033/2025

SOUTHERN PALLADIUM SECURES A$20 MILLION PLACEMENT TO ACCELERATE DFS, FINAL INVESTMENT DECISION AND MINE DEVELOPMENT AT BENGWENYAMA PGM PROJECT

Johannesburg, 20 October 2025. Southern Palladium (ASX: SPD | JSE: SDL) is pleased to announce that it has secured firm commitments to raise A$20 million through a two-tranche placement, supported by three new global institutional investors alongside the Company's largest shareholder, as well as strong participation from existing institutional and high-net-worth investors.

The capital raise positions the Company to accelerate the Definitive Feasibility Study (DFS) and progress towards the Final Investment Decision to advance near-term mine development at its Bengwenyama Platinum Group Metals (PGM) project in South Africa.

The placement comprises 18,181,819 million new fully paid ordinary shares at A$1.10 per share, representing a modest 2.7% discount to the 15-day Volume Weighted Average Price (VWAP).

Southern Palladium also intends to conduct a Share Purchase Plan (SPP) to raise up to A$1 million, offering eligible retail shareholders the opportunity to acquire new shares at the same price as the Placement.

Funds raised will support completion of the DFS and near-term mine development activities - including construction of the box cut and development of a decline to the orebody (subject to permitting) - while advancing the Company towards its FID.

The capital raise will significantly strengthen Southern Palladium's balance sheet ahead of key near-term milestones, including the expected award of the Mining Right and updates on the DFS work programme.

"This strategic capital raise provides Southern Palladium with a strong cash runway to accelerate our DFS works programme as we advance towards mine development at the Bengwenyama PGM project," said Executive Chairman Roger Baxter.

"The Placement price and quantum reflect growing interest by global investors in Southern Palladium's long-term value proposition which, in our view, is driven both by the high quality of the project and a highly supportive market outlook for PGM prices". Mr Baxter added.

He noted that, with the completion of this Placement, Southern Platinum is pleased to welcome three new global institutional investors. The accompanying Share Purchase Plan will also give retail investors the opportunity to acquire additional shares at the Placement price. The completion of this capital raises future proofs Southern Palladium, and the Company is now well positioned to execute its mine development strategy and unlock the full value of this unique asset.

Placement and SPP details

- **Total raised:** A$20 million (before costs)
- **Shares issued:** 18,181,819 at A$1.10 per share
- **Discount:** 2.7% to the 15-day VWAP of A$1.13
- **Tranche 1:** 6,600,004 shares under ASX Listing Rule 7.1A
- **Tranche 2:** 11,581,815 shares subject to approval at the AGM on 28 November 2025
- **SPP:** Up to A$1 million; eligible shareholders (as at 7:00pm AEDT, 17 October 2025) may apply for up to A$30,000 in new shares
- **Lead Manager:** Bridge Street Capital Partners

About Southern Palladium:

Southern Palladium Limited is a dual-listed public company developing the advanced, shallow, high grade Bengwenyama Platinum Group Metals project on the Eastern limb of the world class Bushveld Complex in South Africa, which contains approximately 72% of the world's PGM resources.

The property encompasses two economically significant reefs, namely the UG2 and Merensky reefs, which span from the surface to a depth of 1,100 meters over a downdip stretch of 10 kilometres. These two reefs represent primary economic deposits that are actively exploited by other platinum mining companies for PGMs, base metals and chrome in the region.

Southern Palladium is focused on the UG2 reef, which is the predominantly mined reef in the area. Both reefs can be extracted through underground mining methods. The PGM ore from these reefs can be processed using well-established and conventional methods widely employed throughout the Bushveld Complex. The project is in close proximity to existing mining operations as well as essential infrastructure, enhancing their strategic value and accessibility.

Visit www.southernpalladium.com for more details.

For media and investor relations inquiries or additional information, please contact:

Australia:
Sam Jacobs
Six Degrees Investor Relations
+61 423 755 909

South Africa:
Sherilee Lakmidas
R&A Strategic Communications
+27 79 276 2529