we wish to reassure our community that we are steadfast in our commitment to ensure that the dream that started in 2003, and led by our late Senior Traditional Leader Msutfu ii, is realised. May his soul rest in peace.

While we admit that the road we have travelled since 2006, has been long and tedious and characterised by challenges, mainly from our opponents and detractors, we are now beginning to see the light at the end of the tunnel. We stay resolute in our commitment to seeing our community reaping the fruits of our sweat. We are hopeful that the Mining Right Application that we submitted on 29 September 2023 is granted.

As we enter the so called "silly season" we advise our community members to heed the messages of safety. We wish everyone an enjoyable festive season and a prosperous new year.

Makhosini Nkosi Dlamini
Traditional Council Deputy Chairperson

Molaetša wa mafelelo a ngwaga wa lekgotla la setšo

Ge re fetša almanaka ya ngwaga wa 2023, rena boetapele bja setšhaba sa Bengwenyama re rata go leboga go tšwa pelong go bohle bao ba kgathago tema mo protšekeng ya meepo ya setšhaba, phišego ya thekgo le kwešišo ya maloko a setšhaba ka mo go kgethegilego.

Bjalo ka boetapele bja setšhaba, re rata go kgonthišetša setšhaba sa rena gore re tiile boikgafong bja rena bja go netefatša gore toro yeo e thuthupišitšwego go dikologa 2003, go theoga mothalong yeo e eteletšwego pele ke mohu moetapele wa rena yo mogolo wa setšo Msutfu ii, a moya wa gagwe o robale ka khutšo.

Le ge re dumela gore tsela yeo re e sepetšego go tloga ka 2006, go theoga mothalong e bile ye

telele, le ye e lapišago yeo e hlaotšwego ka dithohlo, kudu go tšwa go baganetši ba rena le ditšhitiši bjale re thoma go bona seetša mafelelong a thanele. Re dula re ikemišeditše torong ya rena ya go bona setšhaba sa rena se buna dienywa tša mofufutšo wa rena. Re na le kholofelo ya gore kgopelo ya tokelo ya meepo yeo re e rometšego ka la 29 Lewedi 2023 e tla atlega.

Ge re tsena sehleleng seo se bitšwago "bošilo" re eletša maloko a setšhaba sa rena go etelela pele molaetša se se thabišago sa monyanya le ngwaga wo mofsa wo o atlegilego.

Makhosini nkosi dlamini
Motlatšamodulasetulo wa lekgotla la setšo

OPERATIONAL UPDATE

The recent drill-out of the Bengwenyama project has been aimed at increasing the proportion of Indicated resources, to allow the completion and publication of a scoping study which is due in January 2024.

The drill-out has been more successful than we have imagined. Total UG2 and Merensky Reef Mineral Resource ounces (Indicated and Inferred) are now 26.22 Moz, with UG2 Indicated resources now sitting at 6.5Moz (7E). Indicated resources for the UG2 are now 42% of the total UG2 resource. The drilling focus has now shifted to the North West to convert the Inferred Mineral Resource and Exploration Target into Indicated Mineral Resources for the upcoming Pre-Feasibility Study.

First Metallurgical-test results from a Bengwenyama UG2 composite showed good recoveries which ranged from 80% to

85%