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17 October 2022

Bengwenyama PGM Drill Programme Drills Successive UG2 Reef Intersections

Key highlights:

- **Three completed drillholes have all intersected the UG2 reef**
- **First UG2 samples for drillhole E019A, E062 and E058 have been submitted for analysis with assay results expected within 4-6 weeks**
- **Two UG2 intercepts 3km apart are of approximately the same thickness (~75cm), as expected.**
- **Possible Merensky Reef (MR) intersection in drillhole E019A**
- **Preliminary project stratigraphic column now developed from the initial drilling**
- **Expansion of drill programme on schedule with five drill rigs now on site**

Southern Palladium (ASX:SPD, 'Southern Palladium' or 'the Company') is pleased to provide the following update on its Phase 1 drilling programme at the Bengwenyama Platinum Group Metal (PGM) project located on the Eastern Limb of the world class Bushveld Complex, South Africa.

The UG2 reef has now been intersected within three drillholes, thereby confirming additional sections of the geological model in the inferred Mineral Resource around drillhole E019 **(figure 1)**. The UG2 reef has also been intersected in the exploration target portion in the southeast of the farm Eerstegeluk in drillhole E062 (*refer ASX Announcement 5 September 2022*) and in nearby drillhole E058.

Drillholes E060 and E033 were being drilled by the smaller YWE D90 drill rig, which is small enough to enter more confined areas but unfortunately does not have the depth capacity required. These two drillholes are now being deepened by the Delta 520 and one of the new CS 1500 drill rigs.

A fifth drill rig, the Longyear 44, arrived on site last week and will start drilling drillhole E004 in the northern corner of the farm Eerstegeluk. This fulfils the initial drill rig complement. Table 1 is the summary of the drilling and reef intersections as at 10 October 2022.

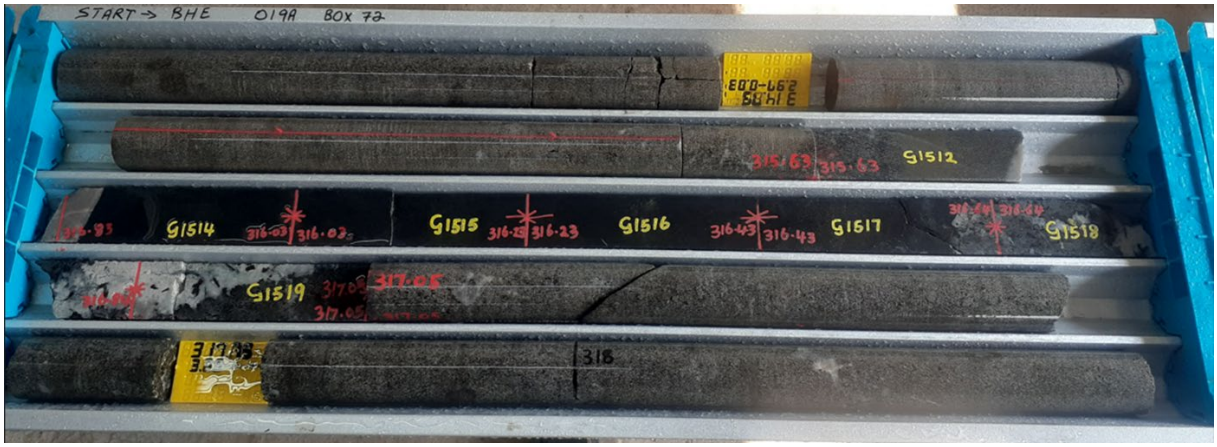

Figure 1. A 76cm interval of the UG2 Reef in hole E019a after sampling

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Drill hole locations

Figure 2 shows the location of the completed drillholes and drillholes in progress. Drillhole E019A, E062 and E058 show the location of the drillholes that have intersected the UG2 within the inferred Mineral Resource and exploration target portion of the project.

The drilling to date – besides confirming the geological model in the inferred Mineral Resource around drillhole E019A and the development of a stratigraphic column – has also shed light on the structures in the exploration target area in the southeast of the farm Eerstegeluk.

A summary of the status of the holes completed and underway is presented in Table 1, Appendix 1.

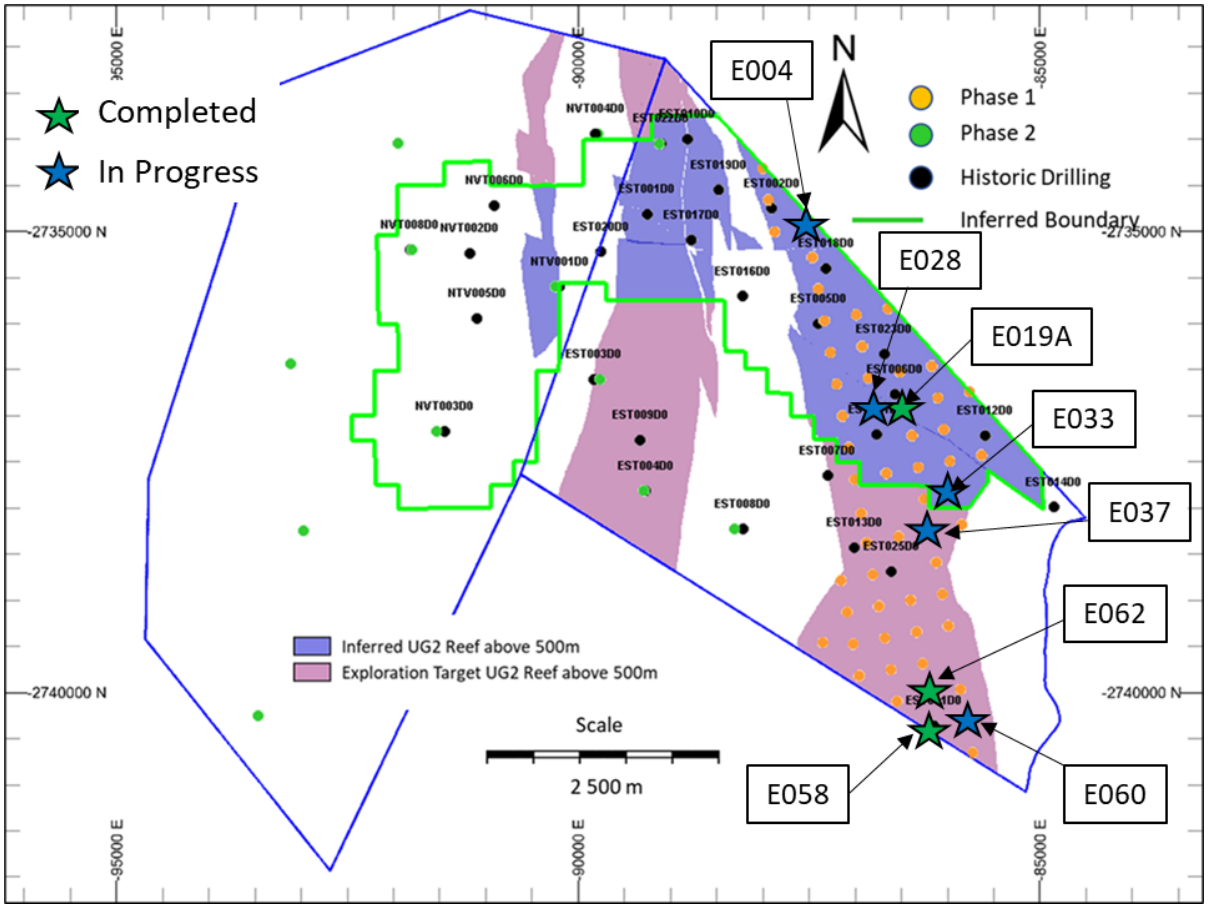

Figure 2: Drill Locations

Reef Intersections

Merensky Reef

In addition to the three UG2 intersections, initial results indicate that the Merensky Reef (MR) has possibly been intersected in drillhole E019A at around 20m. However, this has not been confirmed yet due to the weathered nature of the rock at this depth.

The underlying pyroxenite layer has been sampled and sent away for analysis, which will assist in determining if it is the MR. The management team expects that drillhole E028, which is west of borehole E019 and being drilled now, should intersect the MR and confirm the MR position in this area **(see figure 2)**.

UG2 Reef

Drillholes E019A and E062 are approximately 3km apart and the UG2 reef show similar widths (~ 75 cm intersection width) and similar massive chromitite facies. Drillhole E004 will shed light on the UG2 reef facies in the northern portion of the farm Eerstegeluk approximately 2km north of drillhole E019A **(figure 2).**

Neither of the first three UG2 intersections have the expected chromitite stringers in the hanging wall (***figure 1***). This bodes well as their absence could be beneficial from a rock mechanics and mining cut perspective.

The UG2 samples from drillhole E019A, E062 and E058 and possible MR sample from drillhole E019A have been dispatched to ALS Chemex South Africa (PTY) Ltd, located in Johannesburg, which is part of the ALS group. The South African laboratory is ISO 17025 accredited by SANAS (South African National Accreditation System). Average turnaround times for the return of assay results in the South African mining sector are typically 4-6 weeks.

UG3 Reef

Both drillholes E019A and E058 together with the earlier hole E062 have intersected the UG3 sequence which consists of the UG3B, UG3A and the UG3 (***figure 3)***. These three chromitite layers are excellent markers for the targeted UG2 reef (***figure 1***). The UG3 intersections have assisted in compiling the preliminary stratigraphic column for the project (***figure 4***). The preliminary stratigraphic column ranges from the MR hanging wall to the footwall of the UG1 chromitite layers (*refer ASX Announcement 5 September*).

Figure 3: UG3 Chromitite Seams (red boxes) in Drillhole E019A

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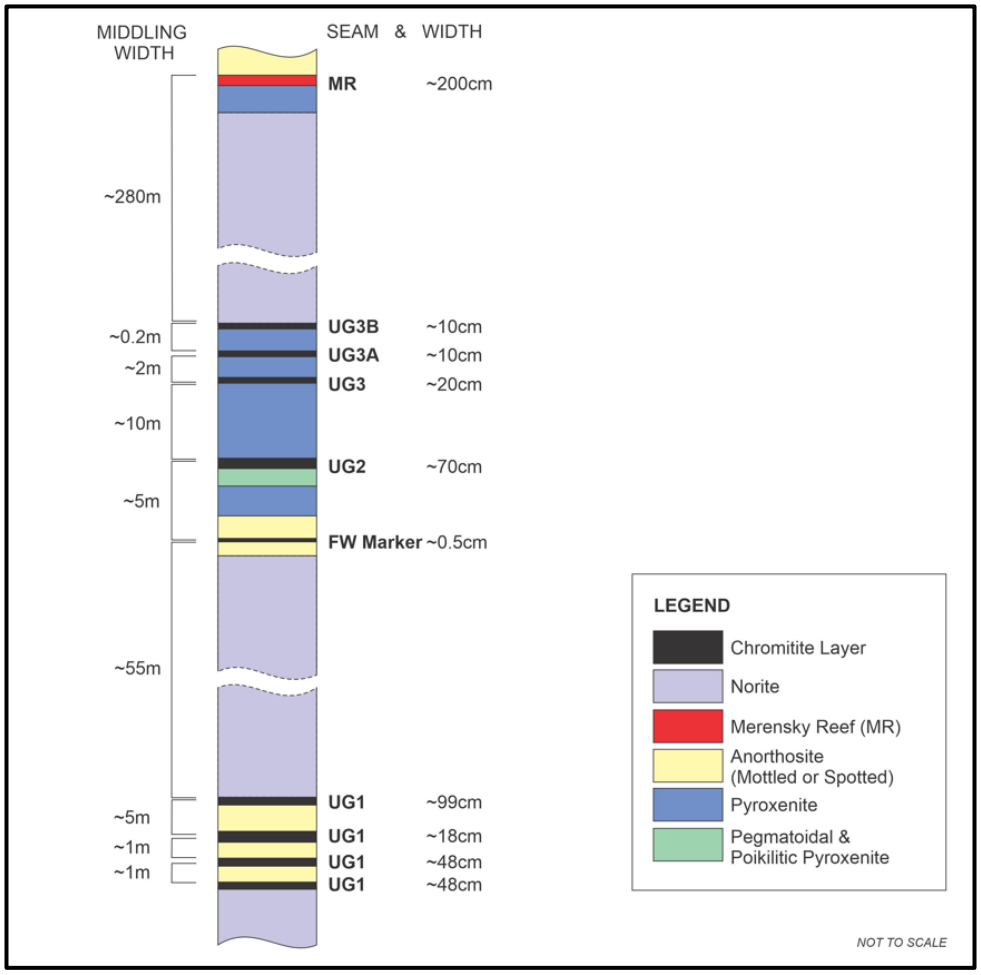

Figure 4: Preliminary Project Stratigraphic Column between the Merensky Reef (MR) and UG1 Chromitite layers

Geological interpretation

The far eastern area of Eerstegeluk (***yellow polygon in figure 5***) was previously excluded from the Mineral Resource and exploration target due to the previously extrapolated position of the UG2 subcrop. Drilling data from drillholes E060 and E33 now suggests that the UG2 reef is slightly deeper than expected and could represent significant resource upside potential to the east.

The deepening of drillhole E033 suggests that the subcrop of the UG2 is further east and thereby potentially increasing the resource in this area. The deepening of drillhole E060 indicates that the dyke identified by the airborne geophysical survey has a down throw to the east and thereby suggesting there could be extensions to the UG2 reef in this area (***figure 5, yellow polygon***).

Additional drillholes are now planned in this area with the aim of increasing the Mineral Resource.

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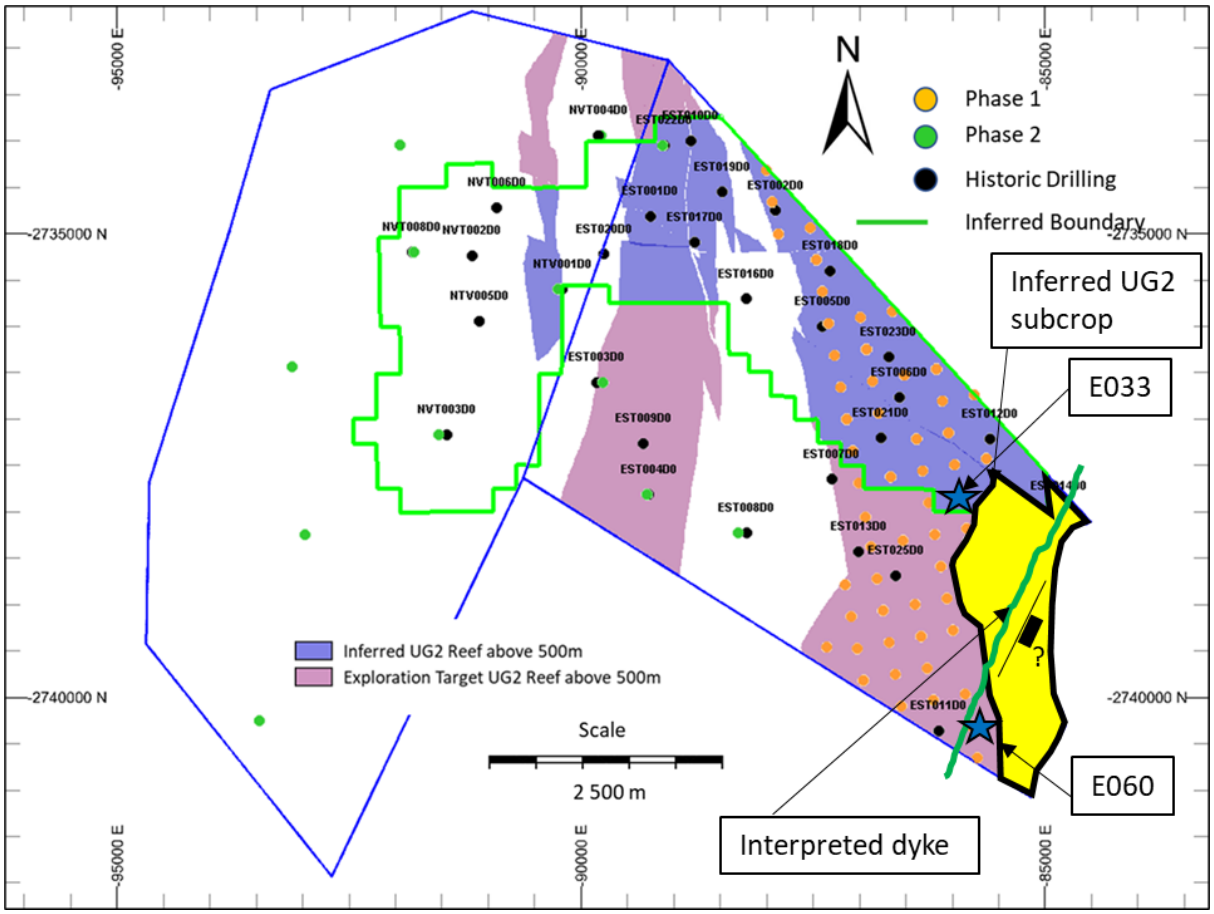

Figure 5: Potential Upside

Site operations

Upgrades to the community centre for the driller's laydown area, the geological office and the core yard have now been completed.

Where possible the company is hiring local community members to assist in the exploration. Southern Palladium's drilling contractor, Geomech, is now hiring for several positions to assist with the drill programme.

Minxcon has also signed on six members from the surrounding community as core yard assistants, along with the recruitment of a junior geologist. This represents an excellent opportunity for these community members to gain additional skills and for the newly graduated geologist to gain valuable experience.

Figure 6A is a photo of the geological staff from the local community employed by the project; **6B** shows the kitchen and dining area for the drilling contractor; **6C** is a photo of the geological offices with emergency assembly point in the foreground and **6D** is a photo showing the core cutting facility (refer overpage).

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Figure 6: A: Geological Staff Employed from the Community, B: Drillers Kitchen and Dining Area, C: Geological Offices and Kitchen Area with Emergency Assembly Area in the Foreground, D: Core Cutting Facility

Commenting on the UG2 intersection, Managing Director Johan Odendaal, said:

"The drilling programme at the Bengwenyama project is gaining momentum, and with five drill rigs now drilling we expect to make good progress in the weeks ahead. The stratigraphic column compiled from borehole E019 information confirms that we are drilling into typical Eastern Bushveld Complex geology. The UG2 intersections reflect typical widths expected for this area. The absence of stringers in the hanging wall which normally cause roof cave-in is absent in the three boreholes which intersected UG2 and that bodes well for future mining operations. With the first samples now dispatched for assessment, the Company looks forward to updating the market with its initial round of assay results in the coming weeks.

This announcement has been approved for release by the Board of Southern Palladium Limited.

About Southern Palladium:

Southern Palladium Limited (ASX:SPD, JSE:SDL) is a dual-listed platinum group metal (PGM) company developing the advanced Bengwenyama PGM project, particularly rich in palladium/rhodium, in South Africa. The project is located on the Eastern Limb of the Bushveld Complex, which contains more than 70% of the world's known Platinum Group Metal (PGM) Resources.

With its 70% stake in the project, the Company's focus will be on the delivery of a Pre-Feasibility study and Mining Right application through a geophysical survey that has recently been completed, a two-phase diamond drill programme which has commenced in August 2022 as well as various technical studies to be completed.

A major development opportunity in the global PGM market, previous exploration at Bengwenyama has already delivered a JORC 2012-compliant Inferred Mineral Resource of 18.8Moz within two ore horizons – the UG2 chromitite and Merensky Reef.

In addition, an assessment by mining industry consultants CSA Global assessed the total resource potential of Bengwenyama at between 134–201Mt at a grade of 3.5–5.2 (3 PGE + Au g/t). The Company is led by an experienced on-ground management team including some of South Africa's most high-profile mining industry executives.

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Appendix 1: Drilling Summary

Drilling					Merensky Reef				UG2 Reef			
BH ID	From (m)	To (m)	Drilled Metres	Comment	From (m)	To (m)	Intersection Width (m)	Comment	From (m)	To (m)	Intersection Width (m)	Comment
E019	0	32.42	32.42	Abandoned, stuck drill rods	20.25	22.45	2.20	Highly weathered & friable, inconclusive				Hole stopped short
E019a	0	323.77	323.77	EOH, completed	19.55	22.35	2.80	Highly weathered & friable, inconclusive	315.85	316.61	0.76	Complete intersection
E060	0	128.72	128.72	In Progress				No MR expected - East of MR sub outcrop	Not intersected yet			UG2 expected at a depth of ~180m
E062	0	120.34	120.34	EOH, completed, extended to UG1 for stratigraphy				No MR expected - East of MR sub outcrop	31.27	32.01	0.74	Complete intersection, moderately weathered
E062_D1	18.30	34.92	16.62	Deflection completed, faulted UG2				No MR expected - East of MR sub outcrop	31.45	32.27	*0.82*	Moderately weathered & faulted. Incomplete intersection. Core loss.
E062_D2	13.30	33.00	19.7	Deflection completed, faulted UG2				No MR expected - East of MR sub outcrop	31.16	31.56	*0.4*	Moderately weathered & faulted. Incomplete intersection. Core loss.
E058	0	158.25	158.25	EOH, completed				No MR expected - East of MR sub outcrop	140.88	141.29	0.41	Complete intersection
E033	0	186.58	186.58	In Progress				No MR expected - East of MR sub outcrop	Not intersected yet			UG2 expected at a depth of ~ 250m
E028	0	50.23	50.23	In Progress	Not intersected yet			MR expected at a depth of ~62m	Not intersected yet			UG2 expected at a depth of ~ 357m
			1036.63									

Note: Italic font with an * indicates an incomplete intersection and cannot be used as it is not representative

Table 1: Drilling Summary as at 10 October 2022

JORC Statement

The information in this report that relates to Mineral Resources at the Bengwenyama Project is based on details originally reported in the Independent Technical Assessment Report (ITAR) No. R246.2021 prepared by CSA Global dated 19 April 2022 contained in the Company's Prospectus and Pre-Listing Statement dated 22 April 2022. The information in the ITAR that relates to Technical Assessment of the Mineral Assets, Exploration Targets, or Exploration Results is based on information compiled and conclusions derived by Dr Brendan Clarke, a Partner and an employee of CSA Global. The information in the ITAR that relates to Mineral Resources is based on work undertaken by Anton Geldenhuys, a Principal Consultant and employee of CSA Global. The Prospectus containing the ITAR can be found on the Company's website at: https://www.southernpalladium.com/site/investor-centre/prospectus

The Company confirms that it is not aware of any new information or data that materially affects the information included in the ITAR. The Company also confirms that all material assumptions and technical parameters underpinning the estimates in the ITAR continue to apply and have not materially changed. In addition the Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.

Competent Person Statement

The scientific and technical information contained in this announcement has been reviewed, prepared and approved by Mr Uwe Engelmann (BSc (Zoo. & Bot.), BSc Hons (Geol.), Pr.Sci.Nat. No. 400058/08, MGSSA). Mr Engelmann is a director of Minxcon (Pty) Ltd and a member of the South African Council for Natural Scientific Professions, and has sufficient experience relevant to the styles of mineralisation and activities 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 has a beneficial interest in Southern Palladium through a shareholding in Nicolas Daniel Resources Proprietary Limited.

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JORC Checklist – Table 1 Assessment and Reporting Criteria

SECTION 1: SAMPLING TECHNIQUES AND DATA		
Criteria	**Explanation**	**Detail**
Sampling techniques	Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.	20 cm samples are taken within the reef horizon unless there is a lithological reason to deviate from this. A single sample is also taken in the hanging wall and footwall to test for mineralisation in the direct waste rock. The samples are split with a core saw and one half is submitted to the laboratory and the other half keep in the core tray.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The core is orientated in such a way that the two halves are equal.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	The sampling methodology is standard and as per industry practice in the Bushveld Complex (BC). The samples are 20 cm in length and are split into two equal halves with one half being submitted for analysis. The core size starts as HQ (10 m to 50 m) but is NQ by the time the reef is intersected.
Drilling techniques	Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	The drillholes start with HQ (for approximately 10-50 m) in the weathered zone but are then drilled NQ once in the fresher material. The drill rigs being utilised have been the CS 1500, Delta 520 and a smaller YWE D90. The drill contractor is Geomech Africa.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	The core is scanned in with the software ScanIT which scans the core with high resolution photos and the geologists reconcile the depths and core losses per 3 m run with the software. The result of the process, besides the digital logging, is the automatic calculation of the RQD and core recoveries.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	The geologist informs the drilling supervisor at what depth the reef is expected so that they can take extra precautions around the anticipated reef depth. The core recoveries are measured per 3 m run and if there is excessive core loss in the reef horizon it is marked as a non-representative sample and will not be used in the resource estimation process.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Samples have been submitted to the ALS laboratory, but no results have been received to date. So, no study has been possible in this regard.

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SECTION 1: SAMPLING TECHNIQUES AND DATA		
Criteria	**Explanation**	**Detail**
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	The core is scanned into ScanIT software which produces high resolution images. The logging is conducted in the ScanIT software in conjunction with the actual core. Legends have been set up in the software that cover the necessary detailed required for Mineral Resource estimation. Alpha angles and structure detail is also observed and logged. The beta angle is not measured as the core is not orientated but the downhole televiewer survey supplies structural orientation information which is incorporated into the ScanIT logs in the comments section.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Core logging is qualitative and utilises the ScanIT software for high resolution images.
	The total length and percentage of the relevant intersections logged.	The total drillhole is geologically logged and scanned (in ScanIT) and the televiewer survey is conducted from 100 m above the reef horizon for additional structural information.
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	The core is cut in two equal halves for sampling and storage purposes.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	This project only makes use of core drilling.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The sample preparation code at ALS is PREP-31H which has the following procedure:- Login of samples into the system, weighing, fine crushing of entire sample to 70% - 2 mm, split off 500 g and pulverize split to better than 85% passing 75 microns.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	The QAQC sequence is as follows:- If the batch is less than 20 samples the batch starts and ends with a blank and a CRM and duplicate are inserted into the sample stream. If the batch is great than 20 samples then the batch starts and ends with a blank and every tenth sample is either a CRM, duplicate or blank. This equates to between 20% and 10% QAQC samples.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	The sampling of the reef is reef material only except for the first and last sample of the reef as it will have 2 cm of hanging wall or footwall material to ensure the entire mineralisation is captured. This 2 cm dilution will be calculated into the reef width. The hanging wall and footwall are sampled separately to the reef. Hence the reef samples are representative of the *in situ* reef horizon. Requested duplicates are pulp duplicates and the CRMs are material from the UG2 and MR from African Mineral Standards (AMIS).
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The reef horizon is sampled in 20c m increments so that the grade distribution can be observed if a mining cut is required. The UG2 reef is approximately 70 cm wide and will have three to four samples which will be composited later. The MR is wider at around 200 cm and will have about ten individual samples to determine the grade distribution. These will also be composited later for Mineral Resource Estimation purposes. Hanging wall and footwall samples are also taken to check if there is any mineralisation in the direct surrounding waste rock. This is industry best practice for the BC.
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	The UG2 reef will be assayed for 4E and 6E as well as for Cu, Ni, Co, Cr and Fe. The MR will be assayed for the same except the Cr and Fe as it is not a chromitite seam but a pyroxenite layer. The ALS methods are as follows:- PGM-ICP23 - Pt, Pd, Au package using lead fire assay with ICP-AES finish. 30 g nominal sample weight. Rh-ICP28 - Fire assay fusion using lead flux with Pd collector for Rh determination by ICPAES. 10 g nominal sample weight. PGM-MS25NS - The Platinum Group Metals are separated from the gangue material using the Nickel Sulphide Fire Assay procedure. After dissolution of the pulp with aqua regia, PGMs are determined by ICP-MS. ME-XRF26s - Analysis of Chromite ore samples by fused disc / XRF. This method is suitable for the determination of major and minor elements in ore samples which require a high dilution digest such as Chromite ores. Elements that will analysed are Cr, Cu, Ni, Fe and Co. All methodologies are total.
	For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and	All analytical work is undertaken by ALS Chemex South Africa (Pty) Ltd, located in Johannesburg, which is part of the ALS group. The South African laboratory is ISO 17025 accredited by SANAS (South African National Accreditation System).

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SECTION 1: SAMPLING TECHNIQUES AND DATA		
Criteria	**Explanation**	**Detail**
	model, reading times, calibrations factors applied and their derivation, etc.	
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	QAQC procedure has been described above. To date no results have been received but will be reviewed once received.
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	An umpire laboratory will be utilised as an additional check at a later stage.
	Discuss any adjustment to assay data.	To date, no assay results have been received.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	To date, no assay results have been received thus no verification has been necessary at this stage.
	The use of twinned holes.	No twinning has been undertaken to date. Drillhole E058 was however drilled near the historical drillhole EST011 (20 m away).
Location of data points	Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	Drillhole collar positions are recorded by handheld Garmin GPS. The drillholes will still be surveyed in at a later stage.
	Specification of the grid system used.	The coordinate system used is LO31.
	Quality and adequacy of topographic control.	Regional three-dimensional (3D) topography was constructed from regional surface contours and Shuttle Radar Topography Mission (SRTM) data. The surface was trimmed 300–500 m beyond the Project perimeter.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	The final drillhole spacing will be approximately 350 m. The drilling completed to date or in progress has a wider spacing to get a better understanding of the larger structural domains of the project. See figure 4 in press release.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Geological continuity is based on the knowledge of the surrounding area and 3D model constructed from historical data. The three completed drillholes to date have all intersected the UG2 which is starting to confirm the position of the UG2 reef. These intersections are up to 3 km apart proving the continuity.
	Whether sample compositing has been applied.	The 20 cm reef samples will be composited in the future.
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	The drillholes are vertical drillholes and intersect the reef close to right angles. The sample is therefore unbiased. If the reef is faulted it will be noted and if the reef intersection is not representative, it will not be used in Mineral Resource estimations.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if	No sampling bias will be introduced based on the drilling orientation as they are close to perpendicular.
Sample security	The measures taken to ensure sample security.	Samples are only handled by the drilling contractor and the Minxcon geological staff. There is a strict chain of custody that is followed from the time the core leaves the drill site to the time the sample is received by the laboratory.

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SECTION 1: SAMPLING TECHNIQUES AND DATA		
Criteria	**Explanation**	**Detail**
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No audits have been undertaken on the drilling to date.

SECTION 2: REPORTING OF EXPLORATION RESULTS		
Criteria	**Explanation**	**Detail**
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	A Preferent Prospecting Right LP002PPR was granted to the Bengwenyama Tribe's investment vehicle, Miracle Upon Miracle Investments (Pty) Ltd in 2015 over the farms Eerstegeluk 322 KT and Nooitverwacht 324 KT. This was renewed in early 2021 and is valid until February 2024. The Right covers all elements of potential economic interest.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The right is valid until February 2024.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Drilling was undertaken by Rustenburg Platinum Mines from 1966 to 1985. Trojan exploration completed drilling on Eerstegeluk between 1990 and 1993. Drilling prior to 1994 was not used as part of this Mineral Resource estimate (MRE) due to the incomplete nature or availability of the drillhole data. Nkwe completed drillholes in 2007–2008. This drilling supports the MRE. Reconnaissance mapping has been completed by previous operators.
Geology	Deposit type, geological setting and style of mineralisation.	The target UG2 and Merensky reefs occur within the Upper Critical Zone of the Rustenburg Layered Suite of the BC. These reefs are laterally continuous for tens to hundreds of kilometres. The UG2 comprises mineralised chromitite, whereas the Merensky Reef is defined as the mineralised pyroxenitic zone between upper and lower chromitite stringers. The BC is the world's largest igneous intrusion and also the largest global repository of PGEs and chromitite. Both reefs are stratiform with relatively minor disruptive structural features and replacement deposits.
Drillhole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes: * easting and northing of the drillhole collar * elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar * dip and azimuth of the hole * down hole length and interception depth * hole length.	Drilling BH ID | Easting | Northing | Elevation | From (m) | To (m) | Drilled Metres | Comment E019 | -86451 | -2736870 | 804 | 0 | 32.42 | 32.42 | Abandoned, stuck drill rods E019a | -86447 | -2736870 | 804 | 0 | 323.77 | 323.77 | EOH, completed E060 | -85837 | -2740292 | 774 | 0 | 128.72 | 128.72 | In Progress E062 | -86184 | -2740002 | 777 | 0 | 120.34 | 120.34 | EOH, completed, extended to UG1 for stratigraphy E062_D1 | -86184 | -2740002 | 759 | 18.30 | 34.92 | 16.62 | Deflection completed, faulted UG2 E062_D2 | -86184 | -2740002 | 764 | 13.30 | 33.00 | 19.7 | Deflection completed, faulted UG2 E058 | -86127 | -2740386 | 777 | 0 | 158.25 | 158.25 | EOH, completed E033 | -85930 | -2737823 | 786 | 0 | 186.58 | 186.58 | In Progress E028 | -86764 | -2736873 | 806 | 0 | 50.23 | 50.23 | In Progress 1036.63 All drillholes were drilled -90 degrees. Reef intersection depths are in table 1 in the body of the press release.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	N/A
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	No updated Mineral Resource or Exploration Target has been completed utilising this new drilling data.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure	No aggregation of data has been done at this stage.

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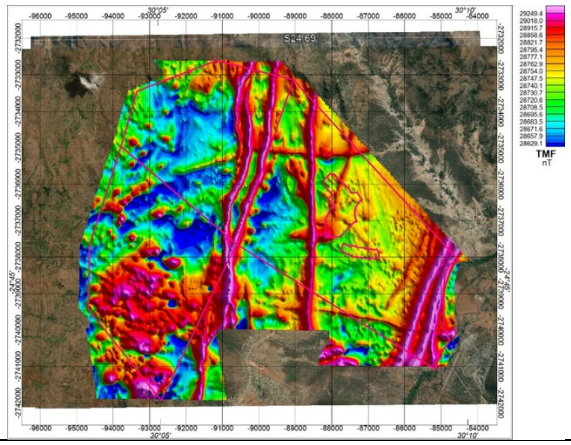
SECTION 2: REPORTING OF EXPLORATION RESULTS		
Criteria	**Explanation**	**Detail**
	used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No assay results have been received to date, thus no grades have been stated – metal equivalent or other.
Relationship between mineralisation widths and intercept lengths	If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	The intersection lengths stated are the downhole lengths. The drillholes are drilled at -90 degrees and the reef dip is expected to be approximately 12 degrees. Therefore, the difference should be minimal.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.	A map of the drillhole positions is included in the press release (figure 4 in the body of the press release). A preliminary stratigraphic column has been completed for the project (figure 3 in the body of the press release). A section has not been included as the larger structural blocks are still being determined with the drilling.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Reef intersection depths for all the drillholes have been reported. No grades have been reported yet as the results have not been received.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	A high-definition helicopter borne Total Magnetic Field (TMF) gradient and gamma-ray spectrometry survey was completed by New Resolution Geophysics (Pty) Ltd (NRG) in January of 2022 which highlighted the major structural features that could be expected. The total line kilometres flown was 1,425 lkm over the farms Eerstegeluk 322 KT and Nooitverwacht 324 KT with the survey being flown at a height between 25 m and 80 m due to the topography and residential areas with an average height of approximately 35 m to 40 m and a line spacing of 50 m. 
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).	This is the start of the drilling programme, and the extent of the drilling programme is shown in the figure in the press release. The total planned drilling meters for phase 1 is approximately 25,000 m.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Diagram included in the press release.