# EASTERN PLATINUM LIMITED

## MANAGEMENT'S DISCUSSION AND ANALYSIS
## FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024

*The following Management's Discussion and Analysis ("MD&A") is intended to assist the reader to assess material changes in financial condition and results of operations of Eastern Platinum Limited ("Eastplats" or the "Company") as at September 30, 2024 and for the three and nine months then ended in comparison to the same period in 2023.*

*This MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements and the related notes for the three and nine months ended September 30, 2024 (the "consolidated financial statements"). The consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and in accordance with International Standard 34 Interim Financial Reporting.*

*The Company's presentation currency is U.S dollars. Monetary amounts in this MD&A are in thousands of U.S. dollars ("$" or "U.S. dollars"), except when indicated as thousands of Canadian dollars ("Cdn$" or "Canadian dollars"), thousands of South African Rand ("ZAR" or "Rand") and except for per share amounts, per tonnage amounts or as otherwise indicated. The effective date of this MD&A is November 7, 2024. Additional information relating to the Company, including its AIF for the year ended, December 31, 2023, is available under the Company's profile on SEDAR+ at www.sedarplus.ca.*

## 1. Overview

Eastplats owns directly and indirectly a number of platinum group metals ("PGM") and chrome assets in the Republic of South Africa ("South Africa"). All of the Company's properties are situated on the western and eastern limbs of the Bushveld Complex ("BCX"), the geological environment that hosts approximately 80% of the world's PGM-bearing ore.

As at September 30, 2024, the Company's primary assets were:

(a) the Crocodile River Mine (the "CRM") located on the western limb of the BCX;
(b) the Kennedy's Vale ("KV") project located on the eastern limb of the BCX;
(c) the Mareesburg project, located on the eastern limb of the BCX; and
(d) the Spitzkop project, also located on the eastern limb of the BCX.

Operations at the CRM up to September 30, 2024 included remining and processing its tailings resource, and more recently, the mining and processing of the Zandfontein underground section. The chrome and PGM concentrates produced from the Barplats Mines (Pty) Limited ("Barplats") Zandfontein UG2 underground and tailings facility are contracted to be delivered to offtakers under related offtake agreements. Since July 2022, with the consent of the chrome offtaker, Union Goal Offshore Solutions Limited, ("Union Goal"), chrome concentrates have been stored on-site at the CRM and sold directly to third-parties. During the three months ended September 30, 2024 ("Q3 2024"), the Company recognized sales of 37,801 tons of chrome concentrate to third-parties (three months ended September 30, 2023 ("Q3 2023") – 101,287 tons).

Eastplats has completed the underground long-term plan and mine design study for the CRM, and is executing its underground operations plan. During the first half of 2024, operations focused first on pre-production work both underground and at the plant. Then, the Company started to raise ore to the surface in preparation for processing. In Q3 2024 while commissioning of the processing plant (Circuit B) continues, the Company started processing run-of-mine ("ROM") UG2 ore produced from the Zandfontein underground section at the CRM.

The Company continues to actively monitor the PGM and chrome markets and other developments in the mining and minerals sector as it resumes active underground mining at CRM.

The Company has completed a legal analysis in relation to the environmental impact assessment ("EIA") for the Mareesburg project. The Company continues to work on an updated internal assessment of the project. Prior to development and mining, the Company will also need to review and update amongst others, its labour and impact plans, BEE shareholdings and local community impact assessment.

There are no developments to report in connection with the KV project, however work continues at Spitzkop, where the Company has started a desktop study on the open pit potential, and a conceptual study as part of the process of amending the environmental authorizations for the site, which is expected to be completed in 2024, subject to financing. KV, Spitzkop and the Mareesburg projects (collectively the "Eastern Limb Projects") currently are monitored collectively as a group by management, however, any future development of these projects will be based on the individual merit of each.

All of the Company's mineral properties are located in South Africa and all of the site services costs, care and maintenance costs, pre-production costs, impairment recovery/charges towards the mineral properties, gain on disposal of property, plant and equipment, interest income, other income and finance costs are incurred in South Africa. Therefore, the Company is subject to the risks of foreign exchange and inflation fluctuations in South Africa.

Prior to the Retreatment Project, almost all South African funding was provided from Canada by its parent company, which holds its cash and cash equivalents, and short-term investments in U.S. dollars, Canadian dollars and South African Rand. The Company is now operating the Retreatment Project and the PGM circuits to generate mining operation income from PGM and chrome production, which has enabled the Company to fund its core operations in South Africa.

The Company's presentation currency is the U.S. dollar while the Company's operating expenses are predominantly incurred in Canadian dollars and South African Rand. The average foreign exchange rates for Q3 2024 and Q3 2023 are summarized as follows:

| | ZAR to USD | Cdn to USD |
|---|---|---|
| Q3 2024 | 0.0557 | 0.7333 |
| Q3 2023 | 0.0537 | 0.7457 |

The average inflation rate in South Africa in Q3 2024 was 4.3%; the annual average inflation rate in South Africa in 2023 was 6.0%, 6.9% in 2022, and 4.5% in 2021 (Consumer Price Index, September 2024).

Corporate Update

On October 3, 2024, the Company announced that while the commissioning of the processing plant (Circuit B) continued, it started processing ROM UG2 ore produced from the Zandfontein underground operations at the CRM. A total of 75,000 tons of ROM ore was blasted up to October 1, 2024, with approximately 22,000 tons of the ROM ore processed in September. This produced a concentrate containing approximately 1,200 ounces of PGM (Pt, Pd, Rh, Ru, Ir, Au) 6E metals which was delivered to Impala Platinum Limited ("Impala") under the existing offtake agreement. Metallurgical chrome concentrates have also been produced as by-product when the ROM UG2 ore was being processed for PGMs. Circuit B has a ROM ore processing capacity of 1,000,000 tons annually (see news release on October 3, 2024).

On June 19, 2024, the Company announced the voting results of the Company's 2024 Annual General Meeting of Shareholders held on June 18, 2024 (the "Meeting"). A total of 123,874,488 common shares were voted at the Meeting, representing 61.35% of the votes attached to all the outstanding common shares of the Company. All resolutions were approved as submitted and all Directors were re-elected.

In late October of 2023, the Company commenced blasting activities at the CRM, which initiated the soft restart of the Zandfontein underground section. The blasting allowed the Company to prepare to stockpile ore for processing. On March 6, 2024, the Company announced that the soft restart of the Zandfontein underground operations is fully operational, and the Company has begun ramping up underground mining efforts to bring ROM material to the surface (see news release on March 6, 2024). At a normalized run rate, this soft restart phase is expected to produce 40,000 tons of PGM ore per month for processing by the end of 2024. The next phase will see operations ramp up to 70,000 tons of PGM ore per month for processing at the end of 2025, operating at a steady state rate in between 70,000 and 80,000 tons monthly by 2026 (see news release on January 23, 2024).

## 2. Fiscal Year 2024 Third Quarter Highlights

### *2.1 Restated Comparative Figures for the nine months ended September 30, 2023*

This MD&A reflects changes the Company made in its consolidated financial statements for the three and nine months ended September 30, 2024 related to the recognition of revenue in the comparable period, the nine months ended September 30, 2023.

In connection with the preparation of the Company's consolidated financial statements for the year ended December 31, 2023, an error was identified in the recognition of revenue related to a chrome concentrate sales transaction in Q4 of 2022 which impacts the Company's previously filed audited consolidated financial statements for the year ended December 31, 2022, its unaudited condensed interim consolidated financial statements for the three months ended March 31, 2023 and its subsequent interim filings for 2023.

A sales transaction that was included in Deferred revenue at the end of 2022 and recognized as revenue in Q1 2023 should have been recognized in Q4 2022 based on the fact that the Company had met all of its required performance obligations at the time, as supported by the underlying contract and bill of lading. Previously reported revenue for the nine months ended September 30, 2023 was overstated by $4,021, with associated errors in Production costs, Accumulated other comprehensive loss and Deficit.

The Company has updated the comparable figures in its September 30, 2024 consolidated financial statements to reflect these changes. As a result, net income and net income per share for the nine months ended September 30, 2023 decreased by approximately $1,697 and $0.01, respectively (further information on these adjustments and a reconciliation of amounts previously reported is contained in Note 14 of the Company's consolidated financial statements for the three and nine months ended September 30, 2024).

The Company's audited consolidated financial statements for the year ended December 31, 2023 reflect these changes. However, the unaudited interim consolidated financial statements and related financial information for the affected periods contained in the Company's filings filed prior to November 7, 2024 should no longer be relied upon.

### *2.2 Significant events*

*(a) Retreatment Project Update and Production*

The Retreatment Project is a proprietary operation producing chrome concentrates. It includes a combined hydro and mechanical re-mining method, with magnetic separation applied to produce chrome concentrates, thus obtaining superior yield results compared to traditional gravity technology. The Retreatment Project is the one of the few large-scale magnetic separation applications in South Africa. Since 2017, Barplats has grown from 100 employees to over 1,500 employees and contractors engaged in supporting the Retreatment Project and the soft restart of the Zandfontein underground operations. The current Retreatment Project is expected to continue operating into early 2025 when the original CRM tailings from the tailings storage facility ("TSF") are expected to be fully processed.

Operations consist of remining of the tailings material and processing the tailings material through the Company's chrome plant and the chrome processing circuit (the "Chrome Circuit"). During Q3 2024, the Company produced 45,988 tons of chrome concentrate from the Retreatment Project, with an average grade of $Cr_2O_3$ at 38.14% (Q3 2023 – 102,898 tons, 38.57%). Year over year production decreased between Q3 2023 and Q3 2024 due to operational challenges associated with remining of the TSF incurred in the current period, as lower grade sections of the TSF, containing vegetation and other impediments, were being processed.

Following the conclusion of the Retreatment Project, the Company expects to complete the second phase of its TSF program to recover chrome and PGMs from tailings generated from the newly operating Zandfontein underground.

*(b) Underground Operations*

The restart of underground operations at the CRM continued in the period. With most underground pre-production work completed in the first half of 2024, focus has shifted to readying the plant for processing. In Q3 2024, while the commissioning of the processing plant (Circuit B) continues, the Company started processing ROM UG2 ore produced from the Zandfontein underground section at the CRM. A total of 75,000 tons of ROM ore was blasted up to October 1, 2024, with approximately 22,000 tons of the ROM ore processed in September. Metallurgical chrome concentrates were also produced as by-product – 4,354 tons have been produced and stored on-site at the CRM as of September 30, 2024.

*(c) Optimization Program*

Completion of the installation of the additional equipment to optimize the chrome plant's overall efficiency and processing, the "Optimization Program," which is designed to provide increased chrome recovery and grade, was contingent on receipt of payments from Union Goal required to fund the remainder of commissioning and testing. However, with no funds having been advanced by Union Goal since 2022, the Company has placed the Optimization Program on hold until further discussions with Union Goal are held.

*(d) PGM Circuits*

In Q3 2024, the Company produced 223 dry tons PGM concentrate, containing an estimate of 273 ounces of PGM, from processing historic tailings resource through PGM Circuit B and PGM Circuit D (collectively, the "PGM Circuits"). This was lower than the same period from the previous year (Q3 2023 – 854 dry tons produced and containing 1,187 ounces of PGM) due to the operational challenges associated with remining of the TSF in the current period as discussed above, as the lower grade materials provided lower yields of both chrome and PGM concentrates.

In September 2024, the Company also produced 242 dry tons of PGM concentrate, containing an estimate of 1,211 ounces of PGM 6E metals, from processing ROM UG2 ore produced from the underground operations. A total of 465 dry tons of PGM concentrate were produced in Q3 2024 and delivered to Impala under the existing PGM offtake agreements between Barplats and Impala.

The Company has an agreement with Impala dated September 18, 2020 for the PGM concentrate produced from the CRM historic tailings material (the "2020 Impala Agreement for Tailings"). Further, Barplats, has a life-of-mine offtake refining contract with Impala dated April 30, 2004 for the PGM concentrate produced from the Zandfontein underground operations (the "2004 Impala Main Agreement") (collectively, the "PGM Offtake Agreements with Impala").

***2.3 Financial Results – Q3 2024 vs Q3 2023***

- Revenue was $10,976 in Q3 2024 compared to $21,808 in Q3 2023. The decrease in revenue for Q3 2024 was primarily due to a significant decrease in chrome sales volume to third-parties in the period (38 kT in Q3 2024 vs. 101 kT in Q3 2023).

- Mine operating loss was ($1,035) in Q3 2024 compared to mine operating income of $6,998 in Q3 2023. The decrease was primarily due to the decrease in chrome sales volumes despite higher market prices on chrome concentrate sales.

- Gross margin decreased to (9.4%) in Q3 2024 compared to 32.1% in Q3 2023. The decrease was primarily due to the production costs incurred with the underground operations in the current period as Eastplats ramps up ROM processing tonnages.

- Operating loss was ($5,702) in Q3 2024 compared to operating income of $3,577 in Q3 2023, primarily due to the lower chrome sales in the quarter.

- Net loss attributable to equity shareholders was ($3,394) in Q3 2024 compared to net income of $3,127 in Q3 2023. The decrease in net income was largely attributable to the lower chrome sales in the quarter, offset by a decrease in finance costs and a foreign exchange gain in the period due to the strengthening of the South African Rand.

## 3. Selected Quarterly Financial Data

The following table sets forth selected results of operations for the Company's eight most recently completed quarters; compiled from the Company's quarterly and annual financial statements.

*Table 1*

**Selected quarterly data**
(Expressed in thousands of U.S. dollars, except for per share amounts and foreign exchange rates)

| | 2024 | | | 2023 | | | | 2022 |
|---|---|---|---|---|---|---|---|---|
| | Sept. 30 | Jun. 30 | Mar. 31 | Dec. 31 | Sept. 30 | Jun. 30 | Mar. 31 | Dec. 31 |
| | | | | | | | (Restated) | (Restated) |
| | $ | $ | $ | $ | $ | $ | $ | $ |
| Revenue | 10,976 | 18,785 | 15,709 | 30,463 | 21,808 | 36,636 | 18,037 | 12,396 |
| Production costs | (11,279) | (13,674) | (9,200) | (21,352) | (13,377) | (21,460) | (13,036) | (13,690) |
| Production costs – depreciation | (732) | (678) | (1,221) | (1,341) | (1,433) | (1,916) | (1,465) | (508) |
| Mine operating (loss) income | (1,035) | 4,433 | 5,288 | 7,770 | 6,998 | 13,260 | 3,536 | (1,802) |
| General and administrative | (1,050) | (653) | (578) | (1,041) | (933) | (695) | (474) | (1,270) |
| Care and maintenance & site services | (2,791) | (2,011) | (2,034) | (1,879) | (2,488) | (2,164) | (1,262) | (1,766) |
| Pre-production costs | (826) | (147) | (2,706) | (2,087) | — | — | — | — |
| | (4,667) | (2,811) | (5,318) | (5,007) | (3,421) | (2,859) | (1,736) | (3,036) |
| Operating (loss) income | (5,702) | 1,622 | (30) | 2,763 | 3,577 | 10,401 | 1,800 | (4,838) |
| Other income (expenses), net | 2,302 | 1,904 | (895) | 551 | (449) | (2,694) | (2,157) | 6,312 |
| (Loss) income before income taxes | (3,400) | 3,526 | (925) | 3,314 | 3,128 | 7,707 | (357) | 1,474 |
| Income tax recovery (expense) | 4 | (51) | 2 | 8 | (3) | (51) | 3 | (29) |
| Net (loss) income for the period | (3,396) | 3,475 | (923) | 3,322 | 3,125 | 7,656 | (354) | 1,445 |
| Net (loss) income attributable to equity shareholders of the Company | (3,394) | 3,476 | (922) | 3,322 | 3,127 | 7,663 | (353) | 1,446 |
| (Loss) earnings (loss) per share – basic and diluted | (0.02) | 0.02 | 0.00 | 0.02 | 0.02 | 0.04 | 0.00 | 0.01 |
| Average foreign exchange rates | | | | | | | | |
| US dollar per South African Rand | 0.0557 | 0.0539 | 0.0529 | 0.0534 | 0.0537 | 0.0537 | 0.0564 | 0.0568 |
| US dollar per Canadian dollar | 0.7333 | 0.7308 | 0.7414 | 0.7343 | 0.7457 | 0.7446 | 0.7398 | 0.7364 |
| Period end foreign exchange rates | | | | | | | | |
| US dollar per South African Rand | 0.0583 | 0.0549 | 0.0529 | 0.0546 | 0.0528 | 0.0527 | 0.0562 | 0.0587 |
| US dollar per Canadian dollar | 0.7395 | 0.7310 | 0.7384 | 0.7547 | 0.7364 | 0.7545 | 0.7383 | 0.7370 |

The Company's operations are normally not materially impacted by seasonality considerations, with the exception of seasonal electricity tariffs (winter rates in South Africa are 1.5 times the summer rates). During 2022, as a result of operational adjustments in chrome concentrate delivery methods and a transition to a more traditional revenue model selling to new customers, the third and fourth quarter results of 2022 were impacted accordingly. In Q1 2023, the Company completed its first full quarter under this new revenue model. While it continues to negotiate with Union Goal, as discussed further in section 4.1, the Company expects to continue selling chrome concentrate produced at the CRM to third-parties.

## 4. Results of Operations for the Three and Nine Months Ended September 30, 2024

The following table sets forth selected consolidated financial information for the three and nine months ended September 30, 2024 and 2023:

*Table 2*

**Consolidated statements of (loss) income**

(Expressed in thousands of U.S. dollars, except per share amounts)

| | **Three months ended September 30,** | | **Nine months ended September 30,** | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 (Restated) |
| | **$** | $ | **$** | $ |
| Revenue | **10,976** | 21,808 | **45,470** | 76,480 |
| Cost of operations | | | | |
| Production costs | **(11,279)** | (13,377) | **(34,153)** | (47,873) |
| Production costs - depreciation | **(732)** | (1,433) | **(2,631)** | (4,814) |
| Mine operating (loss) income | **(1,035)** | 6,998 | **8,686** | 23,793 |
| Expenses | | | | |
| General and administrative | **1,050** | 933 | **2,281** | 2,102 |
| Site services | **2,393** | 856 | **5,722** | 2,538 |
| Care and maintenance | **398** | 1,632 | **1,114** | 3,376 |
| Pre-production costs | **826** | — | **3,679** | — |
| Operating (loss) income | **(5,702)** | 3,577 | **(4,110)** | 15,777 |
| Other income (expense) and income tax recovery (expense) | **2,306** | (452) | **3,266** | (5,349) |
| **Net (loss) income for the period** | **(3,396)** | 3,125 | **(844)** | 10,428 |
| Net (loss) income attributable to: | | | | |
| Non-controlling interest | **(2)** | (2) | **(4)** | (9) |
| Equity shareholders of the Company | **(3,394)** | 3,127 | **(840)** | 10,437 |
| **Net (loss) income for the period** | **(3,396)** | 3,125 | **(844)** | 10,428 |
| (Loss) earnings per share | | | | |
| Basic and diluted | **(0.02)** | 0.02 | **0.00** | 0.06 |
| Weighted average number of common shares outstanding (‘000s) | | | | |
| Basic | **202,278** | 201,902 | **202,033** | 171,152 |
| Diluted | **202,278** | 201,902 | **202,033** | 171,314 |

**Consolidated statements of financial position**

| | **September 30, 2024** | December 31, 2023 |
|---|---|---|
| | **$** | $ |
| Total assets | **172,838** | 160,770 |
| Total non-current liabilities | **4,610** | 4,065 |

The Company recorded net loss attributable to equity shareholders of the Company of ($3,394) (or ($0.02) per share) in Q3 2024 compared to net income attributable to equity shareholders of the Company of $3,127 (or $0.02 per share) in Q3 2023. Detailed explanations are presented in the following section.

### *4.1 Overall Performance*

*Revenue*

The Company derives revenue from processing both chrome and PGM concentrates from the CRM during Q3 2024 and the nine months ended September 30, 2024 ("YTD 2024"). The Company's majority of revenue (approximately 84% and 92% for Q3 2024 and YTD 2024, respectively) was from chrome concentrate sales. The Company also earns PGM revenue under the PGM Offtake Agreements with Impala from PGM concentrates produced from further processing of historic tailings materials following the production of chrome concentrates and, since September 2024, produced from processing ROM UG2 ore from underground operations.

The Company derived revenue from the processing and delivery of chrome of $9,242 and $41,861 in Q3 2024 and YTD 2024, respectively, as compared to $21,738 and $72,371 in Q3 2023 and the nine months ended September 30, 2023 ("YTD 2023"), respectively. The decrease was primarily due to a decrease in chrome sales volume to third-parties in the period.

Chrome and PGM concentrate transactions are contracted based on prevailing market prices, adjusted for actual grades and in the case of chrome concentrate, shipping and other logistics costs. PGM concentrate transactions are governed by the PGM Offtake Agreements with Impala. Chrome concentrate sales transactions may include certain discounts in exchange for favourable payment or shipping terms.

The Company generated PGM concentrate revenue of $1,734 and $3,609 in Q3 2024 and YTD 2024, respectively, as compared to $70 and $4,109 in Q3 2023 and YTD 2023, respectively. The increase in PGM revenue in Q3 2024 was due to the PGM concentrates produced from the underground operations in September which contained higher grade of PGM 6E metals, estimated to be 1,211[1] ounces. This, however, did not fully alleviate the reduction in revenue related to PGM produced from processing historic tailings materials (from 5,294 ounces produced in YTD 2023 to 2,827[1] ounces produced in YTD 2024), causing the decrease in PGM revenue in YTD 2024. PGM prices, most notably palladium and rhodium prices, have also remained low since their decline in the prior year.

*Mine operating (loss) income*

Mine operating (loss) income was ($1,035) and $8,686 in Q3 2024 and YTD 2024, respectively, as compared to $6,998 and $23,793 in Q3 2023 and YTD 2023, respectively. Gross margin decreased to (9.4%) and 19.1% in Q3 2024 and YTD 2024, respectively, as compared to 32.1% and 31.1% in Q3 2023 and YTD 2023, respectively. As mentioned earlier in this MD&A, the decrease in mine operating income was due to lower chrome sales volumes and the production costs incurred by the underground operations in the current period.

Production costs - depreciation was $732 and $2,631 in Q3 2024 and YTD 2024, respectively, as compared to $1,433 and $4,814 in Q3 2023 and YTD 2023, respectively. The decrease was due to lower tonnage of tailings feed processed in the current period, which decreased depreciation associated with plant and equipment depreciated using the unit-of-production method. There were no significant changes to capital equipment in service in the current period.

*General and administrative*

General and administrative ("G&A") costs are associated with the Company's Vancouver corporate head office and associated professional and corporate costs. G&A costs were $1,050 and $2,513 in Q3 2024 and

[1] This included estimated production for Q3 2024, which is subject to change based on final assays.

YTD 2024, respectively, as compared to $933 and $2,102 in Q3 2023 and YTD 2023, respectively. The G&A costs increase for Q3 2024 and YTD 2024 was due to higher professional fees relating to litigations in the current period, higher share-based compensation due to higher share price, and increased remuneration costs due to higher staffing levels than in the comparable period.

These were offset by an expected credit loss ("ECL") adjustment of $nil and ($232) in Q3 2024 and YTD 2024, respectively, as compared to $nil and $nil in Q3 2023 and YTD 2023, respectively. The reductions in ECL made in YTD 2024 were related to the trade receivable balance from a third-party customer for a chrome concentrate sales contract completed in the prior year that was provided for in 2023 but was subsequently fully recovered.

*Site services*

Site services costs relate to work performed indirectly to support operations. As such, costs such as security, management, lab costs and support operations are included in site services. These costs were $2,393 and $5,722 in Q3 2024 and YTD 2024, respectively, as compared to $856 and $2,538 in Q3 2023 and YTD 2023, respectively. The higher site services costs in Q3 2024 and YTD 2024 were primarily due to increased staffing and related costs associated with the underground restart, as well as a decrease in the allocation of certain site services costs to production costs in the period.

*Care and maintenance*

Care and maintenance costs are incurred when production of the underground mining or other PGM projects are suspended and expenditures are reduced to the level required to maintain the good condition of such assets. Such costs consist of maintenance, pumping to prevent flooding of the workings, underground inspections to ensure that the integrity of critical excavations is preserved, certain general costs and other costs necessary to safeguard such projects and their associated assets. The Mareesburg and KV projects were placed on care and maintenance in the fourth quarter of 2012, and the CRM underground was placed on care and maintenance in the third quarter of 2013 up until the end of third quarter of 2023.

Care and maintenance costs were $398 and $1,114 in Q3 2024 and YTD 2024, respectively, as compared to $1,632 and $3,376 in Q3 2023 and YTD 2023, respectively. Costs decreased in Q3 2024 and YTD 2024 as costs incurred at the CRM underground since its soft restart in October 2023 are reported as pre-production costs (see below), production costs, or capitalized to inventory as appropriate.

*Pre-production costs*

Pre-production costs relate to the initial work performed to bring the underground CRM operations back into production. The Company initiated the soft restart of the Zandfontein underground operations at the CRM in October 2023. As such, costs incurred at the CRM underground were no longer of the same nature as care and maintenance costs, and are now reported separately. Pre-production costs were $826 and $3,679 in Q3 2024 and YTD 2024, respectively, as compared to $nil and $nil in Q3 2023 and YTD 2023, respectively.

*Operating (loss) income*

The Company had operating loss of ($5,702) and ($4,110) in Q3 2024 and YTD 2024, respectively, as compared to operating income of $3,577 and $15,777 in Q3 2023 and YTD 2023, respectively. The decrease in operating income in Q3 2024 was primarily due to the lower chrome sales volume in the period.

*Other income (expense)*

Other income (expense) excluding foreign exchange gains and losses were $526 and $1,663 in Q3 2024 and YTD 2024, respectively, as compared to ($613) and ($2,026) in Q3 2023 and YTD 2023, respectively. The increase was primarily due to a decrease in finance costs relating to the accretion of interest on the Union Goal contracts payable from $1,144 and $3,362 for Q3 2023 and YTD 2023, respectively to $nil and $nil for Q3 2024 and YTD 2024, respectively. Other income also includes gains and losses on commodity hedges on PGM sales, rental income from Company-owned residential properties on the Eastern Limb Projects and scrap metal sales not directly related to operations.

*Foreign exchange gain (loss)*

The Company recorded a foreign exchange gain (loss) of $1,776 and $1,648 in Q3 2024 and YTD 2024, respectively, as compared to $164 and ($3,271) in Q3 2023 and YTD 2023, respectively. The South African Rand strengthened in the quarter compared to the previous quarter and the comparable period in 2023. A stronger Rand in a period creates a foreign exchange gain on the Company's U.S. dollar contract payable liability which is the main driver of the Company's foreign exchange gains and losses.

### *4.2 Crocodile River Mine*

Retreatment Project – Chrome recovery

The Retreatment Project previously generated revenue based on tons of material made available for processing by remining the tailings, recovery of certain operational costs and allocation of the upfront cash payment from Union Goal for the offtake of chrome concentrate. As of July 1, 2022, the Company stopped recognizing revenue from the processing of tailings for Union Goal and since the start of the third quarter of 2022, the Company engaged in free market sales where revenue is recognized in a more typical manner, when payment is probable and control is transferred to the buyer.

Summary of chrome production for the three and nine months ended September 30, 2024 and 2023:

| | **Q3 2024** | Q3 2023 | **YTD 2024** | YTD 2023 |
|---|---|---|---|---|
| Total Tailings Feed (Tons) | **294,246** | 519,914 | **961,412** | 1,766,928 |
| Average grade Cr concentrate | **38.1%** | 38.6% | **38.4%** | 38.7% |
| Tons of chrome concentrate | **45,988** | 102,898 | **198,175** | 377,110 |

The Company continues the TSF wall building program, utilizing waste rock and paddocking, to raise the wall to facilitate continued depositing of reprocessed tailings. The reprocessing of the original CRM tailings is expected to be completed by early 2025.

PGM Circuits

Summary of PGM production from processing historic tailings resource through the PGM Circuits for the three and nine months ended September 30, 2024 and 2023:

| | **Q3 2024** | Q3 2023 | **YTD 2024** | YTD 2023 |
|---|---|---|---|---|
| Tons of PGM concentrate | **223** | 854 | **1,976** | 2,969 |
| PGM ounces produced (6E)* | **273** | 1,187 | **2,827** | 5,294 |

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

Underground Operations

In Q3 2024, while commissioning of the processing plant (Circuit B) continued, the Company began processing ROM UG2 ore produced from the Zandfontein underground section at the CRM. A total of 75,000 tons of ROM ore was blasted up to October 1, 2024, with approximately 22,000 tons of the ROM ore processed in September.

Summary of PGM and chrome production from underground operations for the three and nine months ended September 30, 2024:

| | Q3 2024 | YTD 2024 |
|---|---|---|
| Tons of chrome concentrate | **4,354** | **4,354** |
| Tons of PGM concentrate | **242** | **242** |
| PGM ounces produced (6E)* | **1,211** | **1,211** |

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

## 5. Liquidity and Capital Resources

As at September 30, 2024, the Company had a working capital deficit (current assets less current liabilities) of $26,567 (December 31, 2023 – working capital deficit of $15,504) and short-term cash resources of $8,509 (consisting of cash, cash equivalents and short-term investments) (December 31, 2023 – $21,349). The working capital deficit is mainly due to the Union Goal contract payable of $53,366 being recorded as a current liability in the year. The due date of the contract payable was extended by written agreement on December 31, 2020 to January 14, 2022, and further extended as per the Revised and Restated Union Goal Agreements signed on March 10, 2021 to 210 days after the date of issuing the plant commissioning certificate on the optimization equipment. Although the optimization program has not been completed, management estimates that negotiations with respect to payment of the Union Goal contract payable will be completed in due course as the remining of the TSF will be completed. Under the Union Goal Agreements, the Company's purchase of the equipment for the Chrome Circuit, is subject to a put option which the Company can exercise to return the equipment and extinguish the debt in full if an agreement on the final purchase price cannot be reached. On February 16, 2024, the Company received a notice of civil claim filed by Union Goal with respect to the portion of the contract payable held by Eastern Platinum Ltd. ($7,115). See section 5.3 Contractual Obligations, Commitments and Contingencies for a further discussion of this claim.

The Company's cash and cash equivalents decreased by ($9,622) in YTD 2024 compared to an increase of $10,805 in the comparable period in 2023. The decrease was driven mainly by lower chrome concentrate sales which led to net cash outflows from operational activities of ($1,048) in YTD 2024 as compared to net cash inflows of $14,478 in YTD 2023. In addition, in the prior year, the Company raised $5,061 from its Rights Offering. Since the soft restart of the Zandfontein underground operations, the Company made significant additions to its property, plant and equipment of $12,123 in YTD 2024, as compared to $1,300 in YTD 2023.

The Retreatment Project, in relation to the recovery of chrome concentrate at CRM, is in steady operation and has been operating for five years. The Company also began operations via PGM Circuit D in late 2020 and commissioned PGM Circuit B the following year to deliver PGM concentrates from the Retreatment Project under the PGM Offtake Agreements with Impala. The Company initiated a soft restart of the Zandfontein underground operations in October 2023 and started processing its first underground ROM UG2 ore in Q3 2024. All other properties and projects are under care and maintenance or are at an earlier stage of development. As the Company continues to operate the Retreatment Project and the soft restart, there remains material uncertainty as to whether the Company will be able to achieve sufficient cash inflows to meet its expected obligations in the next 12 months. Although management expects to fully meet its payment obligations as they become due, a further re-financing of the contract payable debt may need to be negotiated with Union Goal. Other sources of financing may also be required and are actively being pursued.

Significant judgments and estimates are involved in projecting the future cash flows including the level of production of the Retreatment Project and other operations. The Company closed a finance facility with Investec during the last half of 2022, and previously raised funds through rights offerings, but additional funding may be required to advance the larger PGM development opportunity for underground production at the CRM, and the continued development of the Mareesburg Project or other Eastern Limb Projects to bring them into production.

The Company's cash forecasts include certain assumptions; there exists liquidity risk (see section 8 (c)(v)) if certain of these assumptions do not hold. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its expansionary plans.

The Company approved its 2024 budget in January 2024 to execute the corporate objectives discussed in Section 5.1 of this MD&A. The Company's 2024 objectives are expected to be funded through a combination of existing working capital, funds from current operations, and through additional financing.

### *5.1 Outlook*

The Company's CRM Retreatment Project and underground operations in South Africa was operating without restrictions at September 30, 2024 and as of the date of this MD&A. Eastplats continues to deliver PGM concentrates under the PGM Offtake Agreements with Impala.

In July 2022, with the consent of Union Goal, the Company began stockpiling chrome concentrate inventory and negotiating third-party sales. The Company completed its first third-party sales of chrome concentrate in Q1 2023, and expects to continue conducting third-party chrome concentrate sales in 2024, with production from the TSF to continue until early 2025. Following the conclusion of the Retreatment Project, Eastplats expects to complete the second phase of its tailings storage facility program to recover chrome and PGMs from tailings generated from the newly operating Zandfontein underground. By 2026, PGM revenue is expected to account for 65% or more of Eastplats' total revenue.

The Company plans to restart work on the Optimization Program; however, this is predicated on Union Goal's ability to provide funding to reduce the Company's outstanding trade receivable balance. The Company has not received any further payments to reduce the outstanding trade receivable balance nor to fund the Optimization Program from Union Goal since March 2022. A default on the receivable, lack of payment, or an unfavourable settlement with Union Goal could have a significant impact not only on the instrument credit risk adjustments recorded to date but on the Company's liquidity as a whole. Despite providing its consent to the Company to initiate third-party sales of the chrome concentrate produced at the CRM, continued delays in payment by Union Goal of the outstanding trade receivable balance may require the Company to re-evaluate the fair value of the contract payable, re-evaluate the exclusivity of the contract, and could lead to a renegotiation/change of the Union Goal contracts, including payment by the Company of the related loans owing to Union Goal. The Company still expects to receive all monies owed to it and will pursue all commercial options available to it to collect these amounts, which may include offsetting Eastplats' accounts receivable with the Union Goal accounts payable to realize on our outstanding receivable, an option available to Eastplats as part of the Framework Agreement with Union Goal.

The Company's targets for 2024 are as follows:

- Ramp-up the Zandfontein underground operations, targeting to process up to 235,000 tons of underground ROM ore in total for the year 2024 (ongoing);

- Confirm capital plans to support the full re-opening of Zandfontein underground operations at the CRM from external or internal sources (ongoing);

- Complete the second phase of the TSF capital works program and confirm the TSF dam space for new ROM tailings (ongoing);

- Optimize Main Plant Circuit B for underground operations (ongoing);

- Renovate Circuit D to high energy flotation cells for better ROM processing recovery rate to 82% or higher (initiated);

- Advance the Mareesburg and Spitzkop project environmental work to complete the EIA and other environmental studies and amendments (ongoing);

- Resolve the outstanding receivables and related matters with Union Goal (ongoing); and

- Continue prospecting and assessment work in relation to Zandfontein, Crocette and Kareespruit sections of the CRM and Kennedy's Vale and Spitzkop mines at the eastern limb of the Bushveld Complex (ongoing).

For the remainder of 2024, the Company is focusing on ramping up operations at the Zandfontein underground, subject to capital availability and profitability of its chrome operations. There are no other expected changes to the business in 2024.

Care and maintenance will continue for the Company's Eastern Limb Projects for 2024. The Company is actively looking at opportunities for its other assets including continuing to explore options to utilize or monetize these assets.

The Company continually reviews, as appropriate, its other assets and the larger PGM market developments beyond the near term. All decisions will be made based on long-term economic determinations. The Company may require additional funding to develop capital projects in 2024 including a full restart of the Zandfontein underground, that may or may not be available to the Company or may require changes to the current operations at the CRM.

With respect to the Mareesburg project, subject to the completion of the EIA, the Company plans to work on an updated internal project assessment during 2024 and then based on this outcome, may follow on with mine design study and technical review, environmental studies and amendments. This may lead to the possible development of the Mareesburg open cast mine, subject to capital requirements and the availability of financing.

Potential funding for any of the possibilities discussed above may include debt financing arrangements, joint venture or other third-party participation in one or more of these projects, or sales of equity or debt securities of the Company. Any additional financing may be dilutive to shareholders of the Company, and debt financing, if available, may involve restrictions on financing, investing and operating activities. There can be no assurance that additional funding will be available to the Company when needed or, if available, that this funding will be on acceptable terms. If adequate funds are not available, including funds generated from any producing operations, the Company may be required to further delay or reduce the scope of these development projects or mining operations.

## *5.2 Share Capital*

In Q3 2024, the Company granted 4,190,000 stock options to its directors, officers and employees to acquire common shares of the Company. The options were granted for a term of five years with each option allowing the holder to purchase one common share of Eastplats at an exercise price of Cdn$0.20.

In Q3 2024, 240,000 stock options were exercised. With the 200,000 stock options that were exercised during the second quarter of 2024, a total of 440,000 stock options were exercised in YTD 2024. An additional 150,000 stock options were exercised subsequent to September 30, 2024. In YTD 2024, 450,000 share options expired.

In YTD 2023, the Company issued 3,800,000 stock options to its directors, officer, and employees, and an additional 240,000 stock options to a consultant. In the same period, 200,000 stock options expired.

On June 26, 2024, 5,960,000 warrants expired; each warrant would have entitled its holder to acquire one common share of the Company at an exercise price of Cdn$0.24.

As at the date of this MD&A, the Company had:

- 202,491,426 common shares issued and outstanding;
- Nil warrants outstanding; and
- 9,960,000 stock options outstanding as listed as follows:

*Table 3*

| Number of options outstanding | Number of options exercisable | Exercise price Cdn$ | Remaining Contractual Life (Years) | Expiry date |
|---|---|---|---|---|
| 450,000 | 450,000 | 0.37 | 0.9 | October 16, 2025 |
| 650,000 | 650,000 | 0.34 | 1.6 | June 23, 2026 |
| 1,400,000 | 1,400,000 | 0.23 | 2.7 | July 6, 2027 |
| 3,450,000 | 3,450,000 | 0.10 | 3.6 | June 21, 2028 |
| 4,010,000 | 4,010,000 | 0.20 | 4.7 | July 2, 2029 |
| **9,960,000** | **9,960,000** | | **3.7** | |

## *5.3 Contractual Obligations, Commitments and Contingencies*

The Company's major contractual obligations and commitments as at September 30, 2024 were as follows:

*Table 4*

| (in thousands of U.S. dollars) | **Total** $ | Less than 1 year $ | 1 - 5 years $ | More than 5 years $ |
|---|---|---|---|---|
| Contracts payable (i) | **53,366** | 53,366 | — | — |
| Other obligations (ii) | **9,495** | 9,495 | — | — |
| Provision for environmental rehabilitation (iii) | **3,643** | — | — | 3,643 |
| Capital expenditure and purchase commitments (iv) | **2,381** | 2,381 | — | — |
| Lease obligations (v) | **74** | 22 | 52 | — |
| | **68,959** | 65,264 | 52 | 3,643 |

(i) Union Goal equipment and construction financing relating to the Retreatment Project. The amount shown represents the undiscounted payment based on the agreed nil interest rate until the due date, subject to reduction or elimination, according to the 2021 Updated Retreatment Project Agreements. Subject to neither party exercising its option right granted, the due date is contractually set at 210 days after the date of issuing the plant commissioning certificate when the optimization program is completed and commissioned. Since the optimization program has not been commissioned and the option period remains in effect, the Company expects to enter into negotiations in good faith in respect of the value of the payment and to exercise its put option to extinguish the payable by relinquishing ownership of the plant if consensus cannot be reached. The Company expects this negotiation to occur in due course. The terms are more fully described in Note 6 and Note 11 of the Company's consolidated financial statements.

(ii) Other obligations consist of trade and other payables of $9,110 and the draw on the Investec finance facility of $385.

(iii) Environmental rehabilitation provision over the life of mining operations and amounts shown are estimated expenditures at fair value, assuming weighted average credit adjusted risk-free discount rates of 11 - 12% and an inflation factor of 4.98%.

(iv) Capital expenditure and purchase commitments contracted at September 30, 2024 but not recognized on the consolidated statement of financial position.

(v) Lease contracts for office space at head office. The amount shown is the undiscounted minimum lease payment.

*Litigation by Union Goal against the Company*

On February 16, 2024, the Company received a notice of civil claim from Union Goal filed in the Supreme Court of British Columbia (the "BC Supreme Court"). In the notice, Union Goal claimed a breach of contract and unjust enrichment with respect to the credit facility provided to Eastern Platinum Ltd. from Union Goal, asserting that the outstanding balance of the credit facility ($7,115) had become payable. The Company does not believe it is in breach, as the updated framework agreement stated that the credit facility would become payable 210 days after receipt of the plant commissioning certificate related to the Optimization program, which, as mentioned earlier in this MD&A, has not been received. The Company has raised a jurisdictional challenge, and seeks to stay the claim on that basis. The application on the jurisdictional challenge is scheduled to be heard during December 2024.

*Further litigation by 2538520 Ontario Limited against the Company (Civil Claim 1)*

On February 7, 2020, 2538520 Ontario Limited ("253") and its CEO, Rong Kai Hong ("Hong"), (together, the "Plaintiffs") filed a further claim regarding various allegations (initiated in 2018), including that the Company was acting to oppress the Plaintiffs' rights among other claims ("Civil Claim 1"). The Plaintiffs seek, among other relief, orders requiring a change to the Company share ownership, election of new Directors, several changes to senior management and damages of $50,000 (or such greater amount as may be proven at trial) from the Company, certain present and former Directors and Officers, and separately seven other listed defendants. On June 11, 2021, the Plaintiffs filed an amended claim in response to an imminent application from the Company and its directors and officers to dismiss the claim as an abuse of process. The Plaintiffs agreed to a consent dismissal of the claims against the non-executive directors and struck a substantial portion of the contents of their notice of civil claim. Claims against the Company, certain senior management as well as claims against certain other parties remain extant**.** An application with respect to service on other parties was heard in February 2022 and the BC Supreme Court determined on June 30, 2022 that those other parties have been properly served. Counsel for 253 and Hong demanded that certain parties deliver responses to the civil claim by no later than July 31, 2022, failing which 253 and Hong would seek default judgment. No responses have been filed as of the date of this MD&A, and while the Plaintiffs have now applied for default judgment against those other defendants, the application has yet to be heard. On March 13, 2024, the Plaintiffs filed a further amended notice of civil claim, contrary to the Court Rules, which they have since indicated they will agree to strike by consent. The Company intends to apply to dismiss the lawsuit early in the new year. No provision is made in the Company's consolidated financial statements as the Company assessed the allegations have no merit.

*Further litigation by 2538520 Ontario Limited against the Company (Civil Claim 2)*

In July 2024, 2538520 Ontario Limited filed the claim it made in its further amended notice of civil claim in Civil Claim 1 as a separate civil claim ("Civil Claim 2"). The new claim alleges that the Company and affiliated parties sold chrome concentrate to a certain third-party customer at below market value, and seeks much the same relief as was sought in Civil Claim 1. The Company has filed a response and has applied to strike and dismiss the claim on a summary basis. It intends to set that application at the same time as the application to dismiss Civil Claim 1. No provision is made in these consolidated financial statements as the Company assessed the allegations have no merit.

*Litigation by Xiaoling Ren against the Company*

In December 2020, the Company received a petition filed with the BC Supreme Court, by Xiaoling Ren, a shareholder of the Company, seeking leave from the court to commence a derivative action on behalf of the Company against certain of its current and former directors. The petition is substantially similar to that filed in November 2018 for 253, which was dismissed in 2019, and which decision was upheld on appeal. The Company filed a response to and sought dismissal of Ms. Ren's petition.

In April 2023, the court released its reasons for judgment denying leave to commence a derivative action against certain current and former directors, but granting leave as against the former CEO of the Company. In early May 2023, pursuant to the court's earlier decision granting leave, Ms. Ren filed a derivative notice of civil claim with the BC Supreme Court in the Company's name against the former CEO. The Company is reviewing the May 2023 notice of civil claim with its advisors. In December 2023, the Company commenced an appeal of the April 2023 order granting leave to commence a derivative action. On March 21, 2024, the court denied the appeal. The Company then applied for leave to appeal the decision to the Supreme Court of Canada, but its application was dismissed. It is not possible to provide a further evaluation of the claim as of the date of this MD&A or make an assessment regarding potential future cash outflow.

*Claim dispute regarding Spitzkop*

The Company received a notice from the Department of Mineral Resources and Energy of South Africa ("DMRE") on October 25, 2018 of an appeal launched with the DMRE with respect to the Company's mineral license issued in 2012 relating to the Spitzkop property. In addition, the claimant has launched an appeal against a water use license and a related review application in respect thereof in the High Court in South Africa. The Company and the claimant are currently engaging to amicably resolve this matter and it does not expect that it will result in a material cash outflow by the Company in the foreseeable future.

*Project Agreement – PGM Circuit H*

In July 2020, Barplats entered into an agreement with Advanced Beneficiation Technologies (Pty) Limited ("ABT") in respect of the possible construction of a modular plant to process PGMs from certain tailings at the CRM (the "Circuit H Project"). The agreement is the subject of a dispute and ABT has referred the dispute to arbitration under the agreement. In addition, on June 27, 2023, Barplats received a summons out of the High Court of South Africa (North West Division, Mahikeng) from ABT Toda (Pty) Limited as plaintiff. In both matters, pleadings were exchanged and are now closed, the process of the discovery of documents is underway. No provision has been made in the Company's consolidated financial statements for this matter.

*General*

The Company is subject to claims and legal proceedings arising in the ordinary course of business activities, each of which is subject to various uncertainties and it is possible that some of these matters may be resolved unfavourably to the Company. For matters that are probable and can be reasonably estimated, the Company establishes provisions in its financial statements. When evaluating legal proceedings that are pending against the Company, the Company and its legal counsel assess the perceived merits of the legal proceedings along with the perceived merits of the amount of relief sought. It is management's opinion that there are currently no other claims expected to have a material effect on the results of operations or financial condition of the Company and therefore no accrual is provided.

## 6. Related Party Transactions

The Company incurred the following fees and expenses in the normal course of operations in connection with certain companies owned by officers and directors. Expenses have been measured at the exchange amount which is determined on a cost recovery basis.

*Table 5*

| (Expressed in thousands of U.S. dollars) | **Three months ended September 30,** | | **Nine months ended September 30,** | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| | **$** | $ | **$** | $ |
| Related party transactions | | | | |
| Director fees | **61** | 74 | **190** | 196 |
| Share-based compensation | **124** | 40 | **124** | 45 |
| Total | **185** | 114 | **314** | 241 |
| Compensation of key management personnel | | | | |
| Remuneration | **164** | 141 | **555** | 480 |
| Share-based compensation | **92** | 36 | **92** | 40 |
| Total | **256** | 177 | **647** | 520 |

The Company's key management includes the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO"), and the Vice President ("VP"). Key management personnel were not paid post-employment benefits or other long-term benefits in Q3 2024, nor in Q3 2023.

## 7. Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting impact on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. It is possible that circumstances may arise which cause actual results to differ from the estimates and judgments applied in these consolidated financial statements, and such differences affecting the Company's future financial position and results cannot be determined at this time.

The Company has three reportable segments – the CRM, the Eastern Limb Projects and Corporate. The Eastern Limb Projects consist of the KV, Spitzkop and Mareesburg projects. Corporate operations in Barbados, British Virgin Islands and Canada collectively are the Corporate segment. All of the reportable segments have consistently applied the same accounting policies as disclosed in Note 4 of the Company's audited consolidated financial statements for the year ended December 31, 2023.

Areas of significant judgment and estimates made by management for the three and nine months ended September 30, 2024 are as summarized as follows**:**

*(a) Critical Accounting Estimates*

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year.

*(i) Impairment*

The Company assesses the carry values of its mineral properties for indication of impairment at each quarter end. Based on its assessment, the Company concluded that there were no indicators of impairment as at September 30, 2024.

*(ii) Union Goal Contracts*

The Company purchased the Chrome Circuit equipment based on the Union Goal Contracts in connection with the Retreatment Project. The Chrome Circuit equipment is subject to put and call options in the event that either party is not satisfied with the agreed pricing or performance of the Chrome Circuit equipment during the initial contract period. There are significant estimates and uncertainties involved in assessing the future performance of the Chrome Circuit equipment and the total economic assessment of the project. The Retreatment Project has an estimated remaining life of less than one year based on estimated production. Management believes the Chrome Circuit equipment can be utilized after the completion of the Retreatment Project. Therefore, the Chrome Circuit equipment is amortized based on the unit of production with the total production estimated inclusive of the projected underground ore tonnage.

*(b) Critical Accounting Judgments*

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments.

*(i) Provision and contingencies*

The Company is subject to claims and legal proceedings arising in the ordinary course of business activities, each of which is subject to various uncertainties and it is possible that some of these matters may be resolved unfavourably to the Company. For matters that are probable and can be reasonably estimated, the Company establishes provisions in its consolidated financial statements. When evaluating legal proceedings that are pending against the Company, the Company and its legal counsel assess the perceived merits of the legal proceedings along with the perceived merits of the amount of relief sought. Management assesses the probability of liability being payable as either remote, more than remote or probable. If liability is considered to be less than probable, then the liability is not recorded and it is only disclosed as a contingent liability.

*(ii) Going concern*

The Company has been successful in obtaining significant equity and other financings since inception and intends to continue financing its future requirements through re-mining and processing of the tailings resource and through a combination of equity, debt and/or other arrangements. The Company's consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that it will be able to meet its existing obligations and commitments and fund ongoing operations in the normal course of business for at least twelve months from September 30, 2024. Significant judgements and estimates are involved in projecting future cash flows which are the basis for the Company's expectation that it will continue as a going concern. These include production and market prices of PGM and chrome, and the level of production of the Retreatment Project and underground operations. The Retreatment Project and underground operations are also dependent on cash inflows from third-party buyers. Forecasting sales of chrome to third-parties requires estimates of future chrome market prices. With respect to the Union Goal contract payable, the Company expects to enter into negotiations in good faith in respect of the value of the payment and to exercise its put option to extinguish the payable by relinquishing ownership of the chrome plant if consensus cannot be reached (see Note 6 and Note 11 of the Company's consolidated financial statements).

## 8. Financial Instruments and Other Instruments

*(a) Management of capital risk*

The capital structure of the Company consists of contracts payable, equity attributable to common shareholders, comprised of issued capital, equity-settled employee benefits reserve, deficit, and accumulated other comprehensive loss. The Company's objectives when managing capital are to: (i) preserve capital, (ii) obtain the best available net return, and (iii) maintain liquidity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, increase its finance facility, or acquire or dispose of assets.

The Company is not subject to any capital requirements imposed by any other party.

*(b) Fair value of financial instruments*

*(i) Fair value estimation of financial instruments*

The fair values of cash and cash equivalents, restricted cash, trade and other receivables, short-term investments, other assets, trade and other payables approximate their carrying values due to the short-term to maturities of these financial instruments.

Contracts payable and lease liabilities required assessing the appropriate market interest rates on the liabilities. Financial liabilities are initially recognized at fair value and subsequently measured at amortized cost. The Union Goal contracts payable did not contain any derivatives that required bifurcation and measurement at fair value through profit and loss.

*(ii) Fair value measurements recognized in the consolidated statement of financial position*

Financial instruments that are measured subsequent to initial recognition at fair value are grouped into a hierarchy based on the degree to which the fair value is observable. Level 1 fair value measurements are derived from unadjusted, quoted prices in active markets for identical assets or liabilities. Level 2 fair value measurements are derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability directly or indirectly. Level 3 fair value measurements are derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

There were no transfers between levels during the three and nine months ended September 30, 2024 and 2023.

*(c) Financial risk management*

The Company's financial instruments are exposed to certain financial risks, including currency risk, interest rate risk, price risk, credit risk and liquidity risk. The Company's exposure to these risks and its methods of managing the risks remain consistent since year end.

*(i) Currency risk*

The Company is exposed to foreign exchange risk as the Company undertakes certain transactions and holds assets and liabilities in currencies other than its functional currencies. The Company has not entered into any derivative financial instruments to manage exposures to currency fluctuations. The Company's exposure to currency risk affecting net income is summarized as follows:

*Table 6*

| | **September 30, 2024 $** | December 31, 2023 $ |
|---|---|---|
| **Financial assets** | | |
| Denominated in USD at South African subsidiaries | **3,940** | 10,928 |
| Denominated in Rand at Canadian head office | **126** | 113 |
| Total | **4,066** | 11,041 |
| **Financial liabilities** | | |
| Contracts payable denominated in Rand at Canadian head office | **7,115** | 6,673 |
| Contracts payable denominated in USD at South African subsidiaries | **46,207** | 46,207 |
| Total | **53,322** | 52,880 |

As at September 30, 2024, with other variables unchanged, a 10% strengthening (weakening) of Canadian dollars against the South African Rand would have increased (decreased) net income by approximately $636; with other variables unchanged, a 10% strengthening (weakening) of the South African Rand against U.S dollars would have increased (decreased) net income by approximately $3,843.

*(ii) Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. On November 10, 2022, the Company announced it had signed a finance facility agreement with Investec providing a secured credit facility of up to $6,409 (ZAR 110,000) with an interest rate set at the Johannesburg Interbank Average Rate ("JIBAR") + margin agreed between the Company and Investec. The Company has drawn $1,246 (ZAR21,379) as of the date of this MD&A. The Company is also exposed to interest rate risk on its short-term investments. The risk that the Company will realize a loss as a result of a decline in the fair value of short-term investments is limited because these investments, although financial assets, will mature within 12 months from the year end and are generally not sold before maturity. The Company also staggers the maturity dates of its investments over different time periods and dates to minimize exposure to interest rate changes. The Company monitors its exposure to interest rates and has not entered into any derivative financial instruments to manage this risk. The sensitivity of the Company's net earnings due to changes in interest rates is not significant.

*(iii) Commodity price risk*

The Company's PGM concentrate sales are exposed to commodity price risk with respect to fluctuations in the prices of PGMs going forward. Prior to January 1, 2021, the Company did not have material revenues from PGM concentrate sales. Chrome concentrate sales had been structured based on the tonnage processed referenced to the long-term chrome concentrate commodity price according to the Union Goal contract. Since late 2022, the Company began making third-party sales at market prices, the Company is now exposed to commodity price risk with respect to fluctuations in the prices of chrome.

*(iv) Credit risk and concentration risk*

Credit risk is the risk of an unexpected loss if a customer or third-party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash and cash equivalents, trade and other receivables and other assets. The carrying value of these assets included in the consolidated statements of financial position represents the maximum credit exposure.

PGM revenue is earned solely through the PGM Offtake Agreements with Impala. Since late 2022, the Company's chrome revenues are earned from a small group of customers; prior to that, chrome concentrate production revenue was solely from Union Goal. There is both a credit risk and concentration risk associated with the collection of revenue from Union Goal. This risk is mitigated due to the change to third-party chrome sales as well as the contract structure and the significant outstanding contracts payable due to Union Goal.

The trade and other receivable balances are monitored on an ongoing basis. The Company seeks to maintain strict control over its outstanding receivables to minimize credit risk. Expected credit loss provisions are calculated based on payment history and probability of default. The Company's trade receivable balance with Union Goal is a significant portion of the Company's current assets; The Company has been in communication with Union Goal regarding this balance but has not receive any payments since 2022. A provision was recorded in Q1 2022 and updated for Q4 2022; it is reviewed quarterly based on revised timing of expected settlement and adjusted accordingly. There was no adjustment in Q3 2024 nor in YTD 2024. Management is in the process of considering and evaluating its rights under the various agreements with Union Goal (see section 5.3(i) for additional information).

With respect to credit risk arising from cash and cash equivalents and other assets, the Company limits its counterparty credit risk on these assets by dealing only with financial institutions with strong credit ratings.

*(v) Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its expansionary plans. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

The Company's policy is to invest its excess cash in highly liquid, fully guaranteed, bank-sponsored instruments.

The Company started generating revenue from its Retreatment Project in December 2018, and at consistent levels since May 1, 2019. Despite the Retreatment Project and the forecasted PGM production cash flows from the Zandfontein underground operations at the CRM (which began in Q3 2024), all other properties and projects are on hold. The Company also generated some income from interest on investments and other income from the sale of non-core properties; although not expected to be significant, some of this income will be recurring in 2024 and in future years. As discussed previously, the Company also holds a secured credit facility which can provide financing up to $6,409 (ZAR 110,000). There remains material uncertainty that the Company will be able to achieve sufficient cash flows to cover the Company's expected obligations for the next 12 months. Additional funding will be required to commence full underground production at CRM, and to develop and bring the Eastern Limb Projects into commercial production. Settlement of the contract liability payable to Union Goal may also require additional funding, refinancing or renegotiation with Union Goal.

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. Table 4 summarizes the Company's significant commitments and corresponding due dates.

## 9. Application of New and Revised IFRS

As of September 30, 2024, there are no IFRS or IFRS Interpretation Committee interpretations with future effective dates that are expected to have a material impact on the Company's consolidated financial statements. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

## 10. Off-Balance Sheet Arrangements

As at September 30, 2024, the Company had not entered into any off-balance sheet arrangements.

## 11. Internal Control Over Financial Reporting and Disclosure Controls and Procedures

### *(a) Disclosure Controls and Procedures*

The CEO and the CFO have designed, or caused to be designed under their supervision, the Company's disclosure controls and procedures ("DCP") to provide reasonable assurance that material information relating to the Company and its consolidated subsidiaries has been recorded, processed, summarized and disclosed in a timely manner in accordance with regulatory requirements and good business practices and that the Company's DCP will enable the Company to meet its ongoing disclosure requirements.

The CEO and CFO have evaluated the effectiveness of the Company's disclosure controls and procedures and have concluded that based on this evaluation, our disclosure controls and procedures are effective at a reasonable assurance level as at September 30, 2024.

### *(b) Internal Control over Financial Reporting*

The CEO and the CFO have designed, or caused to be designed under their supervision, the Company's internal controls over financial reporting ("ICFR") in order to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

A material weakness is a control deficiency, or combination of control deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement in the annual or interim financial statements will not be prevented or detected on a timely basis.

The CEO and CFO have evaluated the effectiveness of the Company's ICFR as at September 30, 2024 based on *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring

Organizations of the Treadway Commission ("COSO") for the Company as a whole. The assessment incorporated the review of the South African operations and all of the other subsidiaries of the Company in regards to ICFR. Based on this assessment, and as a continuance of the material weaknesses described below, our management concluded that, as of September 30, 2024, the Company's internal control over financial reporting was not effective based on those criteria because a material weakness in internal control over financial reporting existed as of that date.

As at December 31, 2022, management previously reported a material weakness in the Company's internal controls over financial reporting. In 2022, management did not, at the time, identify the changes in circumstances with respect to the shipping of chrome concentrate produced at the CRM to be a key factor in the analysis when applying the revenue recognition criteria under IFRS 15. As a result, the Company restated its Q3 2022 results and filed amended interim financial statements and an amended Management's Discussion & Analysis.

Related to this, during the preparation of the Company's consolidated financial statements for the year ended December 31, 2023, an error was identified in the analysis of a sales contract executed in Q1 2023 whereby the Company's performance obligations should have been deemed met and the revenue related to that contract recognized in the period. The revenue was recognized in Q1 2023 impacting the Company's previously filed audited consolidated financial statements for the year ended December 31, 2022 and its unaudited condensed interim consolidated financial statements for the three months ended March 31, 2023. As a result, the Company presented restated comparative information relating to the quarter and year ended December 31, 2022 and the nine months ended September 30, 2023.

The material weakness for 2022 and 2023 relates to revenue recognition. Management is in the process of remediating these control deficiencies with the implementation of additional review and oversight procedures with respect to the preparation and review of all new or amended sales arrangements and the corresponding revenue amounts included in the financial statements. The material weaknesses cannot be considered fully remediated until the applicable remedial controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

*(c) Limitation of Controls and Procedures*

The Company's management, including its CEO and CFO, believe that any DCP and ICFR, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control framework are met. Further, the design of a control framework must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of a control. The design of any framework also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any control framework will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective, control system, misstatements due to error or fraud may occur and not be detected.

*(d) Changes in Internal Control over Financial Reporting*

There have been no changes to our internal control over financial reporting, other than pertaining to the remediation of the material weaknesses discussed above and the matter described in the paragraph below, for the three and nine months ended September 30, 2024, that could have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

As reported in the 2023 Annual Management Discussion and Analysis, during 2023, the Company completed a special investigation into certain whistleblower allegations (refer to matter under *Corporate Update* earlier in this MD&A). Although the special committee concluded the allegations advanced by the whistleblowers to be unsubstantiated, a number of required enhancements to existing controls were identified as part of the investigation process. These related mainly to ineffective oversight by the board of directors and management over entity level processes such as declaring and documenting a potential conflict of interest, and the design of appropriate background checks and due diligence when entering into new significant sales contracts. To address these matters, management and the board of directors have since designed and implemented relevant oversight procedures, policies and processes to remediate these control deficiencies going forward.

## 12. Risk Factors

The exploration of mineral deposits involves significant risks and uncertainties. A comprehensive list of risk factors relating to the Company's business is provided under the heading "Risk Factors" in the Company's AIF for the year ended December 31, 2023, which is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

## 13. Non-GAAP Measures

This MD&A may include certain terms or performance measures commonly used in the mining industry that are not defined under IFRS as issued by the International Accounting Standards Board, which is incorporated in the CPA Canada Handbook. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance. Any such data presented is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Any such non-GAAP measures should be read in conjunction with our consolidated financial statements.

## 14. Cautionary Statement on Forward-Looking Information

This MD&A contains certain "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 "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or are events or conditions that "will", "would", "may", "could" or "should" occur or be achieved. This MD&A contains forward-looking statements, pertaining to, among other things: profitability; the Company's targets for 2024 and later; the ramp-up of the Zandfontein underground operations; expectation of PGM revenue to account for 65% or more of Eastplats' total revenue by 2026; the processing of up to 235,000 tons of underground ROM ore in total for the year 2024; confirmation of capital plans to support the full re-opening of Zandfontein underground operations at the CRM from external or internal sources; completion of the second phase of the TSF capital works program; confirmation of the TSF dam space for new ROM tailings; optimization of Main Plant Circuit B for underground operations; the renovation of Circuit D to high energy flotation cells for better ROM processing recovery rates; forecast of operational activity of the Retreatment Project; estimated operations and production of the PGM and Chrome Circuits; potential additional revenue growth and gross margin improvement from the PGM and Chrome Circuits; advancement of the Mareesburg and Spitzkop project environmental work to complete the EIA and other environmental studies and amendments; resolution of the outstanding receivables and related matters with Union Goal; continuation of prospecting and assessment work in relation to Zandfontein, Crocette and Kareespruit sections of the CRM and Kennedy's Vale and Spitzkop mines at the eastern limb of the Bushveld Complex; CRM underground assessment including all chrome recovery activities; the Company's plans for its properties; the resolution of current litigations; the seasonality of the Company's operations; the continuing impact of adverse economic factors on the South African PGM industry; the full restart of the CRM if there is a sustained strengthening of PGM and chrome prices and a marked improvement in the South African operating environment; the possibility of restarting the development of the Mareesburg open cast mine; the possibility of developing the Kennedy's Vale and Spitzkop project in the future; the requirement of additional funding to bring projects into production and how that funding will be attained; estimated resources and reserves; economic assessments; estimated costs and timelines of construction; estimated operations; capital costs and payment terms related to the Chrome Circuit and PGM Circuits; estimated timelines for revenue, production and anticipated capital costs; test work results; the possibility of any impairment or reversal of impairment if there are any changes to future market conditions and commodity prices; the composition of G&A costs; the share capital of the Company; the renewal of consulting agreements; the ongoing assessment of mine life; critical accounting judgments made by the Company; the impact of the new IFRS on consolidated financial statements; adoption of new IFRS standards; impairment estimates and the applicable risk factors.

With respect to the forward-looking statements contained in this MD&A, assumptions have been made regarding, among other things: the price of PGMs and chrome concentrate, fluctuations in currency markets, inflation, the regulatory framework in the jurisdictions that the Company conducts its business, operating costs, the Company's ability to obtain financing on acceptable terms and litigation outcome.

Forward-looking statements are subject to all of the risks and uncertainties normally incident in the mining and development of PGMs that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These risks include, but are not limited to: the risk of fluctuations in the assumed exchange rates of currencies that directly impact the Company, such as the Canadian dollar, Rand and U.S. dollar; the risk of fluctuations in the assumed prices of PGM and other commodities; the risk of changes in government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States, South Africa, Barbados or other countries in which the Company carries, or may carry on business in the future; other geopolitical risks and events such as the ongoing war in Ukraine, that may introduce or maintained uncertainty and volatility in global markets and economies; litigation risks and the uncertainty thereof; risks associated with mining or development activities; the speculative nature of exploration and development, including the risk of obtaining necessary licenses and permits, assumed quantities or grades of reserves, need for additional funding, availability and terms of additional funding, and certain other known and unknown risks detailed from time to time in the Company's public disclosure documents, copies of which are available on the Company's SEDAR+ profile at www.sedarplus.ca.

Although the Company believes that the material factors, expectations and assumptions expressed in such forward-looking statements are reasonable based on information available to it on the date such statements were made, no assurances can be given as to future results, levels of activity and achievements and such statements are not guarantees of future performance. The Company's actual results may differ materially from those expressed or implied in forward-looking statements and readers should not place undue importance or reliance on the forward-looking statements. Statements including forward-looking statements 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. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement.