

Eastern Platinum Limited Reports Annual Results for 2020 and Provides an Operations Update

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Vancouver, March 26, 2021 - [Eastern Platinum Ltd.](#) (TSX: ELR) (JSE: EPS) ("Eastplats" or the "Company") is pleased to report that it has filed its Audited Consolidated Financial Statements for the years ending December 31, 2020 and 2019 and the corresponding Management's Discussion and Analysis and Annual Information Form. Below is a summary of the Company's financial results for the year ended December 31, 2020 (all amounts in USD):

- 43% growth in revenue for the year ended December 31, 2020 of \$56.1 million compared to \$39.2 million in the prior year. The growth in revenue is due to the strong operating results from the Retreatment Project (as defined below);
- Mining operation income (eight consecutive quarters)- December 31, 2020 \$5.6 million (2019 - \$5.5 million) (some difficulties in direct comparison include: commercial production timing in 2019 and the most recent four quarters being negatively impacted by COVID-19 costs and 2020 South Africa lockdowns);
- Cash generated from operations during the year December 31, 2020 - \$1.6 million (2019 - negative \$8.8 million);
- Positive working capital (excluding non-cash deferred revenue and lease liability) of \$8.5 million as at December 31, 2020; and
- Net loss to equity shareholders of \$8.0 million (loss of \$0.08 per share) for the year ended December 31, 2020 compared to earnings to equity shareholders of \$0.1 million (earnings of \$0.00 per share) for the prior year, resulting from an increase in non-cash finance costs, foreign exchange losses and the legal settlement with AlphaGlobal (See news release of June 26, 2020).

Operations of the Retreatment Project

The availability of the Retreatment Project as a 24-hour continuous operation (including chrome recovery plant, deposition and remining on the tailings dam) including planned maintenance has improved significantly in 2020 to 86% up from 76% in 2019.

Eastplats reported 987,003 tons of chrome concentrate production, a 68% increase from 2019 production. (See news release of March 3, 2021 for a detailed review of the Retreatment Project).

On March 10, 2021, the Company and Union Goal signed updated Retreatment Project Agreements (See news release of March 15, 2021) which capitalized on Eastplats' two years of operating knowledge and continued commitment to the long-term benefits of the Retreatment Project.

Platinum Group Metals

During 2020, the Company completed the refurbishment of the small-scale PGM circuit (previously the scavenger plant circuit) ("PGM Circuit D"). The Company only restarted and began operating the PGM Circuit D during Q3 2020 (following the mandatory general lockdown imposed by the Government of South Africa in connection with the COVID-19 pandemic). The Company generated approximately 134 tons of pressed filter cake PGM concentrate and delivered approximately 32.18 tons during 2020.

During early 2021, the Company completed the reconfiguring and optimization of the PGM Circuit D which also includes funding for some of the initial work required to restart the main PGM plant circuit ("PGM Main Circuit").

Rights offering

On December 18, 2020, the Company issued rights to its existing shareholders for the acquisition of shares at a discounted price (the "Rights Offering"). On January 22, 2021, the Company completed the Rights Offering. Eastplats issued 36,841,741 common shares of the Company (each a "Common Share") at a price of Cdn\$0.32 per Common Share for rights exercised on the Toronto Stock Exchange and R3.77136 per Common Share for rights exercised on the Johannesburg Stock Exchange. The Company is very pleased to have raised total gross proceeds of approximately \$9.3 million (Cdn\$11.8 million) to invest into additional capital projects.

Outlook

The Company's CRM Retreatment Project in South Africa was operating without restrictions at December 31, 2020. Additionally, the Company restarted the PGM Circuit D in 2020 and completed further improvements during March 2021.

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

- Continue operating the Retreatment Project efficiently;
- Complete the upgrades and operate the PGM Circuit D;
- Complete the optimization project for the Retreatment Project;
- Establish the appropriate phase II of the tailing storage facility capital works program;
- Upgrade and repair the Crocodile River Mine ("CRM") Zandfontein underground shaft and rock winder to ensure they are available for PGM operations;
- Complete the refurbishment of the existing PGM Main Circuit to increase the capacity and recovery opportunity of PGM recovery and sales;
- Complete the environmental impact assessment ("EIA") regarding the haul road for the Mareesburg project;
- Prospect and assess work in relation to Zandfontein, Crocette and Spitzkop ore bodies;
- Conduct feasibility and assessment work regarding a vertical furnace and pelletizer of chrome concentrate;
- Assess CRM underground including all chrome recovery activities in relation to the Retreatment Project; and
- Fund capital requirements for care and maintenance, working capital and general and administrative costs.

Diana Hu, CEO of Eastern Platinum, commented, "Eastplats has established stable operations with the Retreatment Project, and is seeking to complete its optimization program by the end of Q3 2021. This stability will allow growth with PGM extraction through both the PGM Circuit D and the PGM Main Circuit. These projects are expected to increase the revenue and income of Eastplats. During 2021, the Company's focus is on operations and cash-flow to continue to build shareholder value."

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 and eastern limbs of the Bushveld Complex, the geological environment that hosts approximately 80% of the world's PGM-bearing ore.

Operations at the Crocodile River Mine include re-mining and processing its tailings resource, with an offtake of the chrome concentrate to Union Goal from the Zandfontein UG2 tailings facility (the "Retreatment Project") and the processing and extraction of platinum group metals ("PGM").

COVID-19

South Africa remains at alert level 1 regarding COVID-19. The Company continues to follow the health guidelines of the Government of South Africa. The Retreatment Project remains in full operation and continues to produce and transport chrome and PGM end products. The effects of COVID-19 are evolving

and changing and the consequences of a further increase in the alert level in South Africa, temporary shutdown of any operations or other related issues cannot be reasonably estimated at this time, but could potentially have material adverse effects on the Company's business, operations, liquidity and cashflows.

Annual filings

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

- Audited consolidated financial statements for the year ended December 31, 2020 and 2019;
- Management's discussion and analysis for the year ended December 31, 2020 and 2019; and
- Annual Information Form at December 31, 2020.

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, the Company's ability to complete the Optimization Project, ability to forecasted cashflows of the Retreatment Project and for the Company, the Company's ability to test and assess PGM recovery opportunities in connection with the Retreatment Project, the Company's ability to assess and make decisions with respect to monetizing its other assets; the Company's ability to meet any of its targets for 2021, 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 our 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

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