For personal use only

12 June 2025

A$8 million Placement to accelerate DFS and mine development at Bengwenyama PGM project

Highlights:

- **Firm commitments received for a placement of 16 million new fully paid ordinary shares at A$0.50 per share to raise A$8 million before costs**
- **A$4.6 million cornerstone investment by one of the Company's largest shareholders, with strong support from a small number of new and existing institutional investors**
- **Placement done at market (no discount to previous A$0.50 per share previous close on 6 June) and a 10.5% premium to the 10-day VWAP**
- **Strategic capital raise provides balance sheet strength to advance the next phase of Definitive Feasibility Study (DFS) work and staged mine development at Bengwenyama, with minimal dilution and changes to the group's capital structure**
- **Targeted funding support ahead of key near-term milestones, including the publication of the optimised Pre-Feasibility Study (PFS), the expected receipt of a Mining Right, and ongoing DFS work**

Southern Palladium (ASX:SPD and JSE:SDL), 'Southern Palladium' or 'the Company') is pleased to advise it has secured firm commitments to raise A$8 million through the issue of 16 million new fully paid ordinary shares at an issue price of A$0.50 per share.

The placement was initiated and cornerstoned by one of the Company's largest shareholders, who will invest a further A$4.6 million into the Company.

The placement funds will be deployed towards advancing the DFS and near-term mine development activities at the Bengwenyama PGM project, ahead of the planned release of an updated PFS incorporating a two-stage project development approach with lower up-front capital costs.

It follows the recent receipt of Environmental Authorisation (EA) for a Mining Right (underground mining) and related infrastructure activities, granted after a comprehensive and compliant public participation process with the South African Department of Mineral and Petroleum Resources (*refer ASX Announcement 20 May 2025*). Importantly, the EA paves the way for the award of the Mining Right.

Executive Chairman Roger Baxter said: *"This strategic placement provides the group with targeted funding support at an important juncture as we execute on the transition of Bengwenyama, a tier-one PGM project globally, towards staged mine development."*

"In particular, we are pleased to have attracted such strong support from our existing institutional investors, led by a cornerstone investment from one of our largest shareholders, while also attracting new institutional investment - marking a vote of confidence for both the quality of the resource and our stated development strategy for the Bengwenyama PGM project."

"The targeted raise provides the Company with a strong cash runway to implement our near-term project objectives, including accelerating the DFS for a two-stage development pathway with lower upfront costs."

For personal use only

"In addition, the structure of the raise and the at-market pricing reflects the commitment of the Company and our shareholders to support project development through disciplined capital management."

"Having effectively managed our IPO funds to undertake a +30,000m drill programme, deliver a +40Moz PGM Mineral Resource and +6Moz Ore Reserve, complete a PFS, and prepare a subsequent optimised PFS, we will use funds from this placement to support our transition to DFS and early mine development of the Bengwenyama PGM Project, clearly now one of the last premier greenfield PGM development opportunities in the Bushveld Complex."

Details of Placement

Southern Palladium has received firm commitments to raise A$8 million (before costs) via the issue of 16 million new ordinary shares at A$0.50 per share in a Placement. The issue price was conducted at the closing price on Friday 6 June, which represents a 10.5% premium to the 10-day VWAP of A$0.45 per share, and a 46.5% premium to the 15-day VWAP of A$0.34 per share. No options were offered in connection with the Placement.

The Placement will be conducted in one tranche and placed under the Company's available capacity pursuant to ASX Listing Rule 7.1 and 7.1A. Placement Shares will be listed on the ASX and rank pari-passu with the existing fully paid ordinary shares.

Bridge Street Capital Partners Pty Ltd acted as Lead Manager to the Placement.

The indicative timetable for the Placement is as follows:

Summary of Key Events	Date/Time
ASX Announcement of Placement	12 June 2025
Settlement of Placement Shares	18 June 2025
Allotment of Placement Shares	19 June 2025

For further information, please contact:

Johan Odendaal
Managing Director
Southern Palladium
Phone: +27 82 557 6088
Email: johan.odendaal@southernpalladium.com

Media & investor relations inquiries: Sam Jacobs, Six Degrees Investor Relations: +61 423 755 909

Follow @SouthernPalladium on Twitter

Follow Southern Palladium on LinkedIn