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30 November 2022

Chairman's Address and Managing Director's Presentation to Annual General Meeting

Southern Palladium Limited (ASX Code: SPD and JSE Code: SDL) announces the Chairman's address and the Managing Director's presentation to the Company's Annual General Meeting:

The year 2022 has been a significant year for Southern Palladium as your Board sought to successfully complete the acquisition of the significant Platinum Group Metal ("PGM") Bengwenyama project and finalise all of the formalities required to set up the company and raise $19 million through a simultaneous listing on the Australian Stock Exchange and the Johannesburg Stock Exchange on 8 June 2022.

We were pleasingly supported by leading Australian high net worth institutions and strategic investors. With the current balance sheet, the company is now able to complete an envisaged 2-year exploration programme which is situated on the Eastern Limb of the Bushveld Complex in South Africa. This complex hosts approximately 72% of the worlds PGMs, and the prospecting right is nestled amongst other major platinum and chrome producers.

This would not have been possible without the energy and commitment of your experienced Board and a small management team who have now commenced with the drilling programme and associated scoping and feasibility studies for safely and responsibly developing a PGM underground mine and processing facility in collaboration with our partners, the Bengwenyama community. The Company will continue to build on its relationship with the Bengwenyama Community, a relationship that was established over 16 years ago and that is integral in ensuring the success of this major project.

The project hosts an orebody that is amenable to mining methods and metallurgy that is proven and well understood. The company has initiated a 38,000m drilling programme to increase the confidence level in some of the Inferred Mineral Resource and exploration target areas. This is one of the largest exploration programmes currently underway in South Africa.

Our involvement in this project allows the Company to participate in the renewed interest in PGMs with their unique characteristics in various applications in the sphere of the Green Economy. The important application of platinum, palladium and rhodium in auto catalysts is uniquely used to purify exhaust emissions and will thus continue to play an important role in emission control in the medium term. Stricter emission control standards will require higher loading of PGMs.

The hydrogen fuel cell is also becoming more attractive and is expected to find a niche application in long distance hauling. It is expected that platinum will be the preferred metal of choice as catalyst in fuel cell technology. In turn, platinum and iridium are also used in the production of Green Hydrogen.

In the coming year we look forward to providing you with regular and meaningful updates on exploration drilling progress and results.

Authorised by the Company Secretary.

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SOUTHERN PALLADIUM LIMITED

2022 ANNUAL GENERAL MEETING

MANAGING DIRECTOR PRESENTATION| 30 NOVEMBER 2022 | ASX: SPD | JSE: SDL

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All dollar values are in Australian dollars, unless otherwise stated.

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2022 HIGHLIGHTS

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8 June 2022 : Simultaneous listing on the ASX:SPD and JSE:SDL

IPO raise of AUD$19m, making SPD one of the most well-funded exploration companies on the ASX

Signed Framework and Cooperation Agreement with the Bengwenyama Community

Strong share price performance (+72% from IPO price)

Initial assay results confirmed reef intersection as expected, with strong PGM grades in excess of both the Inferred Mineral Resource and the Exploration Target portion

SHARE PRICE OUTPERFORMANCE - BENCHMARK INDICES

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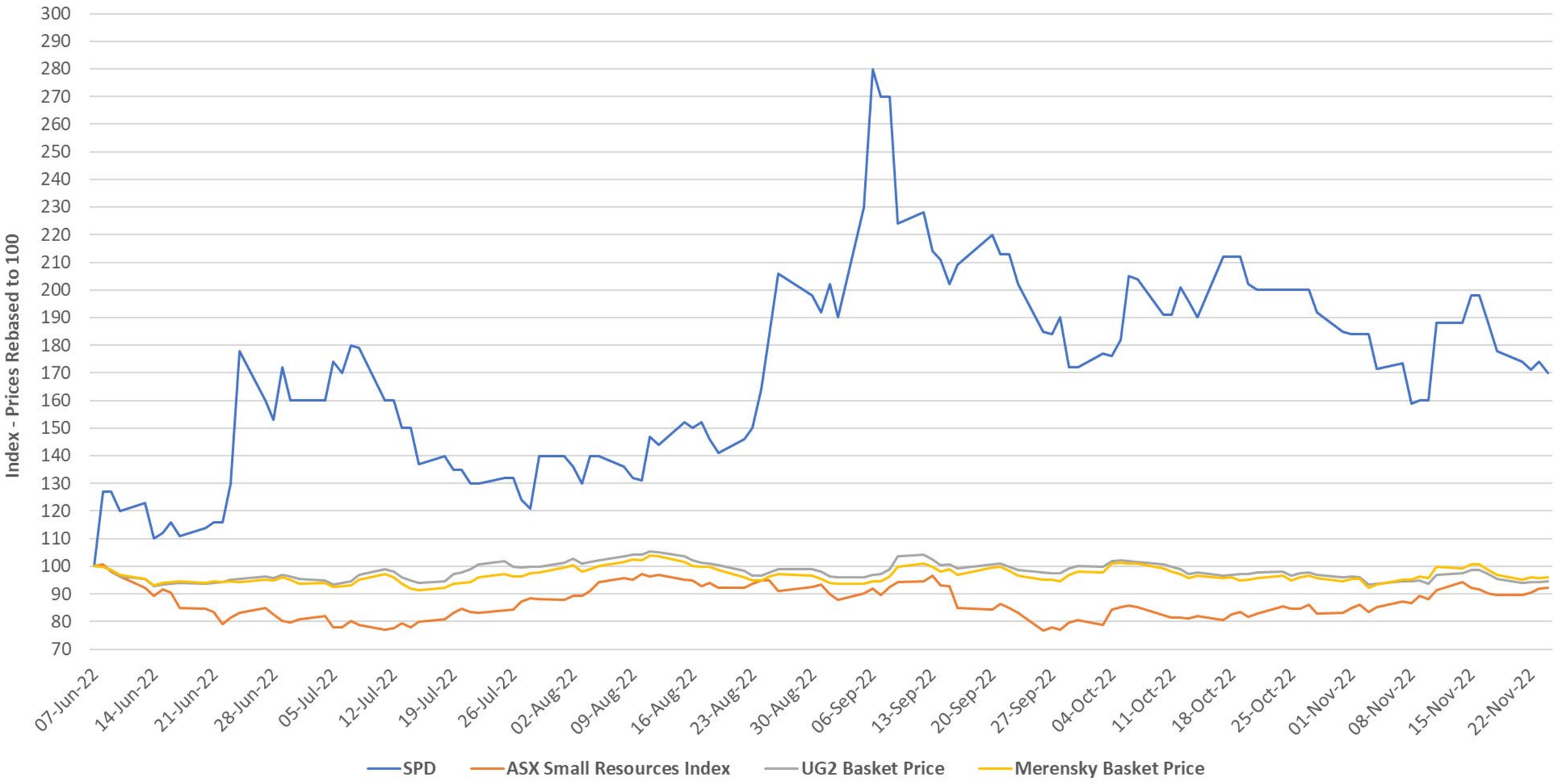

Sources: Johnson Matthey, Kitco, Bloomberg

SOUTHERN PALLADIUM BENGWENYAMA PROJECT

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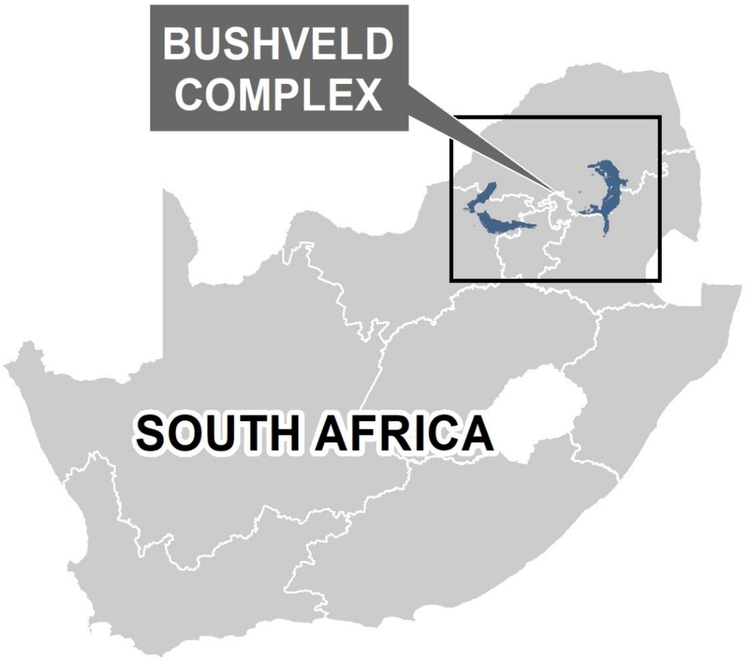
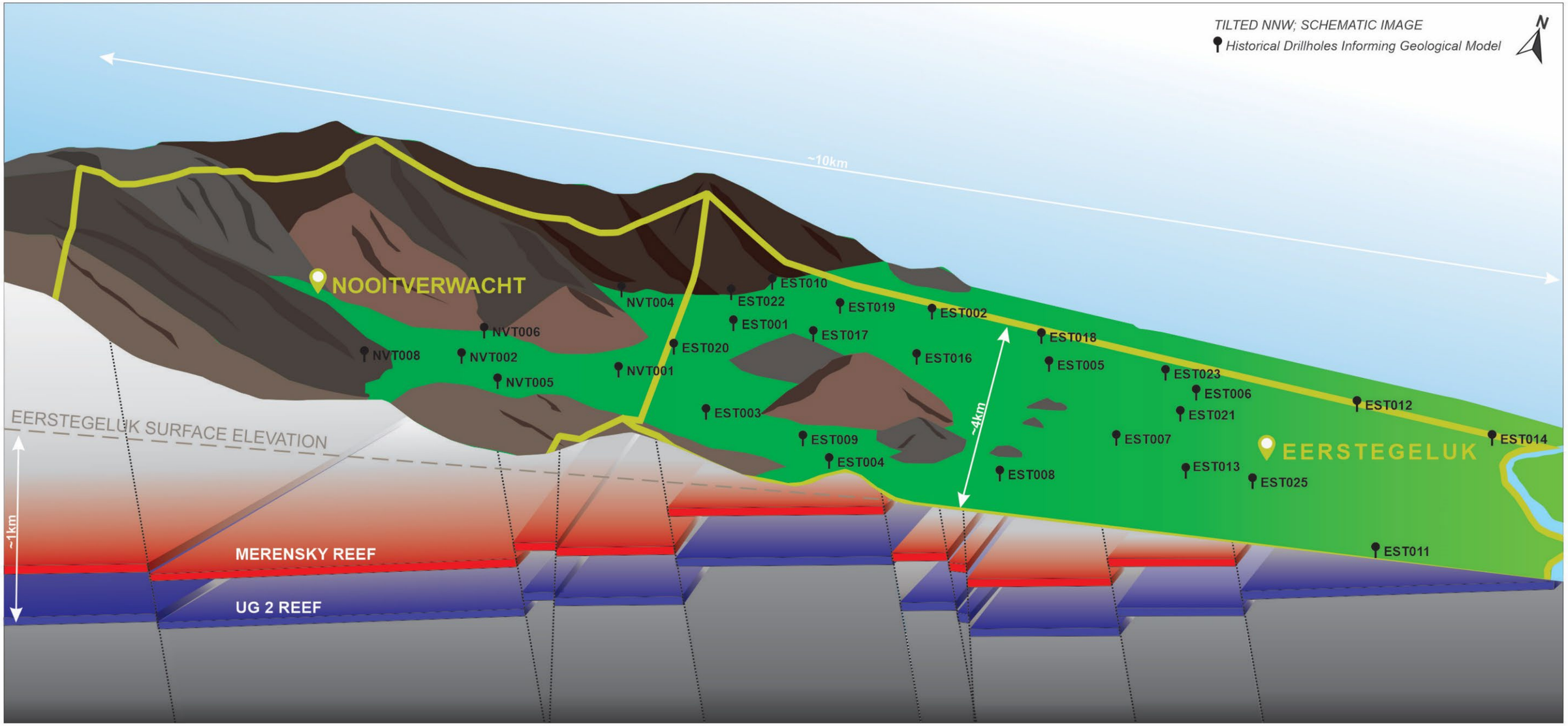
- Shallow, advanced exploration Platinum Group Metals (PGM) project in the heart of the world-renowned Eastern Limb of the Bushveld Complex.
- Bengwenyama Project 100%: Inferred JORC (2012) Resource: 19Moz (3 PGE+Au) | Exploration target: Additional 134–201Mt at 3.5–5.2 (3 PGE + Au g/t)
- Two-year exploration program targeting delivery of a PFS for a significant new mine, followed by the submission of a Mining Right Application
- A single local community strongly supportive of development, with incentives aligned for all stakeholders



Note that the potential quantity and grade of the Exploration Target is conceptual in nature, that there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource

TABULAR OREBODY TARGETING TWO REEFS



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34 - 52 MILLION OUNCE PGE (3PGE+Au) POTENTIAL

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Inferred Resource, (JORC 2012)

Resource classification	Reef	Tonnes (Mt)	3PGE+Au		Reef width (cm)
			g/t	Moz	
Inferred	UG2	33.87	7.70	8.38	71
Inferred	Merensky Reef	110.02	2.96	10.42	191
Total		**143.89**	**4.07**	**18.80**	

Exploration Target, (JORC 2012) (in addition to the Inferred Resource) Target of ~ 15-34 Moz

Category	Reef	Minimum tonnes (Mt)	Maximum tonnes (Mt)	Minimum grade (3PGE+Au g/t)	Maximum grade (3PGE+Au g/t)
Exploration Target	UG2	45	68	5.9	8.9
Exploration Target	Merensky Reef	88	133	2.2	3.4
Total		**134**	**201**	**3.5**	**5.2**

Source: CSA Global, December 2021

FIRST ASSAY RESULTS: DRILLHOLES **E062**, **E058** AND **E019A**

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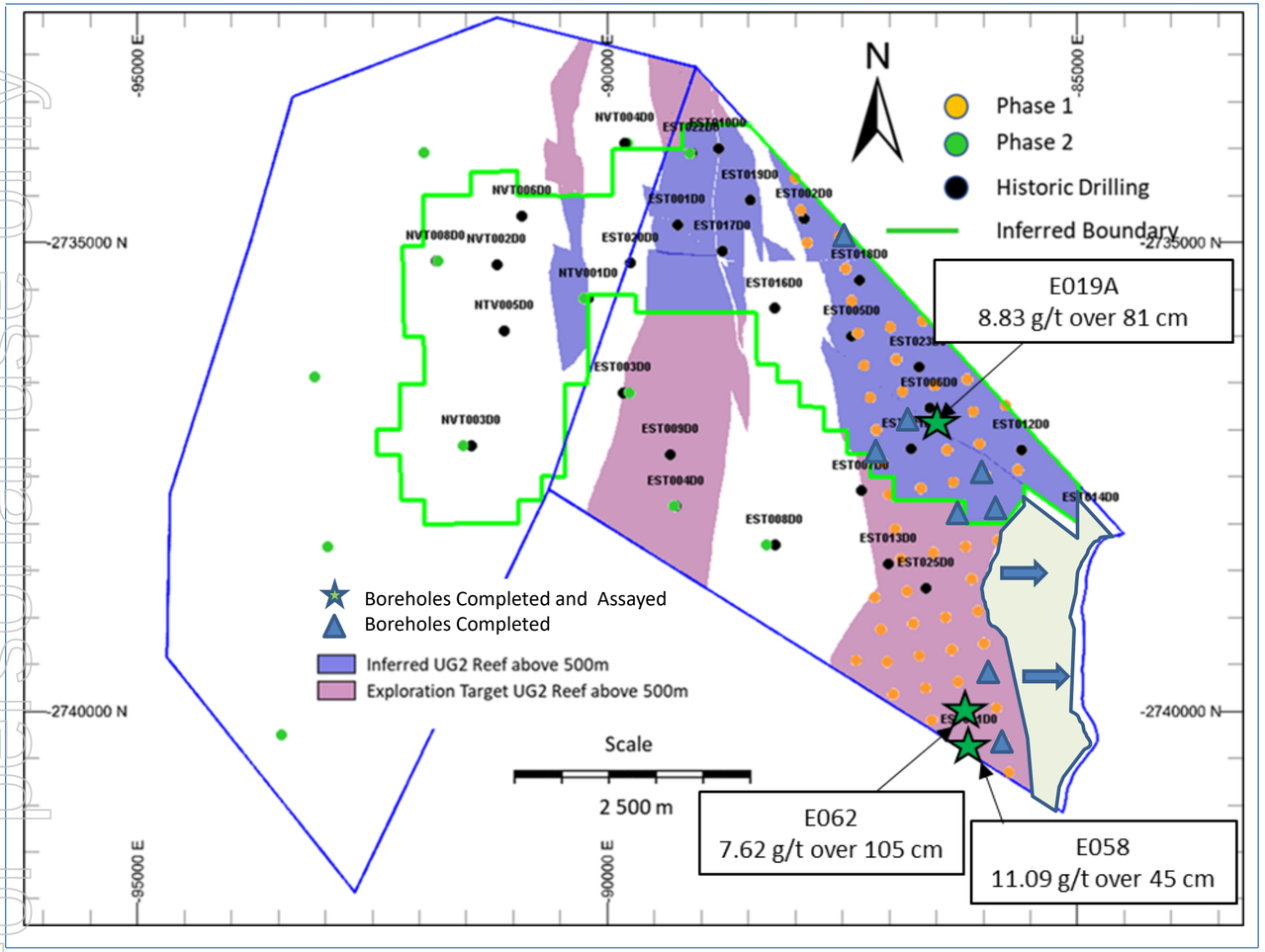
BHID	From (m)	To (m)	UG2 sampled width (cm)	Pt (g/t)	Pd (g/t)	Rh (g/t)	Au (g/t)	4E (g/t)
E062	31.25	32.3	105	3.47	3.33	0.74	0.08	7.62
E058	140.86	141.31	45	4.63	5.37	0.86	0.23	11.09
E019A	315.83	316.64	81	3.97	3.92	0.81	0.13	8.83
Weighted Average			77	3.87	3.94	0.79	0.13	8.73
Prill Split (%)				44.3	45.1	9.1	1.5	100

Table 1. Summary of the First Assay Results for Drillholes E019A, E058 and E062

- **Three drillholes returning a weighted average 4E PGM grade of 8.73 g/t over an average sample width of 77 cm**
- **This is higher than the grade and reef widths set out in the JORC-2012 compliant Inferred Mineral Resource, which has an average reef width of 71 cm and 4E grade of 7.70 g/t**
- **Results are also at the high-end of the UG2 Exploration Target range (5.9 g/t – 8.9 g/t), for an expansion of the Inferred Resource to the south-west of the existing mineralization structure**
- **Prill splits are also as expected, comprising 44.3%: 45.1%: 9.1%:1.5% for Pt: Pd: Rh: Au**

FIRST ASSAY RESULTS: GEOLOGICAL LOCATIONS



Location of first three drillholes which provided initial assay results for both the Inferred UG2 Reef and the Exploration Target UG2 Reef

- UG2 reef intersected within the Inferred Mineral Resource **and** exploration target portion
- Prill split (PGM Ratios) for the UG2 reef confirmed
- Width confirmed, with sample width for first three drill holes of 77cm also higher than the drill width for the Inferred Mineral Estimate of 71cm
- 11 boreholes now completed
- Successful expansion of the drill program in October from the initial cohort of three drill rigs, with five drill rigs now on site
- Drill program on track to increase confidence in the existing orebody, with limited discovery drilling required giving rise to attractive unit economics

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PRELIMINARY PROJECT: STRATIGRAPHIC COLUMN

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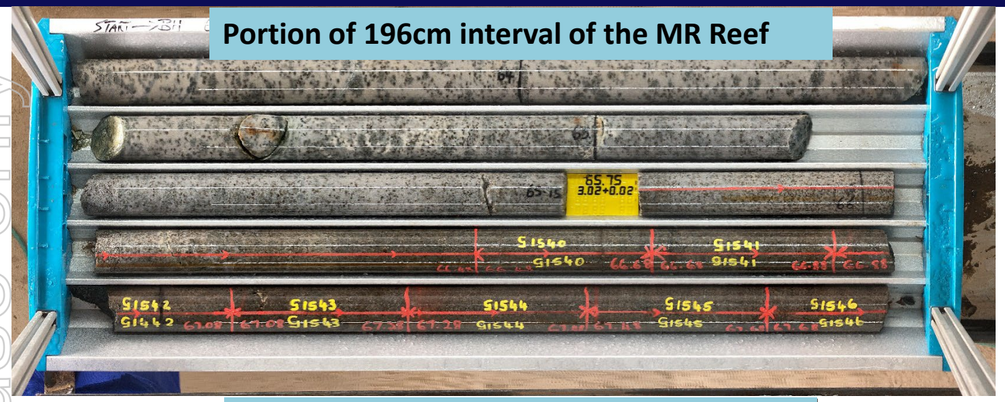

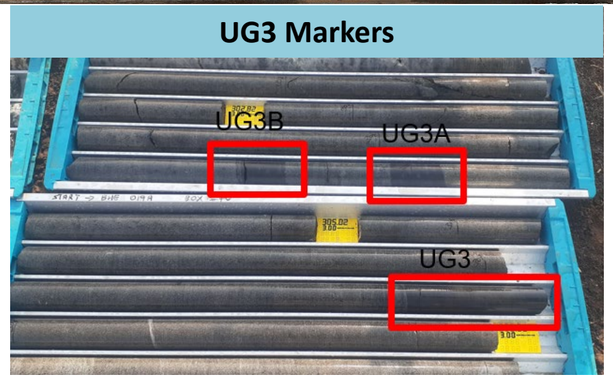

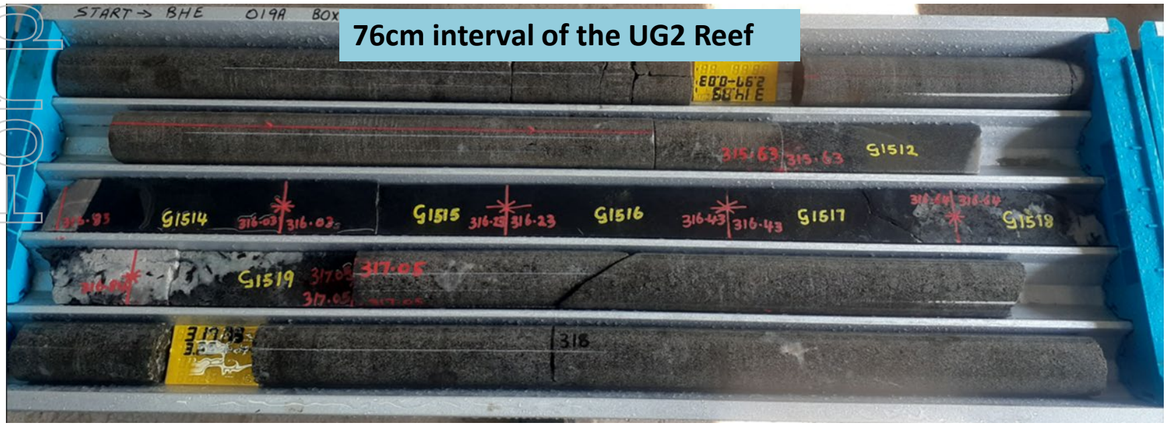

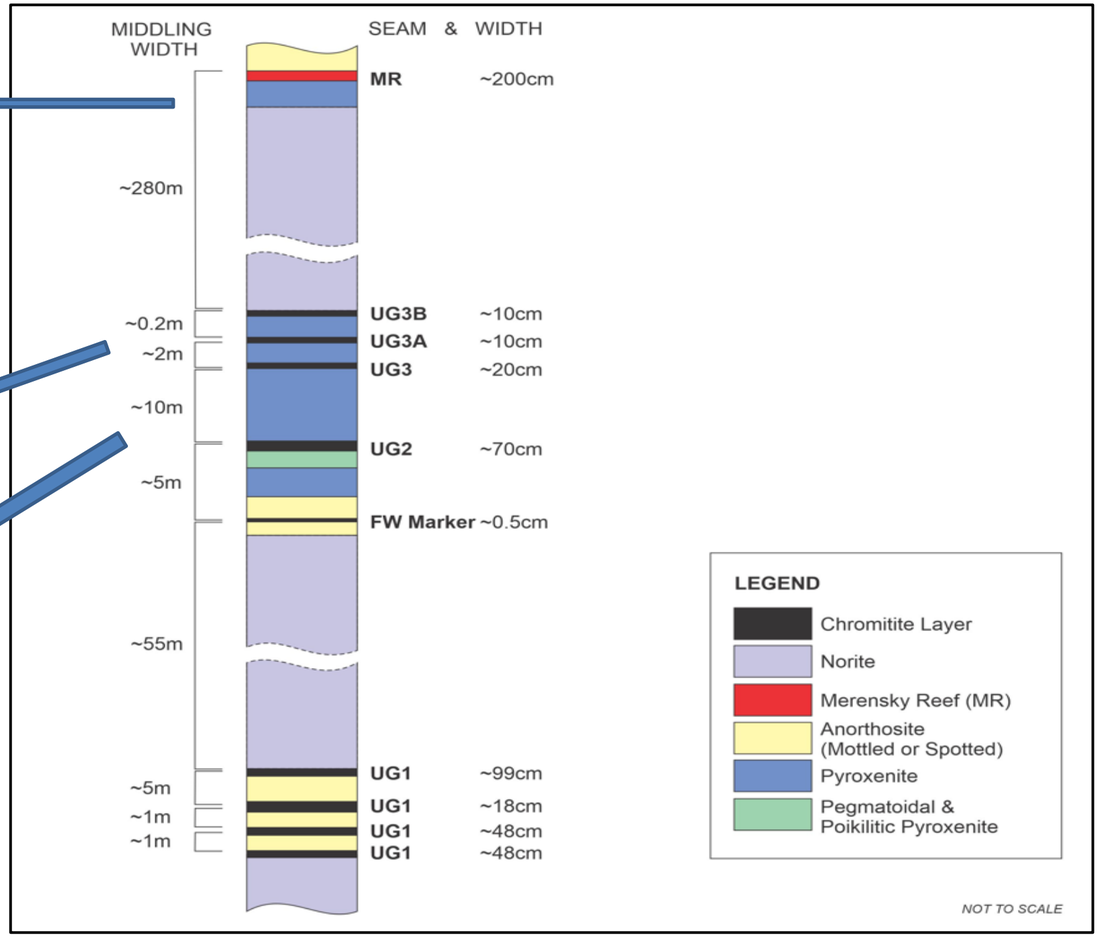

Preliminary Project Stratigraphic Column between the Merensky Reef (MR) and UG1 Chromitite layer

EXPLORATION/PRE-DEVELOPMENT TIMELINE

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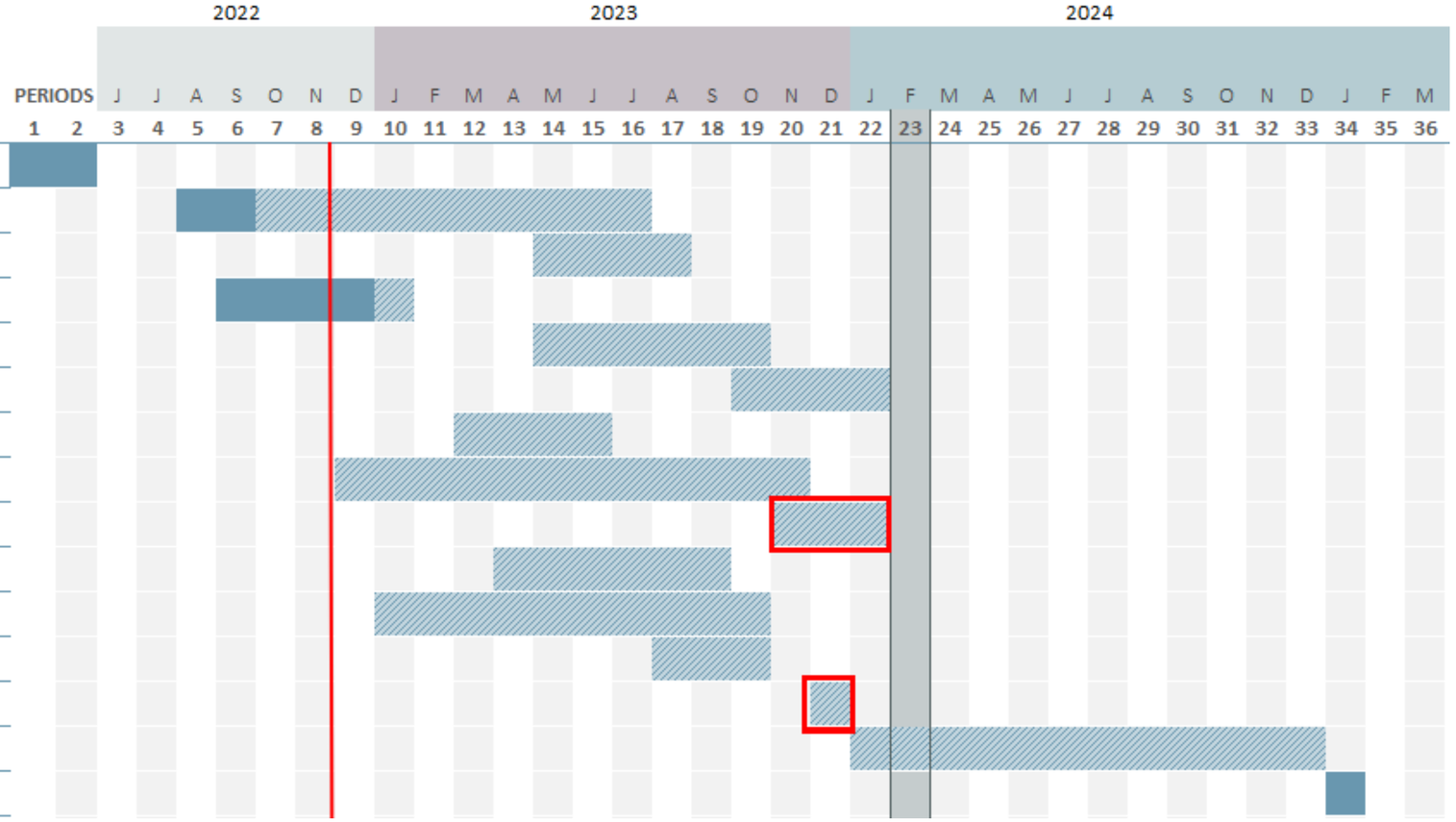
ITEM	ACTIVITY	PLAN START	PLAN DURATION MONTH
1	Geophysics ✓	1	2
2	Ph 1 Shallow Inferred to Indicated Conversion	5	12
3	JORC 2012 Resource Report	14	4
4	Scoping Study ✓	6	5
5	Ph 2 Drilling Program Upgrade of the total Area	14	6
6	Updated JORC 2012 of total Area	19	4
7	Metallurgical testing	12	4
8	Pre-Feasibility Study and Reserve	9	12
9	JORC 2012 Reserve Report	20	3
10	Environmental Studies (Scoping Study)	13	6
11	Social and Labour Plan (Community Studies)	10	10
12	Mining Work Program	17	3
13	Lodgement of Mining Right Application	21	1
14	Specialist Studies	22	12
15	Mining Right Granted	34	1



OUR AIM IS TO DELIVER A RESERVE AND SUBMIT A MINING RIGHT APPLICATION

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1. Complete the Phase 1 Drilling
2. Complete PFS
3. Develop the Social and Labour Plan and Host Community Upliftment Plan
4. Submit a Mining Right Application