

Eastern Platinum Limited Reports Results for the Second Quarter of 2021

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Vancouver, August 13, 2021 - [Eastern Platinum Ltd.](#) (TSX: ELR) (JSE: EPS) ("Eastplats" or the "Company") is pleased to report that it has filed its condensed interim consolidated financial statements and management's discussion and analysis for the three months and six months ended June 30, 2021. Below is a summary of the Company's financial results for the second quarter of 2021 and year-to-date 2021 (all amounts in USD unless specified) in comparison to the same respective periods in 2020:

- Revenue for the three months ended June 30, 2021 ("Q2 2021") increased to approximately \$20.0 million (Q2 2020 - \$9.3 million), representing a 114.9% increase. Revenue for the six months ended June 30, 2021 ("YTD Q2 2021") increased to \$36.7 million (YTD Q2 2020 - \$23.5 million) representing a 56.2% increase.
- Mining operating income increased to \$3.3 million in Q2 2021 (Q2 2020 - \$0.9 million), representing an improved gross margin of 16.6% in Q2 2021 from 10.1% in Q2 2020. Mining operating income in YTD Q2 2021 increased to \$4.8 million (YTD Q2 2020 - \$2.4 million), representing an improved gross margin of 13.0% in YTD Q2 2021 from 10.1% in YTD Q2 2020.
- Operating income was \$0.7 million in Q2 2021 compared to an operating loss of \$1.0 million in Q2 2020. Operating loss decreased by \$1.2 million to \$1.0 million in YTD Q2 2021 from \$2.2 million in YTD Q2 2020 - a 53.8% decrease in operating loss.
- Net income attributable to shareholders increased to \$4.1 million (earnings attributable to shareholders - \$0.03 per share) in Q2 2021 versus a loss of \$3.0 million in Q2 2020 (loss attributable to shareholders - \$0.03 per share). The improvement during Q2 2021 is primarily attributable to the increased revenue and positive gross margins generated by re-mining and processing the Company's tailings resource at the Crocodile River Mine ("CRM") to produce chrome concentrate and PGM concentrate, an increase in the foreign exchange gain as the South African Rand recovered against the U.S. Dollar, and a gain of \$3.3 million to settle and dismiss certain outstanding lawsuits (See press release of June 21, 2021 for further information).
- Net income attributable to shareholders increased to \$3.3 million (earnings attributable to shareholders - \$0.02 per share) in YTD Q2 2021 compared to a loss of \$11.2 million (loss attributable to shareholders - \$0.12 per share) in YTD Q2 2020. The drivers behind the significant variances in YTD Q2 2021 compared to YTD Q2 2020 is consistent with that described above between Q2 2021 and Q2 2020.
- Positive working capital (current assets less current liabilities) of \$14.7 million as at June 30, 2021 (December 31, 2020 - \$4.1 million).

Operations

The Company continues its Retreatment Project at Barplats Mines (Pty) Limited's tailings facility located at the Company's CRM in South Africa.

Summary of chrome production for the three and six months ended June 30, 2021 and 2020:

	Q2 2021	Q2 2020	YTD Q2 2021	YTD Q2 2020
Average grade Cr concentrate	38.50%	38.51%	38.49%	38.54%
Tons of Cr concentrate	223,487	214,994	427,389	508,962

The Company's majority of revenue (approximately 90% and 92% for Q2 2021 and YTD Q2 2021, respectively) is generated from the offtake agreement with Union Coal Offshore Solution Limited ("Union

Goal") in relation to chrome concentrate production from the Retreatment Project. The remaining amount of the Company's revenue was from PGM concentrate sales to Impala Platinum Limited ("Impala").

The completion of the reconfiguration and optimization of the small-scale PGM circuit ("PGM Circuit D") in Q1 2021 continued to successfully utilize the feed, following the recovery of chrome concentrate, to produce PGM concentrate under the respective offtake agreements in Q2 2021.

Summary of PGM production for the three and six months ended June 30, 2021:

	Q2 2021	Q2 2020	YTD Q2 2021	YTD Q2 2020
Tons of PGM concentrate	539	-	582	-

Diana Hu, President and CEO of Eastplats commented, "We are encouraged by the results from the second quarter as Eastplats continues its positive revenue growth and profitability through the Retreatment Project; increasing PGM capacity including through the PGM Main Circuit, which is expected to commission in the near future; and developing our other projects in the eastern limb of the Bushveld Complex."

Covid-19

The effects of Covid-19 are changing rapidly and could have material effects on the Company's 2021 outlook and its ability to attain targets. The uncertainty pertaining to Covid-19 remains as levels of lockdown in South Africa could change. A third wave has been experienced from May 2021 until July 2021 with increased number of positive cases and South Africa is currently on level three of lockdown. The CRM is in the process of enrolling as a vaccine administering site for the employees and continues to operate normally.

Outlook

The Company's targets for 2021 were updated following the completed Rights Offering in January 2021, including:

- Continue operating the Retreatment Project efficiently;
- Reconfigure, optimize, and consistently operate the small-scale PGM Circuit D, which also includes funding for some of the initial work required to restart the PGM Main Circuit (See press release of February 2, 2021);
- Completion of the Optimization Project for the Retreatment Project;
- Completion of the refurbishment of the existing PGM Main Circuit to increase the capacity and opportunity of PGM recovery and sales;
- Establishment of the appropriate tailings storage facility phase II capital works program;
- Upgrades and repairs to the CRM Zandfontein underground shaft and rock winder to ensure they are available for underground mining operations;
- Mareesburg project environmental work to complete the environmental impact assessment ("EIA") and other environmental studies and amendments;
- Prospecting and assessment work in relation to Zandfontein, Crocette and Spitzkop ore bodies;
- EIA and other assessment work regarding a vertical furnace and pelletizer of chrome concentrate; and
- CRM underground assessment including all chrome recovery activities in relation to the Retreatment Project.

The Company is actively progressing several revenue opportunities and exploring options to utilize or monetize other assets.

The Company has a primary listing on the Toronto Stock Exchange and a secondary listing on the JSE Limited.

The Company has filed the following documents, under the Company's profile on SEDAR at www.sedar.com:

- Condensed interim consolidated financial statements for the three and six months ended June 30, 2021; and
- Management's discussion and analysis for the three and six months ended June 30, 2021.

The condensed interim consolidated financial statements for the three and six months ended June 30, 2021 is available for download at <https://eastplats.com/investors-2/reports/> and is also available on the JSE's website at: <https://senspdf.jse.co.za/documents/2021/jse/isse/eps/HY21.pdf>.

For further information, please contact:

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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", "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 most recent Annual Information Form available under the Company's profile on www.sedar.com.

In particular, this press release contains, without limitation, forward-looking statements pertaining to: forecast of operational activity of the Retreatment Project, estimated operations and production of PGM Circuit D and PGM Main Circuit; estimated ramp up or upgrades to the PGM Circuit D and PGM Main Circuit; potential additional revenue from the PGM Circuit D and PGM Main Circuit; potential effects of COVID-19 such as a new lockdown imposed by the Government of South Africa; and any future measures taken by the Government of South Africa and their impact on the Company, and its business, operations, liquidity and cashflows. 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, unanticipated problems that may arise in the Company's production processes, commodity prices, lower than expected grades and quantities of resources, need for additional funding and availability of such additional funding on acceptable terms, economic conditions, currency fluctuations, competition and regulations, legal proceedings and risks related to operations in foreign countries.

All forward-looking statements in this press release are expressly qualified in their entirety by this cautionary statement, the "Cautionary Statement on Forward-Looking Information" section contained in the Company's most recent Management's Discussion and Analysis available under the Company's profile on www.sedar.com. 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, and does not undertake, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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