

Trading Symbol: ELR (TSX); EPS (JSE)

VANCOUVER, June 14, 2017 /CNW/ - [Eastern Platinum Ltd.](#) ("Eastplats" or the "Company") is pleased to report it has filed its audited consolidated financial statements, management discussion and analysis and its annual information form for the year ended December 31, 2016. Further, it has also filed its condensed interim consolidated financial statements and management discussion and analysis for the 3 months ended March 31, 2017. Below is a summary of our financial results for those periods (all amounts in USD).

#### ANNUAL 2016:

- Net loss for 2016 was \$55.1 million (loss of \$0.55 per share) compared with \$23.4 million for 2015;
- Cash and short-term investments of \$26.2 million and working capital of \$27.5 million at December 31, 2016;
- We recorded recoveries on previously recorded impairment on Crocodile River Mine ("CRM") and the Mareesburg project of \$5.6 million and \$4.5 million, respectively;
- We recorded an impairment on Kennedy's Vale and the Spitzkop project of \$23.8 million and \$15.5 million, respectively;
- An impairment was recorded with respect to the \$13.4 million prepayment related to the June 30, 2016, share purchase agreements entered into by former management (the "BEE Buyout Agreements"), described in our July 4, 2016 news release;
- We continue to actively manage CRM activities resulting in a decrease in care and maintenance costs of 38% compared to 2015;
- We have realigned the Company's organizational structure to reduce general and administration costs going forward, enabling these funds to be available for future use on our mining projects;

#### Q1-2017:

- Net loss for Q1-2017, \$2.5 million (loss of \$0.02 per share) compared to \$5.0 million for the same period in 2016;
- Cash and short-term investments of \$23.9 million and working capital of \$25.2 million at March 31, 2017;
- Net operating cash flows used during the three months ended March 31, 2017, \$2.3 million;
- Development work during the quarter was \$0.1 million.

#### Operating Highlights and Outlook

As a result of the various material agreements purportedly entered into by former management, the board of directors and new management has spent a considerable amount of time and resources in dealing with the consequences and litigation relating to those agreements and has been somewhat constrained in our ability to effectively advance, adjust or modify our current strategic direction during 2016 pending resolution of those matters. However, we have implemented new operational initiatives, continued a review of asset utilization, implemented updated governance initiatives and will continue to plan and review our strategy. New management is also planning to expand our shareholder and stakeholder communication initiatives.

With respect to our principal project, the Company continued care and maintenance with respect to the underground portion of CRM but is actively looking at opportunities in other areas to utilize the assets. Commencing in the third quarter of 2016, the Company initiated a review of all of its South African projects including options and possibilities to continue developing the Eastern Limb Projects and the feasibility of restarting or reworking areas of the CRM.

We also furthered specific review of options for re-mining the tailings storage area at the CRM, including metallurgical and mining test work and engineering design and refurbishing of the CRM processing facility. The Company is also undertaking a study and assessment of the Mareesburg open pit project including additional infill drilling work. The Company will further this work during the year enabling it to consider the viability of making operational decisions with respect to those properties.

The Company recently concluded a further phase of its extensive investigation into certain actions taken by former management and others, in order to satisfy itself that the 2016 Audited Consolidated Financial Statements and associated filings ("2016 Annual Filings") accurately reflect the financial position of the Company. The investigation provided the Company with sufficient information regarding the recording and disclosure of these actions. New management obtained advice and has considered the results of the investigation and considers it appropriate to file its 2016 Annual Filings as presented. The Company will seek further advice from its legal counsel and evaluate its options and any action that may be appropriate.

Diana Hu, President and Chief Executive Officer, stated, "Our strong and dedicated new management and board is committed to the development and advancement of our PGM projects in South Africa. With the 2016 and Q1-2017 filings completed, we have turned a corner and are all moving forward towards a renewed focus on our mining projects. The experienced operations team is focused on these key, 2017 priorities and our corporate team is directed and targeted to assist with advancing those initiatives."

The Company has today filed the following documents which are available under the Company's profile on SEDAR at

www.sedar.com:

- Audited consolidated financial statements for the year ended December 31, 2016;
- Management's discussion and analysis for the year ended December 31, 2016;
- Annual Information Form at December 31, 2016;
- Condensed interim consolidated financial statements for the three-month period ended March 31, 2017; and
- Management's discussion and analysis for the three-month period ended March 31, 2017.

#### Status of temporary management cease trade order

The Company remains subject to the temporary management cease trade order (the "MCTO") issued to the Company under National Policy 12-203 ("NP 12-203") as discussed in our press release of April 5, 2017. However, the Company has applied to the British Columbia Securities Commission for the revocation of the MCTO now that all late filings have been completed.

#### Cautionary Statement Regarding Forward-Looking Information

This press release contains "forward-looking statements" or "forward-looking information" (collectively referred to herein as "forward-looking statements") within the meaning of applicable securities legislation. Such forward-looking statements include, without limitation, forecasts, estimates, expectations and objectives for future operations that are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "will", "plan", "intends", "may", "will", "could", "expects", "anticipates" and similar expressions. Further disclosure of the risks and uncertainties facing the Company and other forward-looking statements are discussed in the Company's Annual Information Form and Management's Discussion and Analysis which are available under the Company's profile on [www.sedar.com](http://www.sedar.com).

In particular, this press release contains forward-looking statements pertaining to: potential changes to our mining projects including re-mining, the results of infill drilling, restarting of mining operations, the implications of the agreements entered into by former management and the associated litigation, the results of and any further action as a result of the investigations and the removal of the MCTO. These forward-looking statements are based on assumptions made by and information currently available to the Company. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. By their very nature, forward-looking statements involve inherent risks and uncertainties and readers are cautioned not to place undue reliance on these statements as a number of factors could cause actual results to differ materially from the beliefs, plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to, commodity prices, economic conditions, currency fluctuations, competition and regulations, legal proceedings and risks related to operations in foreign countries.

The forward-looking statements in this press release are made as of the date they are given and, except as required by applicable securities laws, the Company disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

SOURCE [Eastern Platinum Ltd.](#)

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