



Southern Palladium Limited
Incorporated in the Commonwealth of Australia
Australian Company Number 646 391 899
JSE share code: SDL
("Southern Palladium" or "the Company")

**ABRIDGED PROSPECTUS AND PRE-LISTING STATEMENT:
SECONDARY LISTING OF SOUTHERN PALLADIUM ON THE MAIN BOARD OF THE JSE LIMITED**

NOT FOR PUBLICATION, DISTRIBUTION OR RELEASE, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION

This abridged prospectus and pre-listing statement (**Abridged Prospectus**) has been prepared in accordance with the Corporations Act 2001 (Cth) (**Corporations Act**), the listing rules of the Australian Securities Exchange (**ASX**) (**Listing Rules**) and the listings requirements of the securities exchange operated by the JSE Limited (**JSE**) (**JSE Listings Requirements**), for the admission of all of the issued and to be issued ordinary shares of the Company (the **Shares**), to the official list of the ASX as a primary listing and to the "Platinum and Precious Metals" sector on the Main Board of the JSE as a secondary (or inward) listing (collectively, the **Listings**), with effect from the commencement of trading on Wednesday, 25 May 2022 on both the ASX and the JSE, subject to the conditions as stipulated in paragraph 5 below.

The information in this Abridged Prospectus has been extracted, in summarised form, from the full combined prospectus and pre-listing statement published by the Company on Friday, 22 April 2022 (the **Prospectus and Pre-Listing Statement**). The Prospectus and Pre-Listing Statement is available at <https://www.southernpalladium.com>. This Abridged Prospectus is not comprehensive and does not contain all of the information that investors should consider in relation to the Listings.

The Prospectus and Pre-Listing Statement is issued for the purposes of providing information to the public regarding Southern Palladium and to provide information regarding the initial public offer of between 34 million New Shares and 38 million New Shares by Southern Palladium in Australia at an issue price of A\$0.50 per Share to raise a minimum of A\$17 million and maximum of A\$19 million (the **Offer**).

The Prospectus and Pre-Listing Statement, which is issued in compliance with the JSE Listings Requirements, does not constitute an offer for the sale of or subscription for, or the solicitation of an offer to buy and to subscribe for, Shares to the public in South Africa, as defined in the South African Companies Act, 2008 (**South African Companies Act**) and will not be made or distributed, as applicable, to any person in South Africa in any manner which could be construed as an offer to the public in terms of the South African Companies Act.

Capitalised words and expressions used in this Abridged Prospectus shall, unless expressly defined herein or indicated otherwise by the context, bear the meanings given to them in the Prospectus and Pre-Listing Statement.

1. INCORPORATION AND HISTORY OF SOUTHERN PALLADIUM

The Company is a public company limited by shares, incorporated in Australia and registered in New South Wales under the provisions of the Corporations Act on 4 December 2020, with the name "*Southern Palladium Limited*" and ACN 646 391 899. The Company is domiciled in Australia.

The Company intends to be engaged in advanced stage platinum group minerals exploration and development through its proposed acquisition of a 70% interest in a South African private company,

Miracle Upon Miracle Investments Proprietary Limited (**MUM**) (**Acquisition**), which Acquisition will be completed immediately prior to the Listing. The remaining 30% of MUM will remain held by a company, Nurinox Investments Proprietary Limited ("**Nurinox**"), wholly-owned by the Bengwenyama-ya-Maswazi community, being the community resident on and around the farms Eerstegeluk 327KT (previously known as Eerstegeluk 322KT) (**Eerstegeluk**) and Nooitverwacht 324KT (**Nooitverwacht**) in Limpopo Province, South Africa ("**Bengwenyama Community**"). MUM holds 100% of the preferent prospecting right relating to the Bengwenyama platinum group metals (**PGMs**) project, located in the heart of the Eastern Limb of the Bushveld Complex in South Africa (**Project** or **Bengwenyama Project**).

All of the previous MUM shareholders will, upon implementation of the Acquisition, become Shareholders in the Company and, in the case of Nurinox, will be both a Shareholder in the Company and will retain a 30% direct interest in MUM.

The Company was formed specifically to undertake the Acquisition.

The Directors believe that the Company provides a suitable platform both to raise the necessary financial resources and to provide and/or procure the necessary technical resources required to advance the Project in partnership with the Bengwenyama Community.

The Directors believe that the Project has merit and that the planned exploration program set out in Section 4 of the Prospectus and Pre-Listing Statement is based on reasonable assumptions. The Board and Management have a proven track record in the minerals industry and in PGMs, comprising platinum, palladium, rhodium, ruthenium, iridium and osmium.

The Company does not intend to hold any other interests in any other projects, and other than the 70% interest in MUM to be acquired immediately prior to the Listing, has conducted no other business and has no operations in Australia or elsewhere.

2. NATURE OF THE BUSINESS OF MUM AND PROSPECTS

MUM holds 100% of a preferent prospecting right issued under section 104 of the South African Minerals and Petroleum Resources Development Act, 2002 (**Prospecting Right**) over the farms, Eerstegeluk and Nooitverwacht, located near the town of Steelpoort, in the Limpopo Province of South Africa (**Properties**). The Prospecting Right was granted for an initial period of five years and was subsequently renewed on 13 February 2021 for a further period of three years ending on 12 February 2024. The Prospecting Right permits MUM to explore for platinum, palladium, rhodium, ruthenium, osmium, iridium, gold, copper, nickel, chrome, cobalt and silver.

The Project is an advanced stage exploration project focussed on PGM mineralisation on the Properties which are located south of the Anglo Platinum Modikwa property. Two economic reefs – the Merensky and UG2 reefs – occur on the Properties, which extend from surface to a depth of 1,100m over a distance of 10km. Both these reefs are primary economic deposits exploited by other platinum mining companies for PGMs and base metals.

A recent compliant (JORC Code 2012) Inferred Mineral Resource (CSA Global, effective date 1 July 2021) of 18.80 Moz 3PGE+Au has been estimated for the Project. Based on the volume, grade and depth of the reefs, and the similarity with other projects and operations in the area and other parts of the Bushveld Complex, the Mineral Resource is deemed to have reasonable prospects for eventual economic extraction. Based on the Exploration Target ranges, over and above the Inferred Mineral Resource, the project also has additional upside potential with an additional 134-201 Mt at 3.5-5.2 g/t 3PGE+Au in Exploration Target.

A dual phase drilling programme for some 38,000m and study work are planned with the aim to upgrade the Mineral Resource classification in areas where the UG2 occurs at less than 500m below surface. In addition, the conversion of existing Exploration Target material to Inferred Mineral Resources, is earmarked. This planned upgrade of the shallower portions of the UG2 will facilitate downstream economic studies and possibly the conversion of Mineral Resources to Ore Reserves, potentially culminating in the submission of a mining right application. The progression of Mineral Resources to increasing levels of confidence is dependent on the outcome of infill drilling. Mobilisation onto the property will commence within a month following the Listing and drilling soon thereafter.

The Independent Technical Assessment Report (**ITAR**) which describes the geology, Mineral Resources and prospectivity (inclusive of Exploration Targets) of the Bengwenyama Project is incorporated in the Prospectus and Pre-Listing Statement.

The competent person responsible for the Mineral Resources of MUM is Mr Anton Geldenhuys, a Principal Consultant and employee of CSA Global Proprietary Limited, being the Independent Geologist of the Company, and has approved in writing the relevant information set out in this Abridged Prospectus.

3. RATIONALE FOR THE OFFER AND LISTING

The purpose and strategy of the Company is to bring the necessary financial and technical resources to MUM and, in partnership with the Bengwenyama Community, to advance the Project.

The Offer, which will raise between A\$17 million and A\$19 million, is expected to generate future opportunities for the development of the Company, including:

- providing the Company with funding to finance MUM's exploration program and fund working capital and other operational expenses, including the costs associated with operating the Company's business and the Listings;
- providing the Company with a liquid market for its Shares and an opportunity for others to invest in the Shares;
- providing the Company with the benefits that flow from being a listed company on the ASX and the JSE; and
- providing an environment for the Company to potentially access further capital for future funding needs.

4. DETAILS OF THE SHARE CAPITAL AND OFFER

As at the date of this Abridged Prospectus, the Company has 6,250,000 Shares on issue and will issue 45,500,000 Shares to the MUM vendors on completion of the Acquisition immediately prior to the Listing.

The Offer is made on the terms, and is subject to the conditions, as set out in the Prospectus and Pre-Listing Statement.

Without limiting the above, the Offer and the Prospectus and Pre-Listing Statement do not constitute an offer for the sale of, or subscription for, or the solicitation of an offer to buy and to subscribe for, New Shares to the public in South Africa, as defined in the South African Companies Act and will not be made or distributed, as applicable, to any person in South Africa in any manner which could be construed as an offer to the public in terms of the South African Companies Act.

All New Shares issued under the Offer will rank equally in all respects with existing Shares on issue.

5. CONDITIONS TO THE SECONDARY LISTING

The Company has applied to the JSE for its securities to be admitted to trading in the "Platinum and Precious Metals" sector of the Main Board of the JSE as a secondary (or inward) listing under the abbreviated name "**South Pd**" and share code "**SDL**".

Such listing is conditional on the Company satisfying the requirements of the JSE for such listing, including that the ASX has granted a primary listing of the Shares on the ASX.

When admitted to trading on the ASX and the JSE, the Shares will be registered with an ISIN to be issued by the ASX.

The Company's free float at the time of listing will not be less than 20%. Furthermore, the Company has satisfied the requirements of the JSE Listings Requirements regarding the spread of its Shareholders, including that: (i) there is sufficient liquidity in respect of the Shares held on the South African branch register; and (ii) not less than 20% of the Shares of the issued ordinary share capital of the Company is held by the public, in each case, at the point of listing on the JSE.

6. BOARD OF DIRECTORS

The Directors of the Company are set out below.

<p>Terence Goodlace (appointed 29 March 2021) <i>Independent Non-executive Chairman</i></p>	<p>Terence Goodlace has a mining career spanning more than 40 years and holds MBA (Wales) and BCom (UNISA) degrees. He holds a Mine Managers Certificate of Competency and a National Higher Diploma, both in metalliferous mining. He spent 28 years at Gold Fields Limited in various roles from being a miner to becoming the Chief Operating Officer. He spent three years as the Chief Executive Officer of Metorex Limited and served on the Impala Platinum Holdings Limited board for two years as an independent non-executive director and four and a half years as the Chief Executive Officer. He has significant experience in leading underground and open-pit operations in Africa, South America and Australia. Mr Goodlace is currently the independent non-executive chairman of Kumba Iron Ore Limited, and an independent non-executive director at Gold Fields Limited and AfriTin Mining Limited.</p>
<p>Nicolaas Johannes (Johan) Odendaal (appointed 27 May 2021) <i>Non-independent Non-executive Director; Managing Director from completion of the Acquisition</i></p>	<p>Johan Odendaal is a Mineral Economist and holds a B.Sc. degree in Geology, a B.Sc. Hons degree in Mineral Economics and a M.Sc. degree in Mining Engineering. Mr Odendaal is director and co-founder of mining consulting firm Minxcon Proprietary Limited (2005) and has 36 years' experience in the mining and financial industry. This includes 19 years as an independent mining consultant and 12 years as a financial analyst involved in mine-financial analysis and valuations and corporate advisory. He headed mining research at a leading South African broking firm and spent several years at Merrill Lynch as Vice President. Mr Odendaal is currently the Chief Executive Officer of MUM.</p>
<p>Geoffrey Hiller (appointed 4 December 2020) <i>Independent Non-executive Director</i></p>	<p>Geoff Hiller is mining/civil engineer with over 25 years of mining industry experience including exploration, feasibility, financing, development and construction of projects. Mr Hiller holds a Bachelor of Engineering Mining (Hons) from the University of Melbourne, a Bachelor of Civil Engineering (Hons) from the University of Sydney and MBA from the Australian Graduate School of Management (University of New South Wales). Mr Hiller has worked in engineering consulting, merchant banking, metals trading and at mining companies. He is currently the executive director of Pacific Nickel Mines Limited and a non-executive director of Austpac Resources NL.</p>
<p>Michael (Mike) Stirzaker (appointed 4 December 2020) <i>Independent Non-executive Director</i></p>	<p>Mike Stirzaker has a B.Com (University of Cape Town) and qualified as a Chartered Accountant (Australia) whilst working with KPMG. He has over 40 years' commercial experience, mainly in mining finance and mining investment with various companies including being Joint Managing Director of boutique resource adviser, RFC Group Limited, a partner of Tennant Metals, Finance Director of Finders Resources Limited, and from 2010 to 2019 was a partner at the private equity mining fund manager, Pacific Road Capital. Mr Stirzaker is currently the independent non-executive chairman of Base Resources Limited and Akora Resources Limited, and a non-executive director of Firestone Diamonds PLC.</p>

<p>Robert Thomson (appointed 4 December 2020) <i>Independent Non-executive Director</i></p>	<p>Robert Thomson has a 40 year mining career, including CEO/Executive Director and GM/Project Director roles building and commercialising junior company gold and base metals exploration projects into significant mining operations and businesses (e.g. Sepon, Chatree, Didipio, Wetar). From 2016 to 2021 he was Managing Director then non-executive director for South Africa focussed Theta Gold Mines Limited. He has a Bachelor of Engineering (Mining) from the University of Queensland, an MBA from the University of Wollongong and is a Fellow of the Australasian Institute of Mining and Metallurgical Engineers. Currently he is an independent non-executive director of Pacific Nickel Mines Limited and Bayrock Resources Limited.</p>
<p>Daniel (Daan) van Heerden (appointed 27 May 2021) <i>Non-independent Non-executive Director</i></p>	<p>Daan van Heerden holds a M.Com., a B.Eng Mining Engineering and has a Mine Managers Certificate from the SA Chamber of Mines. He has over 30 years' experience in the mining industry and has obtained significant experience in managing mining operations in South Africa and abroad, both underground and open cast, for world-class major mining companies and for junior mining companies. He was responsible for new business development for two major mining companies and has experience in mining mergers and acquisitions. He is currently heading the Mining Engineering division of Minxcon, where he is involved in activities such as valuation, due diligence, finance structuring, change management required post the event, feasibility studies, life of mine plans, technical reviews and writing of technical reports for various commodities.</p>

The business addresses of the Directors are, in terms of:

- Terence Goodlace: 20A Ormonde Street, Bryanston, Johannesburg, South Africa;
- Geoffrey Hiller, Mike Stirzaker and Robert Thomson: Level 1, 283 George Street, Sydney, NSW 2000, Australia; and
- Johan Odendaal and Daan van Heerden: Suite 5, Coldstream Office Park, 2 Coldstream Street, Little Falls, Roodepoort, South Africa.

Geoffrey Hiller is an Australian citizen, Robert Thomson is a New Zealand citizen, Mike Stirzaker is a citizen of the United Kingdom, Terence Goodlace is a citizen of the United Kingdom and South Africa, and Johan Odendaal and Daan van Heerden are South African citizens.

7. KEY DATES

Set out in the table below are the salient dates and times relating to the Listings.

Lodgement of Prospectus and Pre-Listing Statement with ASIC	22 April 2022
Abridged Prospectus published on SENS and the Company's website	22 April 2022
Exposure Period	23 April 2022 - 30 April 2022*
Opening date of Offer	2 May 2022

Closing date of Offer	6 May 2022
Settlement of Offer	20 May 2022
Allotment of New Shares	23 May 2022
Expected dispatch of holding statements and allotment confirmation notices	24 May 2022
Shares expected to commence trading on the ASX and on the JSE (at 9:00am South African time)	25 May 2022

*The Exposure Period may be extended by ASIC for a further 7 days.

The above dates are subject to change and are indicative only. Changes will be announced on the Company's website at <https://www.southernpalladium.com>, the ASX Markets Announcement Platform and the JSE Stock Exchange News Service, as appropriate. The Company, in consultation with the Lead Manager, reserves the right to vary the dates and times of the Offer, including to close the Offer early, extend the Offer or accept late applications, without notifying any recipient of the Prospectus and Pre-Listing Statement or any applicants, subject to the Corporations Act, the Listing Rules and other applicable laws. If the Offer is cancelled or withdrawn before the settlement of the Offer, then all application payments will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Applicants are encouraged to submit their applications as early as possible after the Offer opens.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Prospectus and Pre-Listing Statement and the documents referred to in Section 10.18.12 of the Prospectus and Pre-Listing Statement, will be available for inspection during normal office hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of the Prospectus and Pre-Listing Statement up to and including Monday, 24 April 2023 at the offices of Southern Palladium's JSE Sponsor, as set out in the "Corporate Directory" section of the Prospectus and Pre-Listing Statement. A copy of the Prospectus and Pre-listing Statement will also be made available at <https://www.southernpalladium.com> with effect from the publication date hereof.

22 April 2022

Company Secretary

Andrew Cooke

South African JSE Sponsor

Merchantec Capital

South African Legal Advisers

Falcon & Hume Attorneys Inc.

Media Enquiries

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DISCLAIMER

This Abridged Prospectus includes statements about Southern Palladium that are, or may be deemed to be "forward-looking statements". All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements can generally be identified by the use of forward-looking words such as "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target", "outlook", "guidance" and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of Southern Palladium, the outcome and effects of the Offer and the use of proceeds. To the extent that certain statements contained in this Abridged Prospectus may constitute "forward-looking statements" or statements about

“future matters”, the information reflects Southern Palladium's intent, belief or expectations as at the date of this Abridged Prospectus. Any forward-looking statements, including projections, guidance on future revenues, earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Southern Palladium's actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. Investors should consider the forward-looking statements contained in this Abridged Prospectus in light of those disclosures and not place reliance on such statements. Any forward-looking statements, opinions and estimates in this Abridged Prospectus are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Neither Southern Palladium, nor its related bodies corporate or affiliates nor the respective directors, officers, partners, employees and agents give any warranty, representation, assurance or guarantee that the occurrence of the events expressed or implied in any of the forward-looking statements in this Abridged Prospectus will actually occur. In addition, please note that past performance should not be relied upon as (and is not) an indication or guarantee of future performance.

Except as required by law or regulation, Southern Palladium undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.