/NOT FOR DISSEMINATION IN THE UNITED STATES OR THROUGH U.S. NEWSWIRE SERVICES/

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

VANCOUVER, Sept. 18, 2017 /CNW/ - Eastern Platinum Ltd. ("Eastplats" or the "Company") is pleased to report that an independent technical report ("ITR"), including chrome mineral reserve estimate and economic assessment, by Sound Mining (Pty) Ltd ("Sound Mining") on the Barplats Zandfontein UG2 tailing storage facility ("TSF") located at Crocodile River Mine has been completed and is effective September 1, 2017.

Highlights

- Previously announced mineral resource estimate of 13,680,000 tons at an average grade of 20.72% chromium oxide (see August 11, 2017 news release);
- Mineral reserve estimate of 6,420,000 tons, containing 1,440,000 tons of chromium oxide at an average grade of 22.36%;
- Estimated after-tax net present value of ZAR 42.2 million (US$3.25 million) using 13% discount rate;
- Estimated operating costs of ZAR 71.26/(RoM) (US$5.49) per ton processed;
- Estimated after-tax internal rate of return of 24% with a 33 month mine life;
- Estimated capital costs for the project of ZAR 219 million (US$16.87 million); and
- Recommendation to prepare platinum group minerals ("PGM") feasibility study.

Diana Hu, CEO commented "Eastplats is pleased with Sound Mining's confirmation of the mineral reserves and project economics, which can enable near term revenue opportunities for the Company. The recommendation to further investigate the PGM opportunities provides additional upside for this project creating greater opportunities for Eastplats and its stakeholders."

Mineral Reserve

A total proven and probable mineral reserve estimate of approximately 6,420,000 tons of tailings material containing 1,440,000 tons of chromium oxide at an average grade of 22.36%.

Table 1 - Mineral Reserve Estimate as at September 1, 2017

Category	Quantity (Mt)	Grade (%) Cr_2O_3	Content (Mt) Cr_2O_3
Proved Mineral Reserve	6.25	22.42	1.40
Probable Mineral Reserve	0.18	20.28	0.04
Total Mineral Reserve	6.42	22.36	1.44

Notes:

Cut-off grade of 20.5%;

Mineral reserves include mineral resources; mineral resources that are not mineral reserves do not have demonstrated economic viability; no inferred mineral resources are included in mineral reserve estimate;

PGMs are excluded from the mineral reserve estimate;

Material risks include chrome price fluctuation, politically motivated unrest, illegal squatting and failure of the TSF wall.

The chrome mineral reserve estimate has a high confidence level, with 97.3% of the estimate falling into the proved category and 2.7% falling into the probable category.

Economic Assessment

Sound Mining is of the opinion that the Company will be able to get the chrome cost efficiently into the Chinese market, where demand is the highest. Chrome prices were adjusted as the metals are sold as a 40% concentrate, and therefore only attract a percentage of the metal value.

At a free on mine price of ZAR 870.79/t for 40% chrome concentrate, the project could achieve a cash margin of 10% and an

operating margin of 14%. Average total cost of production after capital, operating cost and royalties, excluding further exploration drilling, corporate overhead and financing costs is estimated to be ZAR 110.03/(RoM) ton processed. Sound Mining added additional contingencies to the operating cost models, as set out in the ITR.

The net present value of the project, discounted at 13% per annum, is estimated to be ZAR 42.2 million, with an annualised internal rate of return of 24% over a 33 month period. The project is forecast to generate a positive cash flow in month 10 and break-even in month 25. Positive cash flows averaging ZAR 12.9 million/month, after payment of royalties, are forecast over the remaining life of mine.

Recommendation

Sound Mining recommends that Eastplats consider a feasibility study on PGM recovery in the TSF as there may be substantial value in same.

Qualified Person

The information contained in Table 1 and Table 2 conform to the requirements of National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") and was prepared and verified by Mr. Vaughn Duke Pr. Eng., PMP, MBA, BSc Mining Engineering (Hons), who is a qualified person as defined in NI 43-101. Full details of the methodology used in the estimation of the chrome mineral reserves, project summary and economic analysis are set out in a technical report entitled "ZANDFONTEIN TAILINGS RETREATMENT PROJECT TO RECOVER CHROME" to be filed on Eastplats' SEDAR profile at www.sedar.com.

The qualified person for the purposes of NI 43-101 who approved the contents of this news release is Dr Bielin Shi, PhD, MSc, FAusIMM MAIG.

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.

In particular, this press release contains forward-looking statements pertaining to: the mineral resource and mineral reserve estimates, the results of the feasibility study and independent technical report on the TSF, preparation of a PGM feasibility study, ability to access Chinese market, margins for the project, actual production costs, net present value and cash flow for the project. 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, lower than expected grades and quantities of resources, needs for additional funding, availability of such additional funding and that funding will be on acceptable terms, 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.

Contact
Eastern Platinum Ltd., Rowland Wallenius, Chief Financial Officer, rwallenius@eastplats.com (email), (604) 800-8200 (phone)