

Eastern Platinum Limited Reports Results for the First Quarter of 2023

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Vancouver, May 12, 2023 - [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 for the three months ended March 31, 2023 and the corresponding management's discussion and analysis. Below is a summary of the Company's financial results for the first quarter of 2023 ("Q1 2023") (all amounts in USD unless specified) in comparison to the same respective period in 2022 ("Q1 2022"):

- Revenue for Q1 2023 increased to \$22.1 million (Q1 2022 - \$17.4 million), representing a 26.7% increase. The increase in revenue for Q1 2023 was primarily due to an increase in free market chrome sales to third parties in the period offset by a reduction in platinum group metals ("PGM") revenue in the period as spot PGM prices, notably palladium prices, were lower in the current period than in the comparable period.
- Mine operating income increased by \$1.8 million (or 53.8%) to \$5.2 million in Q1 2023 (Q1 2022 - \$3.4 million), resulting in an improved gross margin of 23.7% in Q1 2023 from 19.5% in Q1 2022.
- Operating income was \$3.5 million in Q1 2023 compared to operating income of \$0.1 million in Q1 2022.
- Net income attributable to equity shareholders was \$1.3 million (\$0.01 earnings per share) in Q1 2023 versus net income attributable to equity shareholders of \$3.0 million (\$0.02 earnings per share) in Q1 2022. The decrease in net income was largely attributable to a foreign exchange loss incurred in Q1 2023 as the South African Rand weakened against the U.S. Dollar.
- The Company had a working capital deficit (current assets less current liabilities) of \$35.2 million as at March 31, 2023 (December 31, 2022 - working capital deficit of \$39.5 million) and short-term cash resources of \$3.8 million (consisting of cash, cash equivalents and short-term investments) (December 31, 2022 - \$2.4 million).

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 months ended March 31, 2023; and
- Management's discussion and analysis for the three months ended March 31, 2023.

The condensed interim consolidated financial statements for the three months ended March 31, 2023 are available for download at <https://www.eastplats.com/investors/quarterly-reports/F2023/> and are also available on the JSE's website at: <https://senspdf.jse.co.za/documents/2023/JSE/ISSE/EPS/Q123.pdf>.

Operations

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

The majority of the Company's revenue (approximately 91% for Q1 2023) is generated from chrome concentrate sales. Until July 2022, this revenue was based on the Union Goal Offshore Solutions Limited ("Union Goal") offtake agreement entered into between the Company's subsidiary Barplats Mines (Pty)

Limited and Union Goal. Previously, and until the end of the second quarter of 2022, the Retreatment Project produces revenue based on tons of material made available for processing by re-mining and processing the tailings, recovery of certain operational costs and allocation of the upfront cash payment for the offtake of chrome concentrate to Union Goal. Although the Union Goal Offtake Agreement remains in place, Union Goal stopped taking shipments of chrome concentrate in June 2022. Chrome revenue after this point has been generated only through third-party sales of chrome concentrate.

The remaining amount of the Company's revenue was from PGM concentrate sales to Impala Platinum Limited.

Summary of chrome production for the three months ended March 31, 2023 and 2022:

	Q1 2023	Q1 2022
Total Tailings Feed (Tons)	432,005	574,252
Average grade Cr concentrate	38.65%	38.97%
Tons of Cr concentrate	147,090	121,122

Summary of PGM production for the three months ended March 31, 2023 and 2022:

	Q1 2023	Q1 2022
Tons of PGM concentrate	1,156	879
PGM ounces produced (6E)*	2,072	1,363

*PGM 6E ounces are estimates until final exchanges and umpire results have been concluded, which can take up to three months.

Wanjin Yang, Chief Executive Officer and President commented, "With the recently completed rights offering, we are looking forward to executing the Zandfontein underground restart plan. We expect the initial processing of the UG2 chromitite ore to take place later this year. Further, we continue to work towards a commercial result to reduce Union Goal's outstanding receivables."

Outlook

The Company's targets for 2023 are as follows:

- Operate and optimize the PGM circuits (ongoing);
- Raise additional capital to support the full re-opening of Zandfontein underground operations at the CRM (ongoing);
- Operate and optimize the Retreatment Project (ongoing);
- Complete the Optimization Program for the Retreatment Project (ongoing);
- Assess the value for continued use of the chrome recovery plant after optimization (initiated);
- Complete the second phase of the tailings storage facility ("TSF") capital works program (ongoing);
- Advance the Maresburg project environmental work to complete the legal analysis on the Environmental Impact Assessment ("EIA") and other environmental studies and amendments (ongoing);
- Continue prospecting and assessment work in relation to Zandfontein, Crocette and Spitzkop ore bodies (ongoing);
- Commission Main Plant Circuit A for underground operations; and
- Update other capital assessments upon completion of capital fundraising.

Care and maintenance with respect to the underground portion of the CRM will continue while the Company

continues to raise additional funds to support the full re-opening of underground operations. Eastplats completed a life-of-mine study and underground mine design for Zandfontein and the Board of Directors supported carrying out the Zandfontein underground restart business plan, subject to final evaluation and funding arrangements. Care and maintenance will also continue for the Company's eastern limb projects for 2023. The Company is actively looking at opportunities for its other assets including continuing to explore options to utilize or monetize these assets.

Whistleblower Special Committee Update

The Board has formed the special committee (the "Committee") comprised of two independent directors to conduct an investigation, review and analysis of unproven whistleblower allegations, including allegations of undisclosed related party transactions pertaining to the sale of chrome concentrate at discounted prices (the "Allegations") as previously announced (see news release of April 24, 2023). The Committee has begun to investigate these Allegations and will report its findings to the Board expeditiously.

About Eastern Platinum Limited

Eastplats owns directly and indirectly a number of PGM and chrome assets in the Republic of South Africa. All of the Company's properties are situated on the western limb (Crocodile River Mine) and eastern limb (Kennedy's Vale, Spitzkop Mareesburg) of the Bushveld Complex, the geological environment that hosts approximately 80% of the world's PGM-bearing ore.

Operations at the Crocodile River Mine currently include re-mining and processing its tailings resource to produce PGM and chrome concentrates from the Barplats Zandfontein tailings dam.

For further information, please contact:

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Cautionary Statement Regarding Forward-Looking Information

This news 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: the Company's targets for 2023 including operating and optimizing the PGM circuits, raising additional capital to support the full re-opening of Zandfontein underground operations at the CRM; operating and optimizing the Retreatment Project; completing the Optimization Program for the Retreatment Project, assessing the value of the chrome recovery plant after optimization; completing the second phase of the TSF capital works program; advancing the Mareesburg project environmental work to complete the legal analysis on the EIA and other environmental studies and amendments; prospecting and assessment work in relation to Zandfontein, Crocette and Spitzkop ore bodies; commissioning Main Plant Circuit A for underground operations; updating other capital assessments upon completion of capital fundraising; continuing care and maintenance with respect to the underground portion of the CRM while the Company attempts to raise funds for the underground operations restart; the ability of the Company to raise such funds; the ability of the Company to implement the Zandfontein underground restart business plan; continuing care and maintenance of the Company's eastern limb projects for 2023, successful completion of opportunities for its other assets including continuing to explore options to utilize or monetize these assets, successful execution

of the Zandfontein underground restart plan and initial processing of UG2 chromitite ore; a commercial result to reduce Union Goal's outstanding receivables; and any outcome of the investigation, review and analysis of unproven whistleblower allegations or timing of the same. 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.

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All forward-looking statements in this news 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 news 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.

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

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