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2 September 2025

Bengwenyama DFS Drilling Underway

Highlights:

- **Commencement of ~10,000m metallurgical and geotechnical drill programme at the Bengwenyama PGM project, with four drill rigs now operational on site.**
- **Metallurgical drill programme designed to collect a 140kg bulk sample from the UG2 Reef for definitive test work, to assess metallurgical variability and for use in concentrate off-take discussions.**
- **Additional drill rigs to be mobilised by October to commence surface geotechnical drill programme for design of the first decline and civils of the surface infrastructure**
- **Drill campaign marks delivery of the next phase of Definitive Feasibility Study (DFS) work, in line with Southern Palladium's stated development strategy for staged mine development**

Southern Palladium (ASX:SPD and JSE:SDL), ('Southern Palladium' or 'the Company') is pleased to announce the commencement of its detailed metallurgical and geotechnical drill programmes as part of ongoing field work to support the delivery of the Definitive Feasibility Study (DFS) for the Bengwenyama Platinum Group Metals (PGM) Project scheduled for completion in the first half of 2026

Four drill rigs have been secured and mobilised to site. First drilling is now underway to obtain a 140kg sample from the UG2 reef for detailed metallurgical study work.

The UG2 sample will be used to determine metallurgical variability across the first stage of the planned development. The results from this sample will also better allow the Company to progress discussions with South African PGM smelters. Once metallurgical drilling is complete, the rigs will move to assist with deeper underground geotechnical drilling, which will be incorporated into field studies to optimise decline and stoping parameters.

A further 2-3 rigs will be added for surface geotechnical drilling, commencing with drilling needed to optimise the first decline development planning, which is scheduled to start at the beginning of October.

The DFS drill programme will comprise around 10,000m drill metres in total and will include infill drilling to further enhance definition of the Maiden JORC Ore Reserve of 6.29Moz at 6.17g/t PGM (6E) at Bengwenyama (refer ASX Announcement 28 October 2024).

This work follows the recent completion of an optimised Pre-Feasibility Study which delivered an estimated after-tax NPV US$857m with a material reduction in peak-funding requirement through a staged development approach (refer ASX Announcement 10 July 2025).

The MRA (Mining Right Application) review process is ongoing. With the achievement of a key milestone in Q2, the Environmental Authorisation approval and the conclusion of the objection period the granting of the Mining Right is anticipated in the near-term.

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Managing Director Johan Odendaal, said: *"We are pleased to announce the commencement of our DFS drill programme following an extensive period of planning and design. Results from this drill programme will provide important data to further optimise metallurgical processing and mine design for the DFS, which is on schedule for delivery in the first half of 2026. We look forward to providing further project updates over the coming weeks. Environmental approvals have now been obtained, an important prerequisite for the granting of the Mining Right. Final acceptance of the Social and Labour Plan should lead to the grant of the Mining Right within the foreseeable future.*

JORC Compliance Statement

The information in this report relating to the Maiden JORC Ore Reserve of 6.29Moz at 6.17g/t PGM (6E) at Bengwenyama is extracted from the report entitled " Prefeasibility Study Results: Project NPV8 of USD1.059bn Maiden JORC Ore Reserve of 6.29 million oz @ 6.17g/t PGM (6E)" created on 28 October 2024 and is available to view on the Company's website at southernpalladium.com (Investor Centre/ASX Announcements). 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, in the case of estimates of Mineral Resources or Ore Reserves, 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.

Uwe Engelmann

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Uwe Engelmann (BSc (Zoo. & Bot.), BSc Hons (Geol.), Pr.Sci.Nat. No. 400058/08, FGSSA). Mr. Engelmann is a director of Minxcon (Pty) Ltd and a member of the South African Council for Natural Scientific Professions. Minxcon provides geological consulting services to Southern Palladium Limited. Mr. Engelmann has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Engelmann consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Mr Engelmann has a beneficial interest in Southern Palladium through a shareholding in Nicolas Daniel Resources Proprietary Limited.

Daan van Heerden

The scientific and technical information contained in this announcement has been reviewed, prepared, and approved by Mr Daan van Heerden (B Eng (Min.), MCom (Bus.Admin.), MMC, Pr.Eng. No. 20050318, AMMSA, FSAIMM). Mr van Heerden is a director of Minxcon (Pty) Ltd and a Registered Professional Engineer with the Engineering Council of South Africa, a Member of the Association of Mine Managers South African Council, as well as a Fellow Member of the South African Institute of Mining and Metallurgy. Minxcon provides geological consulting services to Southern Palladium Limited. Mr van Heerden has sufficient experience that is relevant to the styles of mineralisation and activities being undertaken to qualify as a Competent Person, as such term is defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. van Heerden consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Mr. van Heerden has a beneficial interest in Southern Palladium through a shareholding in Nicolas Daniel Resources Proprietary Limited.

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