

Eastern Platinum Limited Reports Results for the Third Quarter of 2023

10.11.2023 | [Newsfile](#)

Year-over-year increase in revenue driven by strong chrome prices

Commenced blasting activities at the Crocodile River Mine, initiating the soft restart of the Zandfontein underground section

Vancouver, November 10, 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 and nine months ended September 30, 2023 and the corresponding management's discussion and analysis. Below is a summary of the Company's financial results for the third quarter of 2023 ("Q3 2023") and for the nine months ended September 30, 2023 ("YTD 2023") (all amounts in USD unless specified) in comparison to the same respective period in 2022 ("Q3 2022" and "YTD 2022"):

- Revenue for Q3 2023 increased to \$21.8 million (Q3 2022 - \$3.6 million), representing a \$18.2 million or 505.6% increase. Revenue for YTD 2023 increased to \$80.5 million (YTD 2022 - \$41.5 million), representing a 94.0% increase.
- Mine operating income increased by \$5.1 million (or 268.4%) to \$7.0 million in Q3 2023 (Q3 2022 - \$1.9 million) while gross margin decreased from 52.5% in Q3 2022 to 32.1% in Q3 2023. Mine operating income in YTD 2023 increased by \$16.1 million (or 171.3%) to \$25.5 million (YTD 2022 - \$9.4 million) and gross margin increased to 31.7% in YTD 2023 from 22.8% in YTD 2022.
- Operating income was \$3.6 million in Q3 2023 compared to an operating loss of \$0.9 million in Q3 2022. Operating income improved by \$17.4 million to \$17.5 million in YTD 2023 from \$0.1 million in YTD 2022.
- Net income attributable to equity shareholders was \$3.1 million (\$0.02 earnings per share) in Q3 2023 versus net loss attributable to equity shareholders of \$6.6 million (\$0.05 loss per share) in Q3 2022. The increase in Q3 2023 net income was largely attributable to the significant increase in third party chrome revenue from the sales of chrome concentrate with respect to the Company's Retreatment Project at Barplats Mines (Pty) Limited's tailings storage facility (the "Retreatment Project") located at the Crocodile River Mine ("CRM") in South Africa.
- Net income attributable to equity shareholders increased to \$12.1 million (\$0.07 earnings per share) in YTD 2023 compared to net loss attributable to equity shareholders of \$2.4 million (\$0.02 loss per share) in YTD 2022. The improvement during YTD 2023 is mainly attributable to the increased revenue and positive gross margins generated by the significant increase in third party chrome revenue as mentioned above.
- The Company had a working capital deficit (current assets less current liabilities) of \$17.1 million as at September 30, 2023 (December 31, 2022 - working capital deficit of \$39.5 million) and short-term cash resources of \$17.3 million (consisting of cash, cash equivalents and short-term investments) (December 31, 2022 - \$2.4 million).

Operations

The Company continues to produce chrome concentrate from its Retreatment Project. Eastplats has also commenced blasting activities at the CRM, which initiated the soft restart of the Zandfontein underground section.

The Company also derives revenue from platinum group metals ("PGM") concentrate sales under a PGM offtake agreement with Impala Platinum Limited ("Impala"). The Company produces PGMs from further

processing tailings material following the production of chrome concentrates.

The majority of the Company's revenue (100% for Q3 2023) has been generated from chrome concentrate sales to third parties since the fourth quarter of 2022.

Summary of chrome production for the three and nine months ended September 30, 2023 and 2022:

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Total Tailings Feed (Tons)	519,914	654,802	1,766,928	1,893,774
Average grade Cr concentrate	38.6%	38.7%	38.7%	38.8%
Tons of Cr concentrate	102,898	154,412	377,110	445,373

While PGM prices have decreased from the prior year, chrome prices have increased during the same period, which has driven revenue and mine operating income growth for the Company. However, chrome revenue is expected to wind down into 2024 as the Retreatment Project approaches its completion date. When that occurs, the PGM Circuit D and PGM Main Circuit B (collectively, the "PGM Circuits") will become the main source of revenue as the Company ramps up production at the Zandfontein underground section of the CRM.

Summary of PGM production for the three and nine months ended September 30, 2023 and 2022:

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Tons of PGM concentrate	854	1,532	2,969	4,279
PGM ounces produced (6E)*	1,171	2,497	5,279	6,510

*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, "Although chrome production decreased this quarter, we are still encouraged by revenue generated from the tailings storage facility. As we have commenced blasting activities at the Zandfontein underground section of the Crocodile River Mine, we expect to process the underground ore in the first quarter of 2024."

Outlook

The Company's targets for 2023 remain 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 of the chrome recovery plant 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 Mareesburg project (located on the eastern limb) environmental work to complete 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 additional capital fundraising.

The Company will update its targets for 2024 in due course.

Whistleblower Special Committee Update

The Board has formed a 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). Further to the news releases dated May 12, 2023, June 20, 2023, and August 11, 2023, the Company reports that the Committee's investigation has advanced significantly this quarter. The Committee's work in retrieving and reviewing relevant documents, with the assistance of independent counsel and a third party e-discovery specialist, is nearing completion. Over 135,000 documents comprising of emails and other documents from the Company's document management system have been collected and uploaded into an e-discovery and legal search platform. Various searches have been implemented and relevant documents reviewed. Interviews with key members of management have occurred and the Committee anticipates conducting further interviews with material persons this month, consistent with the Committee's mandate. A report of the Committee's findings will be provided to the Board, which the Committee anticipates doing before the end of the year.

Investor Webinar

Eastplats is pleased to host an investor webinar on Wednesday, November 22, 2023 at 1:00 p.m. PT / 4:00 p.m. ET. Wanjin Yang, Eastplats CEO, and Wylie Hui, Eastplats CFO, will provide a corporate and operational update, including development plans for Eastplats' Zandfontein underground section and upcoming catalysts.

A recorded version of this webinar will be available on November 29, 2023 on the Eastplats website. Following the webinar, Eastplats will respond to investor questions during a Q&A session. For more information or to register for this webinar, please visit:

<https://www.eastplats.com/investors/presentations/2023/>.

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.sedarplus.ca:

- Condensed interim consolidated financial statements for the three and nine months ended September 30, 2023; and
- Management's discussion and analysis for the three and nine months ended September 30, 2023.

The condensed interim consolidated financial statements for the three and nine months ended September 30, 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/Q323.pdf>.

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 storage facility.

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.sedarplus.ca.

In particular, this news 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, the ability of the Company to raise such funds, operating and optimizing the Retreatment Project, completing the optimization of the chrome recovery plant 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 and updating other capital assessments upon completion of additional capital fundraising, the ability of the Company to implement the Zandfontein underground restart business plan and process underground ore in the first quarter of 2024, the wind down of the Retreatment Project and expected chrome revenue into 2024, the PGM Circuits becoming the Company's main source of revenue, and any outcome of the investigation, review and analysis of unproven whistleblower allegations or timing of the same, and the upcoming webinar of the Company. 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 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.sedarplus.ca. 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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