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3 February 2023

First Merensky Reef Assay Results

Highlights:

- **Assays received for the initial four Merensky reef intersections return positive results by confirming the presence of PGM mineralisation.**
- **Average Merensky 3PGE + Au grade is 2.30 g/t and 6PGE + Au grade is 2.56 g/t over an average sampled width of 197 cm.**
- **Drill activities recommenced on 12 January after the Christmas break. Five rigs are currently operating on site and better productivity is already being seen, a result of measures taken during late 2022.**
- **A total of 43 Merensky reef samples and 98 UG2 samples (including quality control and footwall samples) were collected and dispatched in late 2022, with results expected shortly.**

Southern Palladium (ASX:SPD and JSE:SDL), 'Southern Palladium' or 'the Company') is pleased to release the initial Merensky reef (MR) grades on the Bengwenyama Platinum Group Metal (PGM) project located on the Eastern Limb of the world class Bushveld Complex, South Africa.

In total, 21 drillholes have now been completed to date (Appendix 1). Of these, the UG2 Reef has been encountered in 18 holes. Two appear to have been faulted out at the expected depth, and in one case the reef was not developed. Of the 21 drillholes, eight were expected to intersect the MR as they were drilled east of the subcrop. Of these, six intersected the MR and two were faulted.

Commenting on these results, Managing Director Johan Odendaal, said:

"We are pleased to report that the first assays for initial four Merensky Reef intersections returned positive results, with confirmation of PGM mineralisation and prill splits (ratio of PGE's and gold) that have a higher platinum-to-palladium ratio when compared to the UG2 reef. The PGM mineralisation observed further supports the conclusions in our recently completed Scoping Study, where the shallower Merensky reef was recommended for potential future development in addition to the UG2 reef (refer ASX Announcement 24 January 2023). The potential inclusion of the MR for economic resource extraction increases the project's broader upside potential, and may significantly extend the life of the mine in the area now earmarked for mining."

Initial Merensky Reef Results

The first Merensky reef assay results for drillholes E004, E028, E030 and E031 have been received from the accredited ALS laboratory in Johannesburg. The composited samples of the MR intersections are shown in Table 1. The average sampled width for the four drillholes is 197 cm with a 3PGE+Au grade of 2.30 g/t and 6PGE+Au grade of 2.56 g/t. This is in line with the reef widths of the compliant inferred Mineral Resource Estimate (MRE) which has an average reef width of 191 cm.

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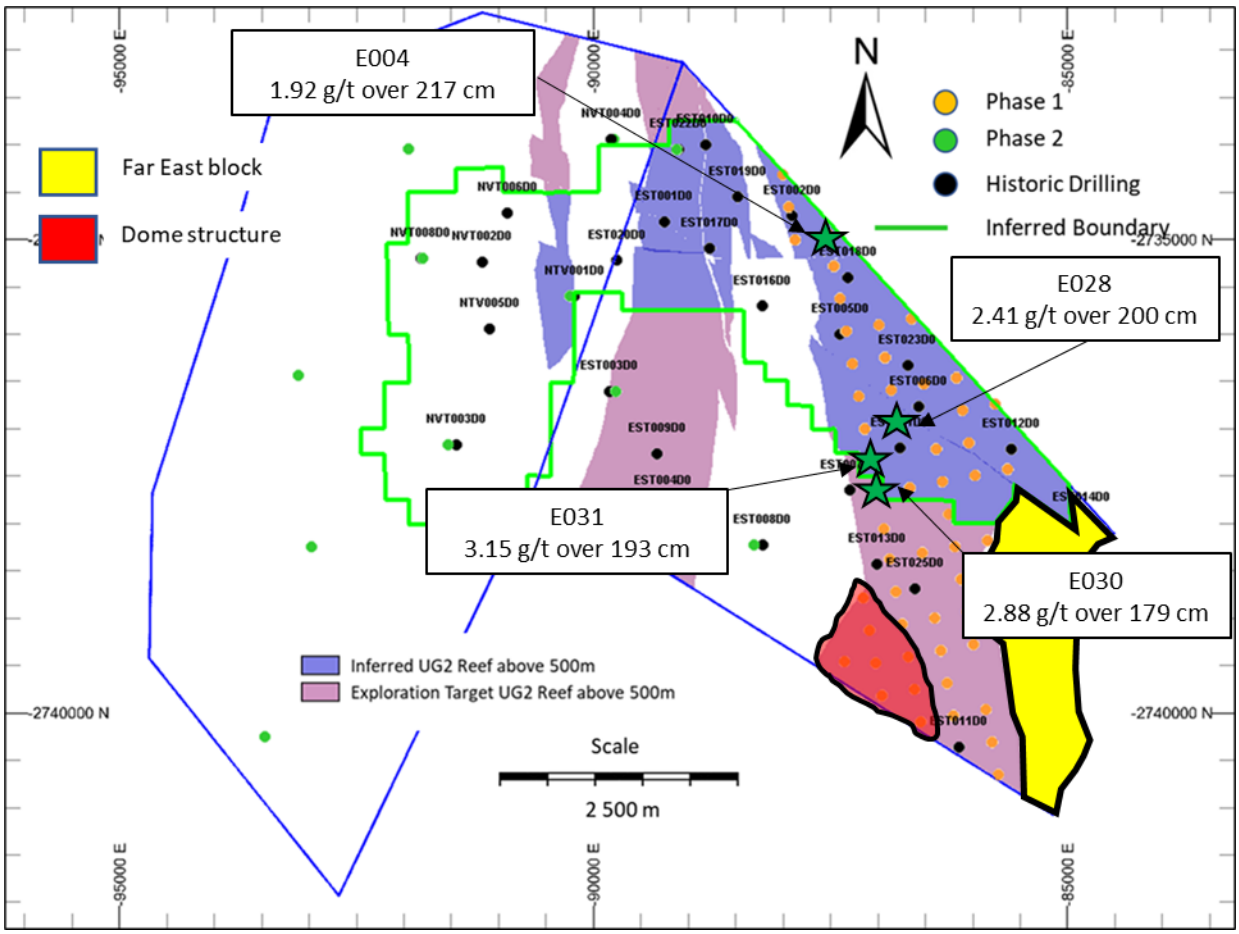
The grade, which has sampled only a small percentage of the lease area, is slightly lower than the inferred MRE of 2.96 g/t.

Drillhole E019A intersected what is believed to be the highly weathered and friable MR, in the shallow oxidised zone, with a 3PGE + Au grade of 0.88 g/t over a sample width of 284 cm and was deemed as non-representative and not included in the table below. The distribution of the initial four MR assay results is shown in Figure 1.

Table 1: Summary of the Initial Merensky Reef Assay Results

BHID	From (m)	To (m)	MR sampled width (cm)	Pt (g/t)	Pd (g/t)	Rh (g/t)	Ir (g/t)	Os (g/t)	Ru (g/t)	Au (g/t)	3PGE+Au (g/t)	6PGE+Au (g/t)	Ni (%)	Cu (%)
E028	66.68	68.68	200	1.49	0.47	0.10	0.03	0.03	0.21	0.08	2.14	2.41	0.09	0.02
E004	210.75	212.92	217	1.15	0.44	0.06	0.02	0.02	0.14	0.07	1.73	1.92	0.10	0.02
E030	142.98	144.77	179	1.66	0.63	0.13	0.04	0.03	0.24	0.15	2.56	2.88	0.13	0.04
E031	122.38	124.31	193	1.69	0.91	0.10	0.03	0.03	0.22	0.16	2.86	3.15	0.14	0.07
Weighted Average			197	1.49	0.61	0.09	0.03	0.03	0.20	0.11	2.30	2.56	0.12	0.04
(3PGE+Au) Prill Split (%)				64.6	26.4	4.1				4.9	100			
(6PGE+Au) Prill Split (%)				58.1	23.7	3.7	1.2	1	7.9	4.4		100		

Figure 1: 6PGE+Au Assay Result Locations for the Initial Merensky Reef Intersections



Merensky Reef

The Merensky pyroxenite (Figure 2), containing potentially exploitable platinum group elements ('PGEs'), is overlain by spotted anorthosite and underlain by leucocratic norite. Mineralisation in the Merensky Reef zone includes patchy pyrrhotite and fine pyrite in the areas immediately adjacent to the top reef contact ("TRC"). In most drillholes, sampling of the Merensky Reef is guided by the presence of two chromitite stringers namely top and a bottom chromitite stringer marker.

These chromitite stringers are approximately 5 mm wide. The bulk of pyroxenite between these markers is usually low grade or totally barren. In drillhole E031 only the top chromitite stringer was developed. Although some disseminated chromitite mineralisation was observed on the drill core, the bottom stringer marker is either poorly developed and not easily discernible or non-existent. The Merensky Reef assay results indicate that the PGE mineralisation is top and bottom loaded.

Figure 2: Photo of the Merensky Reef Intersection (yellow polygons) in Drillhole E031

2023 Drilling Activities

A total of 43 Merensky reef samples and 98 UG2 samples (including quality control and footwall samples) were collected before the December break. These have been dispatched to ALS Chemex South Africa (Pty) Ltd ("ALS") and assay results are expected shortly. The drill contractors and geological staff are back on the project and drilling activities with the five drill rigs are progressing well. Productivity has improved following the implementation of action plans initiated towards the end of 2022, and the last three weeks of production have exceeded the planned meters.

A summary of the reef intersections for the completed drillholes to date is presented in Appendix 1.

UG2 and Merensky Reef Intercepts

In total, 21 drillholes have now been completed to date (Appendix 1). Of these, the UG2 Reef has been encountered in 18 holes, 2 appear to have been faulted out at the expected depth and; in one case the reef was not developed. Of the 21 drillholes, eight were expected to intersect the MR as they were drilled east of the subcrop. Of these, six intersected the MR and two were faulted. The 21 drillholes are spread over the entire resource and target area and have confirmed that the UG2 reef at Bengwenyama is continuous – a key objective of the Phase 1 drill programme.

Drilling is now well underway, and the new boreholes have assisted in getting a better understanding of the orebody. A decision was made to drill in the far east corner (Eastern Resource Block) of the orebody which was previously excluded from the planned Phase 1 drilling programme and resource estimation. Drillholes E064, E065 and E071 have all intersected the UG2 reef and confirms the UG2 reef does continue into the Eastern Resource Block.

Figure 3 provides a summary of boreholes drilled to-date, highlighting boreholes that have been completed and assayed (for both UG2 and Merensky), and boreholes where the UG2 reef has been intercepted with assays pending.

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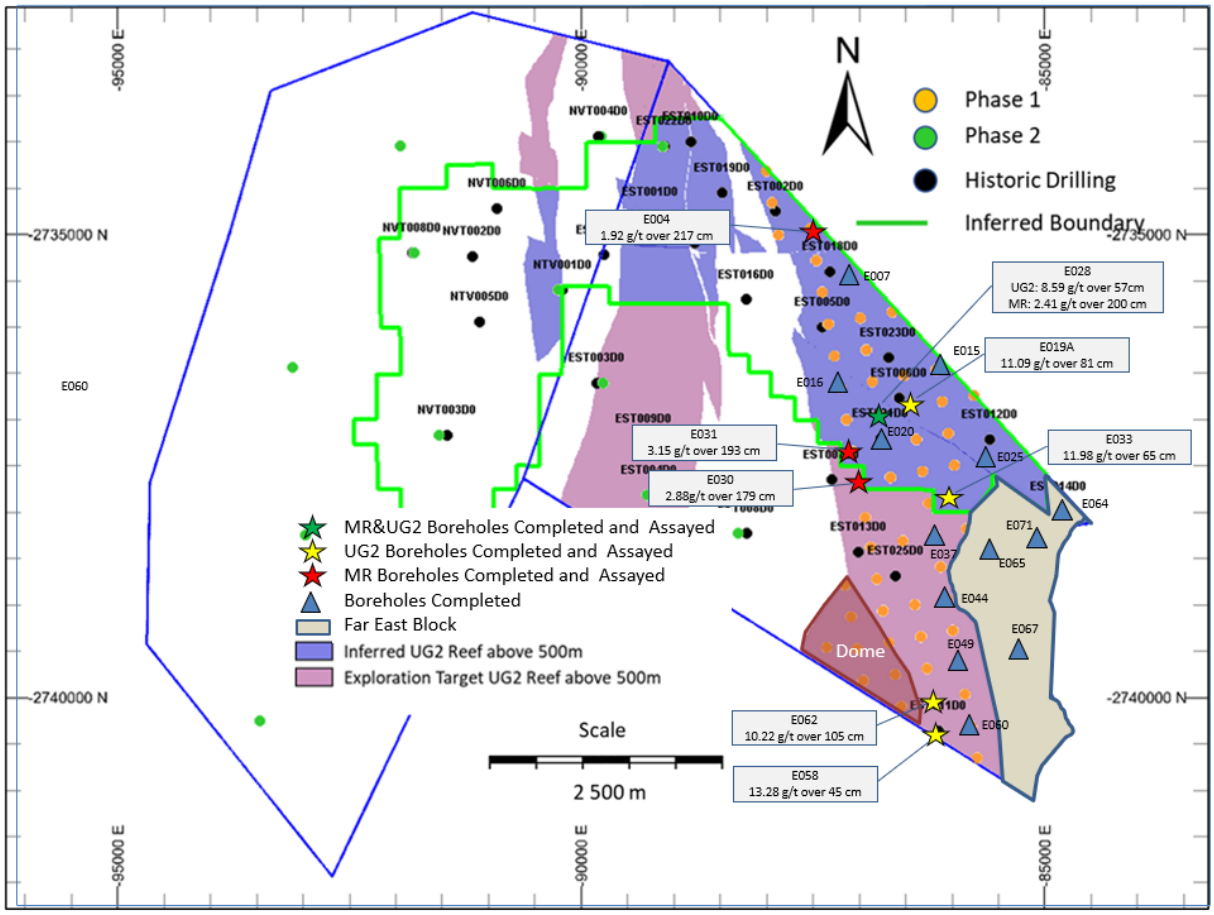
Figure 3: Location of drillholes which provided initial assay results for both the UG2 Reef and the Merensky Reef



Conferences

Southern Palladium will be attending the Mining Indaba and 121 Conferences from 6-9 February 2023.

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

<u>About Southern Palladium:</u>

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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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, FGSSA). 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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Appendix 1. Reef Intersection Summary for Bengwenyama Drillholes

Drilling	Merensky Reef				UG2 Reef			
BH ID	From (m)	To (m)	Intersection Width (m)	Comment	From (m)	To (m)	Intersection Width (m)	Comment
E019	20.25	22.45	2.20	Highly weathered & friable, inconclusive	-	-	-	Hole abandoned
E019A	19.55	22.35	2.80	Highly weathered & friable, inconclusive	315.85	316.61	0.76	Complete intersection
E060	-	-	-	No MR expected – East of MR subcrop	-	-	-	Core loss
E060_D1	-	-	-	No MR expected – East of MR subcrop	178.78	179.29	0.51	Complete intersection
E062	-	-	-	No MR expected – East of MR subcrop	31.27	32.30	1.03	Complete intersection, moderately weathered
E062_D1	-	-	-	No MR expected – East of MR subcrop	31.45	32.27	0.82	Moderately weathered & faulted. Incomplete intersection. Core loss.
E062_D2	-	-	-	No MR expected – East of MR subcrop	31.16	31.56	0.40	Moderately weathered & faulted. Incomplete intersection. Core loss.
E058	-	-	-	No MR expected – East of MR subcrop	140.88	141.29	0.41	Complete intersection
E033	-	-	-	No MR expected – East of MR subcrop	253.62	254.25	0.63	Complete intersection
E028	66.70	68.66	1.96	Complete intersection	373.26	373.79	0.53	Complete intersection
E004	210.77	212.90	2.13	Complete intersection	517.33	517.57	0.24	Poorly developed UG2
E004_D1	-	-	-	Deflection below MR	515.83	516.52	0.69	Poorly developed UG2
E030	143.00	144.68	1.68	Complete intersection	409.55	410.07	0.52	Complete intersection
E025	-	-	-	No MR expected – East of MR subcrop	260.42	261.32	0.90	Complete intersection
E037	-	-	-	No MR expected – East of MR subcrop	-	-	-	Not present / Pothole?
E049	-	-	-	No MR expected – East of MR subcrop	-	-	-	Faulted
E031	122.40	124.29	1.89	Complete intersection	416.57	417.19	0.62	Complete intersection
E044	-	-	-	No MR expected – East of MR subcrop	258.75	259.42	0.67	Complete intersection
E016	-	-	-	Faulted	449.24	450.01	0.77	Complete intersection
E007	100.38	102.54	2.16	Complete intersection	417.42	418.54	1.12	Complete intersection
E064	-	-	-	No MR expected – East of MR subcrop	156.19	157.05	0.86	Complete intersection
E071	-	-	-	No MR expected – East of MR subcrop	180.04	180.73	0.69	Complete intersection
E065	-	-	-	No MR expected – East of MR subcrop	231.81	232.50	0.69	Complete intersection
E015	-	-	-	No MR expected – East of MR subcrop	291.89	292.63	0.74	Complete intersection
E020	54.20	54.57	0.37	MR faulted	342.90	343.56	0.66	Complete intersection

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Appendix 2. 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 Longyear 44. The drill contractor is Geomech Africa.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	Initially the core was 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. The Core recoveries and RQD are then calculated for the drillhole. ScanIT has however been discontinued and the core is now photographed and the core recovery and RQD is calculated manually by the geological assistants.
	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 in Johannesburg, but there is only limited data available at this stage, so this has not been checked yet. The core recoveries for the intersections however all have good core recoveries besides the faulted intersections.
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 was initially scanned into ScanIT software which produced high resolution images. This has however been discontinued. The logging is conducted on paper log sheets or tablets at the core with dropdown menus. Legends have been set up in excel 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 logs.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Core logging is qualitative and utilises excel spreadsheets on tablets.
	The total length and percentage of the relevant intersections logged.	The total drillhole is geologically logged and photographed 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.

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SECTION 1: SAMPLING TECHNIQUES AND DATA		
Criteria	**Explanation**	**Detail**
	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 be 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 model, reading times, calibrations factors applied and their derivation, etc.	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).
	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.
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.	No adjustments have been made to the assayed results.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	The assay results are received from the laboratory in pdf format and excel format. The excel form is imported into the Minxcon excel database. These are checked by the senior geologist. The assay certificates are stored in the project folder.
	The use of twinned holes.	No twinning has been undertaken to date.
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 be surveyed in at a later stage.
	Specification of the grid system used.	The coordinate system used is LO31.

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SECTION 1: SAMPLING TECHNIQUES AND DATA		
Criteria	**Explanation**	**Detail**
	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.
	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 18 of the 21 completed drillholes to date have intersected the UG2 which is confirming the position of the UG2 reef. Of the eight drillholes expected to intersect the MR six have intersected the reef and two have been faulted.
	Whether sample compositing has been applied.	The 20cm (or larger) samples are composited to obtain the weighted average of the entire intersection.
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 material.	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.
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

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SECTION 2: REPORTING OF EXPLORATION RESULTS		
Criteria	**Explanation**	**Detail**
		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 All drillholes were drilled -90 degrees. Reef intersection depths are in appendix 1 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 used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	No aggregation of data has been done at this stage.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent has been reported.
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 previous press releases. A preliminary stratigraphic column has been completed for the project (previous press releases). 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 in the table below.

Drilling

BH ID	Date Started	Date Completed	Easting	Northing	Elevation	From (m)	To (m)	Drilled Metres	Comment
E019	23-Aug-22	05-Sep-22	-86451	-2736870	804	0.00	32.42	32.42	Abandoned, stuck drill rods
E019a	06-Sep-22	05-Oct-22	-86447	-2736870	804	0.00	323.77	323.77	EOH, completed
E060	26-Aug-22	19-Oct-22	-85837	-2740292	774	0.00	206.72	206.72	EOH, completed
E060_D1	23-Nov-22	28-Nov-22	-85837	-2740292	635	139.00	185.53	46.53	EOH, completed
E062	26-Aug-22	02-Sep-22	-86184	-2740002	777	0.00	120.34	120.34	EOH, completed, extended to UG1 for stratigraphy
E062_D1	07-Sep-22	08-Sep-22	-86184	-2740002	759	18.30	34.92	16.62	Deflection completed, faulted UG2
E062_D2	09-Sep-22	10-Sep-22	-86184	-2740002	764	13.30	33.00	19.70	Deflection completed, faulted UG2
E058	12-Sep-22	05-Oct-22	-86127	-2740386	777	0.00	158.25	158.25	EOH, completed
E033	07-Sep-22	15-Oct-22	-85930	-2737823	786	0.00	261.58	261.58	EOH, completed
E028	07-Oct-22	24-Oct-22	-86764	-2736873	806	0.00	383.75	383.75	EOH, completed
E004	14-Oct-22	15-Nov-22	-87547	-2734952	839	0.00	524.50	524.50	EOH, completed
E004_D1	19-Nov-22	24-Nov-22	-87547	-2734952	382	457.00	518.75	61.75	Deflection completed
E030	26-Oct-22	05-Dec-22	-87118	-2737704	801	0.00	413.75	413.75	EOH, completed
E025	18-Oct-22	09-Nov-22	-85963	-2737487	796	0.00	267.58	267.58	EOH, completed
E037	13-Oct-22	02-Nov-22	-86264	-2738274	776	0.00	282.45	282.45	EOH, completed
E049	21-Oct-22	19-Nov-22	-85949	-2739599	771	0.00	322.75	322.75	EOH, completed, extended to UG1 for stratigraphy
E031	07-Nov-22	22-Nov-22	-87054	-2737306	802	0.00	423.22	423.22	EOH, completed
E044	12-Nov-22	14-Dec-22	-86400	-2739001	775	0.00	123.70	263.73	EOH, completed
E016	28-Nov-22	14-Dec-22	-87174	-2736679	815	0.00	325.68	454.68	EOH, completed
E007	28-Nov-22	10-Dec-22	-87014	-2735562	826	0.00	353.80	422.80	EOH, completed
E064	29-Nov-22	06-Dec-22	-84845	-2738001	750	0.00	166.40	166.40	EOH, completed
E071	07-Dec-22	12-Dec-22	-85047	-2738333	750	0.00	53.80	188.80	EOH, completed
E065	08-Dec-22	15-Dec-22	-85571	-2738426	764	0.00	27.04	239.75	EOH, completed
								5601.84	

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SECTION 2: REPORTING OF EXPLORATION RESULTS

Criteria	Explanation	Detail

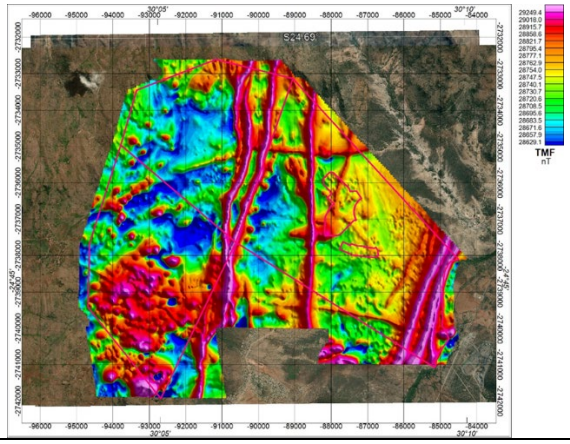
Drilling	Merensky Reef				UG2 Reef			
BH ID	From (m)	To (m)	Intersection Width (m)	Comment	From (m)	To (m)	Intersection Width (m)	Comment
E019	20.25	22.45	2.20	Highly weathered & friable, inconclusive	-	-	-	Hole stopped short
E019a	19.55	22.35	2.80	Highly weathered & friable, inconclusive	315.85	316.61	0.76	Complete intersection
E060	-	-	-	No MR expected - East of MR subcrop	-	-	-	Core loss
E060_D1	-	-	-	No MR expected - East of MR subcrop	178.78	179.29	0.51	Complete intersection
E062	-	-	-	No MR expected - East of MR subcrop	31.27	32.30	1.03	Complete intersection, moderately weathered
E062_D1	-	-	-	No MR expected - East of MR subcrop	31.45	32.27	0.82	Moderately weathered & faulted. Incomplete intersection. Core loss.
E062_D2	-	-	-	No MR expected - East of MR subcrop	31.16	31.56	0.40	Moderately weathered & faulted. Incomplete intersection. Core loss.
E058	-	-	-	No MR expected - East of MR subcrop	140.88	141.29	0.41	Complete intersection
E033	-	-	-	No MR expected - East of MR subcrop	253.62	254.25	0.63	Complete intersection
E028	66.70	68.66	1.96	Complete intersection	373.26	373.79	0.53	Complete intersection
E004	210.77	212.90	2.13	Complete intersection	517.33	517.57	0.24	Poorly developed UG2
E004_D1	-	-	-	Deflection below MR	515.83	516.52	0.69	Poorly developed UG2
E030	143.00	144.68	1.68	Complete intersection	409.55	410.07	0.52	Complete intersection
E025	-	-	-	No MR expected - East of MR subcrop	260.42	261.32	0.90	Complete intersection
E037	-	-	-	No MR expected - East of MR subcrop	-	-	-	Not present / Pothole?
E049	-	-	-	No MR expected - East of MR subcrop	-	-	-	Faulted
E031	122.40	124.29	1.89	Complete intersection	416.57	417.19	0.62	Complete intersection
E044	-	-	-	No MR expected - East of MR subcrop	258.75	259.42	0.67	Complete intersection
E016	-	-	-	Faulted	449.24	450.01	0.77	Complete intersection
E007	100.38	102.54	2.16	Complete intersection	417.42	418.54	1.12	Complete intersection
E064	-	-	-	No MR expected - East of MR subcrop	156.19	157.05	0.86	Complete intersection
E071	-	-	-	No MR expected - East of MR subcrop	180.04	180.73	0.69	Complete intersection
E065	-	-	-	No MR expected - East of MR subcrop	231.81	232.50	0.69	Complete intersection

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.

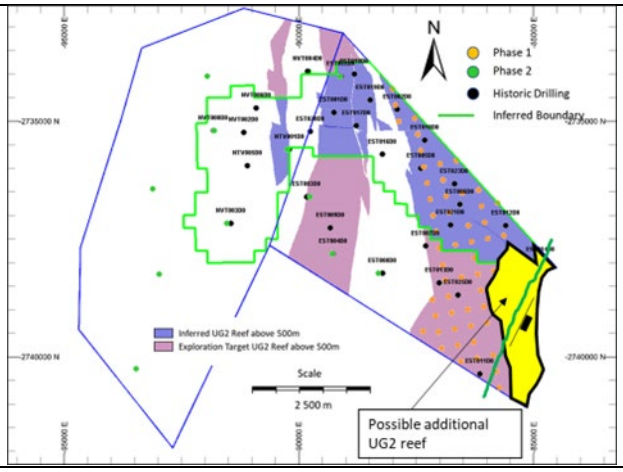
A high-definition helicopter borne Total Magnetic Field (TMF) gradient and gamma-ray spectrometry survey was completed by New Resolution Geophysics (Pty) Ltd (NRG) in January of 2022 which highlighted the major structural features that could be expected.

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 previous press releases. 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.