EASTERN PLATINUM LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 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 December 31, 2024 and for the three months and year then ended in comparison to the same periods in 2023.

This MD&A should be read in conjunction with the audited consolidated financial statements and the related notes for the year ended December 31, 2024 (the "consolidated financial statements") and the annual information form ("AIF") for the year ended December 31, 2024. The audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

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 March 27, 2025. Additional information relating to the Company, including its AIF for the year ended, December 31, 2024, 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 December 31, 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 the end of 2024 included remining and processing its tailings resource. The chrome and PGM concentrates produced from the Barplats Mines (Pty) Limited ("Barplats") Zandfontein UG2 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 year ended December 31, 2024 ("Fiscal 2024"), the Company recognized sales of 232,187 tons of chrome concentrate to third-parties.

The PGM main plant circuit B ("PGM Circuit B") was successfully commissioned in October 2021, which enables the processing of the full feed from chrome tails to consistently produce PGM concentrates (see news release dated October 29, 2021 for further detail). Eastplats has completed the underground long-term plan and mine design study for the CRM, and has restarted underground operations in accordance with its business plan. The Company continues to actively monitor the PGM 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, Black Economic Empowerment (“BEE”) shareholdings and local community impact assessment.

There are no developments to report in connection with the KV project, however at Spitzkop, the Company started a desktop study on the open pit potential, and started a conceptual study and process of amending the environmental authorizations which is expected to be completed in 2025, 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 annual average foreign exchange rates for 2024, 2023, and 2022 are summarized as follows:

	ZAR to USD	Cdn to USD
2024	0.0546	0.7301
2023	0.0543	0.7411
2022	0.0613	0.7688

The annual average inflation rate in South Africa in 2024 was 4.40%, 6.0% in 2023, and 6.9% in 2022 (Consumer Price Index, December 2024).

Corporate Update

On October 22, 2024, the Company announced it changed auditors from PricewaterhouseCoopers LLP (the “Predecessor Auditor”) to Davidson & Company LLP, Chartered Professional Accountants (the “Successor Auditor”) effective October 22, 2024. The Predecessor Auditor resigned as the auditor of the Company effective October 21, 2024, and the Successor Auditor was appointed as the Company’s auditor effective October 22, 2024, until the next Annual General Meeting of the Company. The board of directors of the Company accepted the resignation of the Predecessor Auditor and approved the appointment of the Successor Auditor (see news release on October 22, 2024).

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. This produced a PGM concentrate containing 6E metals (Pt, Pd, Rh, Ru, Ir, Au), 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).

Refer to the Fourth Quarter Highlights discussion for further year-to-date results from PGM and chrome operations.

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).

2. Fiscal Year 2024 Fourth Quarter Highlights

2.1 Significant events

(a) Retreatment Project Update and Production

The Company and its subsidiary, Barplats, entered into an agreement (the "Framework Agreement") with Union Goal on March 1, 2018 and subsequently, various transactional agreements including an equipment and chrome plant agreement, loan agreement, escrow agreement and offtake agreement were signed on August 31, 2018 under the Framework Agreement (collectively referred to as the "2018 Retreatment Project Agreements"). On March 10, 2021, the Company, Barplats and Union Goal executed updated Retreatment Project Agreements (the "2021 Updated Retreatment Project Agreements"). All of these agreements are collectively referred to as the Union Goal Contracts and provide for construction, re-mining and processing of the tailings resource, and the subsequent offtake of chrome concentrate from the Barplats Zandfontein UG2 tailings facility (the "Retreatment Project").

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 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 restart of the Zandfontein underground operations. The current Retreatment Project ceased operations as of the date of this MD&A as the original CRM tailings from the tailings storage facility ("TSF") were fully processed.

Operations consist of remining of the tailings material and processing the material through the Company's chrome plant and the chrome processing circuit (the "Chrome Circuit"). During the three months ended December 31, 2024 ("Q4 2024"), the Company produced 57,474 tons of chrome concentrate from the Retreatment Project, with an average grade of Cr2O3 at 38.19% (three months ended December 31, 2023

("Q4 2023") – 109,056). Year over year production decreased between Q4 2023 and Q4 2024 due to operational challenges incurred in the current period, similar to Q3 2023, as lower grade sections of the TSF, containing ultra-fine materials, 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) Optimization Program

With no funds been advanced by Union Goal since 2022, the Optimization Program was placed on hold. The matter is considered part of the arbitration process to be undertaken to settle the matters regarding the Union Goal Contracts, which is expected to occur during 2025.

(c) PGM Circuits

During Q4 2024, the Company produced 1,015 dry tons of PGM concentrate from PGM Circuit B and PGM Circuit D (collectively, the "PGM Circuits"). This was higher than the same period from the previous year (900 dry tons produced) as the Company started to process ROM UG2 underground ore during September 2024.

The Company had 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"). The agreement had subsequently extended by mutual agreement yearly since inception until December 21, 2024. 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").

(d) Underground Operations

The restart of underground operations at the CRM continued in Q4 2024. With most underground pre-production work completed in the first half of 2024, focus has shifted to readying the plant for processing. In Q4 2024, the commissioning of the processing plant (Circuit B) was completed and the Company started processing ROM UG2 ore produced from the Zandfontein underground section at the CRM. During Q4 2024, 63,181 tons of ROM ore was processed producing 14,508 wet tons of metallurgical chrome concentrates as by-product as of December 31, 2024 at an average concentrate grade of 40.075 Cr_2O_3.

2.2 Financial Results – Q4 2024 vs Q4 2023

- Revenue was $17,037 in Q4 2024 compared to $30,463 in Q4 2023. The decrease in revenue for Q4 2024 was primarily due to a significant decrease in chrome sales volume to third-parties in the period.

- Mine operating loss was ($7,863) in Q4 2024 compared to a mine operating income of $7,770 in Q4 2023. The decrease was primarily due to the decrease in chrome sales volumes on chrome concentrate sales.

- Gross margin decreased to (-46.2%) in Q4 2024 compared to 25.5% in Q4 2023. The decrease was primarily due to the excess production costs incurred relating to the underground operations in the current period as the Company ramps up ROM processing tonnages.

- Operating loss was ($8,607) in Q4 2024 compared to an operating income of $2,763 in Q4 2023, due to the lower chrome concentrate sales in Q4 2024.

- Net loss attributable to equity shareholders was ($11,937) in Q4 2024 compared to net income of $3,322 in Q4 2023. The decrease in net income was largely attributable to the significant decrease in third-party chrome concentrate sales in the period.

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			
	Dec. 31	Sept. 30	Jun. 30	Mar. 31	Dec. 31	Sept. 30	Jun. 30	Mar. 31
	$	$	$	$	$	$	$	$
Revenue	17,037	10,976	18,785	15,709	30,463	21,808	36,636	18,037
Production costs	(22,915)	(11,279)	(13,674)	(9,200)	(21,352)	(13,377)	(21,460)	(13,036)
Production costs – depreciation	(1,985)	(732)	(678)	(1,221)	(1,341)	(1,433)	(1,916)	(1,465)
Mine operating (loss) income	(7,863)	(1,035)	4,433	5,288	7,770	6,998	13,260	3,536
General and administrative & adjustments for expected credit loss on trade receivables	1,040	(1,050)	(653)	(578)	(1,041)	(933)	(695)	(474)
Care and maintenance & site services	(2,757)	(2,791)	(2,011)	(2,034)	(1,879)	(2,488)	(2,164)	(1,262)
Pre-production costs	973	(826)	(147)	(2,706)	(2,087)	-	-	-
	(744)	(4,667)	(2,811)	(5,318)	(5,007)	(3,421)	(2,859)	(1,736)
Operating (loss) income	(8,607)	(5,702)	1,622	(30)	2,763	3,577	10,401	1,800
Other (expenses) income, net	(3,309)	2,302	1,904	(895)	551	(449)	(2,694)	(2,157)
(Loss) income before income taxes	(11,916)	(3,400)	3,526	(925)	3,314	3,128	7,707	(357)
Income tax (expense) recovery	(23)	4	(51)	2	8	(3)	(51)	3
Net (loss) income for the period	(11,939)	(3,396)	3,475	(923)	3,322	3,125	7,656	(354)
Net (loss) income attributable to equity shareholders of the Company	(11,937)	(3,394)	3,476	(922)	3,322	3,127	7,663	(353)
(Loss) earnings per share – basic and diluted	(0.05)	(0.02)	0.02	0.00	0.02	0.02	0.04	0.00
Average foreign exchange rates								
US dollar per South African Rand	0.0559	0.0557	0.0539	0.0529	0.0534	0.0537	0.0537	0.0564
US dollar per Canadian dollar	0.7149	0.7333	0.7308	0.7414	0.7343	0.7457	0.7446	0.7398
Period end foreign exchange rates								
US dollar per South African Rand	0.0532	0.0583	0.0549	0.0529	0.0546	0.0528	0.0527	0.0562
US dollar per Canadian dollar	0.6956	0.7395	0.7310	0.7384	0.7547	0.7364	0.7545	0.7383

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).

4. Results of Operations for the Three Months and Year Ended December 31, 2024

The following table sets forth selected consolidated financial information for the years ended December 31, 2024, 2023, and 2022:

Table 2

Consolidated statements of income (loss) (Expressed in thousands of U.S. dollars, except per share amounts)			
		Year ended December 31,	
	2024	2023	2022
	$	$	$
Revenue	**62,507**	106,944	53,883
Cost of operations			
Production costs	**(57,068)**	(69,225)	(42,078)
Depletion and depreciation	**(4,616)**	(6,155)	(4,165)
Mine operating income	**823**	31,564	7,640
Expenses			
General and administrative	**3,024**	2,911	2,855
Adjustments for expected credit loss on trade receivables	**(1,783)**	232	1,887
Site services	**8,142**	4,091	4,737
Care and maintenance	**1,451**	3,702	2,904
Pre-production costs	**2,706**	2,087	—
Operating income (loss)	**(12,717)**	18,541	(4,743)
Other (expense) income and income tax (expense) recovery	**(66)**	(4,792)	3,949
Net (loss) income for the year	**(12,783)**	13,749	(794)
Net (loss) income attributable to:			
Non-controlling interest	**(6)**	(10)	144
Equity shareholders of the Company	**(12,777)**	13,759	(938)
Net (loss) income for the year	**(12,783)**	13,749	(794)
Earnings (loss) per share			
Basic and diluted	**(0.06)**	0.08	(0.01)
Weighted average number of common shares outstanding (‘000s)			
Basic	**202,142**	178,903	137,821
Diluted	**202,142**	179,026	137,821

Consolidated statements of financial position			
	December 31, 2024	December 31, 2023	December 31, 2022
	$	$	$
Total assets	**157,676**	160,770	153,185
Total non-current liabilities	**5,023**	4,065	8,242

The Company recorded net loss attributable to equity shareholders of the Company of ($12,777) (or loss of ($0.06) per share) in 2024 compared to a net income attributable to equity shareholders of the Company of $13,759 (or earning of $0.08 per share) in 2023 and a net loss attributable to equity shareholders of the Company of ($938) (or loss of ($0.01) per share) in 2022. 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 Q4 2024 and the year ended December 31, 2024 ("YTD 2024"). The Company's majority of revenue (approximately 74% and 87% for Q4 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 $12,598 and $54,459 in Q4 2024 and YTD 2024, respectively, as compared to $29,380 and $101,752 in Q4 2023 and the year ended December 31, 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 $4,439 and $8,048 in Q4 2024 and YTD 2024, respectively, as compared to $1,083 and $5,192 in the same periods in 2023. The increase in PGM revenue in Q4 2024 was due to the PGM concentrates produced from the underground operations in the period which contained higher grade of PGM 6E metals, estimated to be 4,015[1] ounces.

Mine operating (loss) income

Mine operations has a loss of ($7,863) for Q4 2024 and income of $823 in YTD 2024 as compared to a mine operating income of $7,770 and $31,564, respectively for the comparative periods in 2023. Gross margin decreased to (46.2%) in Q4 2024 compared to $25.5% in Q4 2023. Gross margin decreased to 1.3% in YTD 2024 compared to 29.5% in YTD 2023. 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 $1,985 and $4,616 in Q4 2024 and YTD 2024, respectively, as compared to $1,341 and $6,155 in Q4 2023 and YTD 2023, respectively. The decrease of YTD 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.

[1] This included estimated production for Q4 2024, which is subject to change based on final assays.

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 $511 and $3,024 in Q4 2024 and YTD 2024, respectively, compared to $809 and $2,911 for the comparative periods in 2023. The G&A costs decrease in Q4 2023 was due to higher professional fees relating to the Committee's investigation in the prior period and increased remuneration costs due to higher staffing levels. The increase in YTD 2024 was due to higher share-based compensation, and increased remuneration costs due to higher staffing levels than in the comparative period.

Adjustments for expected credit loss on trade receivables

Expected credit loss ("ECL") adjustment recorded in Q4 2024 and YTD 2024 was ($1,551) and ($1,783), respectively, as compared to $232 and $232 in Q4 2023 and YTD 2023. The ECL adjustment made in YTD 2023 relates to certain trade receivables balance has been reversed during the year ended December 31, 2024.

Site services

Site services costs relate to work performed indirectly to support operations. As such, costs such as security, management and support operations are included in site services. These costs increased to $2,420 in Q4 2024 from $1,553 in Q4 2023 and increased to $8,142 in YTD 2024 from $4,091 in YTD 2023. The higher site services costs in Q4 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 concentrator 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.

Care and maintenance costs increased to $337 in Q4 2024 from $326 in Q4 2023 and decreased to $1,451 in YTD 2024 from $3,702 in YTD 2023. The significant decrease occurred in YTD 2024 as costs incurred at the CRM underground since its soft restart in October 2023 were 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, certain costs incurred were no longer of the same nature as care and maintenance costs and are now reported separately. Pre-production costs were ($973) in Q4 2024 and $2,706 in YTD 2024, respectively, compared to $2,087 and $2,087 in the respective periods in 2023.

Operating (loss) income

The Company generated operating loss of ($8,607) and ($12,717) in Q4 2024 and YTD 2024 compared to an operating income of $2,763 and $18,541 in the respective periods in 2024. The decrease in operating income in Q4 2024 was primarily due to the lower chrome sales volume in the period.

Other (expense) income

Other income (expense) excluding foreign exchange gains and losses in Q4 2024 and YTD 2024 was an income of $463 and $2,126, respectively as compared to loss of ($106) and ($2,134) in the comparable periods in 2023. The increase was primarily due to a decrease in finance costs relating to the accretion of interest on the Union Goal contracts payable from $1,329 and $5,265 in Q4 2023 and YTD 2023, respectively to $147 and $515 in Q4 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 loss of ($3,772) in Q4 2024 and ($2,124) in YTD 2024 as compared to a foreign exchange gain of $657 in Q4 2023 and a foreign exchange loss of ($2,615) in YTD 2023. A weaker Rand in a period creates a foreign exchange loss 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 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 has 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.

Restated and Revised Retreatment Project Agreements

On March 10, 2021, the Company and its subsidiary, Barplats, entered into updated Retreatment Project Agreements with Union Goal, which included:

The 2021 Revised and Restated Framework Agreement;
The 2021 Revised and Restated Offtake Agreement;
The 2021 Revised and Restated Eastplats Loan Agreement; and
The 2021 Revised and Restated Barplats Equipment and Chrome Plant Agreement.

Summary of chrome production for the three months and year ended December 31, 2024 and 2023:

	Q4 2024	Q4 2023	**YTD2024**	YTD2023
Total Tailings Feed (Tons)	**263,141**	480,777	**1,224,553**	2,247,705
Average grade Cr concentrate	**38.2%**	38.7%	**38.4%**	38.7%
Tons of Cr concentrate	**57,474**	109,056	**255,649**	486,166

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 of 2025.

Underground Operations – Chrome recovery

In Q4 2024, the Company processed 63,181 tons of ROM UG2 ore from the Zandfontein underground section at the CRM.

Summary of chrome production from underground operations for the three months and year ended December 31, 2024:

	Q4 2024	**YTD 2024**
Tons of chrome concentrate	**14,508**	**18,118**

PGM Circuits

During 2020, the Company completed the refurbishment of the PGM Circuit D. The Company restarted and began operating the PGM Circuit D during the third quarter of 2020. During early January 2021, the Company confirmed the provisional payment terms of the first delivered shipment of pressed filter cake PGM concentrate under the existing PGM Offtake Agreement between Barplats and Impala. These terms confirmed the restart of PGM revenue.

Refurbishment work commenced on the PGM Circuit B during April 2021 and the circuit was commissioned in October 2021.

Summary of PGM production for the three months and year ended December 31, 2024 and 2023:

	Q4 2024	Q4 2023	**YTD2024**	YTD2023
Tons of PGM concentrate	**1,015**	900	**3,234**	3,869
PGM ounces produced (6E)*	**4,015**	1,366	**8,109**	6,660

*PGM 6E ounces are estimates until final exchanges and umpire results have been concluded, which can take up to three to five months, depending on the elements being exchanged.

5. Liquidity and Capital Resources

As at December 31, 2024, the Company had a working capital deficit (current assets less current liabilities) of $38,713 (December 31, 2023 – working capital deficit of $15,504) and short-term cash resources of $3,126 (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 $52,740 being recorded as a current liability. 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. With no funds being advanced by Union Goal since 2022, the Optimization Program was placed on hold. The matter is considered part of the arbitration process to be undertaken to settle the matters regarding the Union Goal Contracts, which is expected to occur during 2025. Under the Union Goal Contracts, the Company has purchased the equipment for the Chrome Circuit, subject to a put option if the operating performance of the equipment and chrome plant are not as agreed. The Company can exercise its option 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. ($6,673).

See section 5.3 Contractual Obligations, Commitments and Contingencies for a further discussion of this claim. On March 17, 2025, the Company delivered the notice to exercise the put option pursuant to the Union Goal Contracts for the re-purchase of the Chrome Circuit equipment by Union Goal.

The Company's cash and short-term investments decreased by $18,223 as at December 31, 2024 compared to the balance as at December 31, 2023. The decrease was driven mainly by lower chrome concentrate sales which led to net cash outflows from operational activities of ($4,434) in YTD 2024 as compared to net cash inflows of $18,888 in YTD 2023. In addition in 2023, the Company raised $5,061 from its Rights Offering. In 2024, the Company received $1,688 loan proceeds drawdown pursuant to a finance facility agreement with Investec Bank Limited. Since the soft restart of the Zandfontein underground operations, the Company made significant additions to its property, plant and equipment of $16,027 in YTD 2024, as compared to $2,634 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 was also able to begin operations via PGM Circuit D in late 2020 and commissioned PGM Circuit B the following year to deliver PGM concentrates under the PGM Offtake Agreement 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 ramp up Zandfontein underground operations, 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 or other operations. The Company closed a finance facility with Investec during the last half of 2022, previously raised funds through a rights offering and in May 2023, closed a second rights offering, but additional funding may be required to advance the larger PGM development opportunity for underground production at the CRM, 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 is updating its 2025 budget to execute the corporate objectives discussed in Section 5.1 of this MD&A. The Company's 2025 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 in South Africa was operating without restrictions at December 31, 2024 and as of the date of this MD&A. Eastplats continues to deliver PGM concentrates under the PGM Offtake Agreement with Impala.

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's targets for 2025 are as follows:

- Ramp-up the Zandfontein underground operations, targeting to process up to 631,000 tons of underground Run-of-Mine ("ROM") ore in total for the year 2025 (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);
- Resolve the matters pertaining to the Retreatment Project with Union Goal (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); 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 2025, 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 2025.

Care and maintenance will continue for the Company's Eastern Limb Projects for 2025. 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 2025 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 2025 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

During YTD 2024, the Company issued 4,190,000 stock options to directors, officers, and employees of the Company, and a total of 590,000 stock options were exercised. A total of 680,000 stock options expired in the YTD 2024.

During YTD 2023, the Company issued 3,800,000 stock options to directors, officers, and employees of the Company, and an additional 240,000 stock options were issued to a consultant. A total of 200,000 stock options expired in the YTD 2023.

On June 26, 2024, 5,960,000 warrants expired, and as at December 31, 2024, the Company does not have any warrants outstanding.

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

Options outstanding	Options exercisable	Exercise price Cdn$	Remaining Contractual Life (Years)	Expiry date
450,000	450,000	0.37	0.6	October 16, 2025
650,000	650,000	0.34	1.2	June 23, 2026
1,400,000	1,400,000	0.23	2.3	July 6, 2027
3,450,000	3,450,000	0.10	3.2	June 21, 2028
4,010,000	4,010,000	0.20	4.3	July 2, 2029
9,960,000	**9,960,000**		**3.3**	

5.3 Contractual Obligations, Commitments and Contingencies

The Company's major contractual obligations and commitments as at December 31, 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 (iii)	**52,740**	52,740	—	—
Other obligations (iv)	**11,385**	11,385	—	—
Provision for environmental rehabilitation (i)	**4,146**	—	—	4,146
Capital expenditure and purchase commitments (v)	**1,713**	1,713	—	—
Lease obligations (ii)	**65**	23	42	—
	70,049	65,861	42	4,146

(i) 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%.

(ii) Lease contracts for mining equipment relating to CRM operations and office space at head office. The amount shown is the undiscounted minimum lease payment.

(iii) 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. With no funds being advanced by Union Goal since 2022, the optimization program was placed on hold. The matter is considered part of the arbitration process to be undertaken to settle the matters regarding the Union Goal Contracts, which is expected to occur during 2025. On March 17, 2025, the Company delivered the notice to exercise its put option to extinguish the payable by relinquishing ownership of the plant pursuant to the Union Goal Contracts for the re-purchase of the Chrome Circuit equipment by Union Goal. The terms are more fully described in Note 14 – Union Goal Contracts in the audited consolidated financial statements for the year ended December 31, 2024.

(iv) Other obligations consist of trade and other payables and the draw on the Investec finance facility.

(v) Capital expenditure and purchase commitments contracted at December 31, 2024 but not recognized on the consolidated statement of financial position.

Litigation by Union Goal against the Company

On February 16, 2024, the Company received a notice of civil claim from Union Goal, a company incorporated in the British Virgin Islands, filed in the Supreme Court of British Columbia (the “BC Supreme Court”) (BCSC Court File no. S-240936). 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 facility 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 has been adjourned generally by consent and a requisition filed to adjourn the hearing. A consent order to stay the proceedings, pending an arbitration, is being settled between the parties. This matter is considered part of the arbitration process to be undertaken to settle the matters regarding the Union Goal Contracts, which is expected to occur during 2025. A notice of arbitration was received and the Company sent a response to the notice during the first quarter of 2025.

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 claim alleging that the Company and several Directors had acted oppressively in 2016 when Hong had vied to purchase Company shares and elect a slate of Directors at the 2016 AGM (“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 nonexecutive 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. The parties, however, agreed to strike that further amended claim by consent, and have submitted a consent order to that affect with the Court. The amended claim of June 11, 2021 therefore governs. The Company intends to apply to dismiss the lawsuit early in 2025, and has been trying to schedule a hearing for several months. 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 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. 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. This means the April 2023 order granting leave to commence a derivative action is effective, therefore, the derivative case of the Company's name against the former CEO will move forward. It is up to Ms. Ren's counsel to move the action forward and they have begun taking preliminary steps to do so. 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

On October 25, 2018, the Company received a notice from the DMRE 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 issued to the Company in 2017 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 cash outflow by the Company in the foreseeable future.

Project Agreement – PGM Circuit H

In July 2020, Barplats entered into a project framework agreement with Advanced Beneficiation Technologies Proprietary Limited ("ABT") (the "Agreement") 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 between the parties 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 Proprietary Limited ("ABT Toda") 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 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 current and former 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 December 31,**		**Year ended December 31,**	
	2024	2023	**2024**	2023
	$	$	**$**	$
Trading transactions				
Director fees	**57**	72	**247**	268
Share-based payments	**–**	–	**124**	45
Total	**57**	72	**371**	313
Compensation of key management personnel				
Remuneration	**141**	141	**696**	621
Share-based payments	**–**	–	**92**	40
Total	**141**	141	**789**	661

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 Q4 2024, nor in the comparative period in 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, 2024.

Areas of significant judgment and estimates made by management for the year ended December 31, 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

Impairment of property, plant and equipment is based on the Company's estimate of the recoverable amount of the underlying cash generating unit. The estimate of recoverable amounts of a cash generating unit involving a mineral property is a complex estimate involving significant judgement and assumptions including analyzing the observable market transactions with the comparable assets, analyzing appropriate offtake contracts, estimating the quantity and grade of the recoverable reserves and resources, future production timing, rates and operating costs, future capital requirements, future metal prices, discount rates, and appropriate foreign exchange rates. The estimate of the quantity and grade of the recoverable reserves and resources involves assumptions about mining costs and metal prices, and is based on information compiled by appropriately qualified persons relating to data on the size, depth and shape of the ore body, and requires complex geological judgments to interpret the data. If any of these estimates or assumptions prove to be inaccurate, or if the Company's operating plans are revised in the future, there could be a material impact on the estimated fair value of a mineral property.

Since 2016, management reassessed how the Eastern Limb projects would be brought to further development and into production, and concluded to advance the three Eastern Limb properties (consisting of KV, Spitzkop and Mareesburg) separately rather than concurrently. Therefore, it was determined that the Eastern Limb Projects comprised three independent CGUs. As such, for the purposes of the Company's impairment testing from 2017 onwards, management identified CRM, KV, Spitzkop and Mareesburg each as separate CGUs. There are no changes to the Company's CGUs in 2024 and 2023. Determination of the CGUs requires significant estimates and judgements.

As at December 31, 2024, management determined that there were no impairment indictors for CRM, Mareesburg, KV and Spitzkop CGU.

(ii) Environmental rehabilitation provision

Environmental rehabilitation obligations have been estimated by appropriately qualified external persons based on the Company's interpretation of current regulatory and best practice requirements and have been measured at the net present value of expected future cash expenditures that would be required upon mine closure. These estimates require significant judgement about the nature, cost and timing of work to be completed, and may change with future changes to costs, environmental laws, regulations and remediation practices and the expected timing of remediation work. The details of assumptions used in calculating the Company's environmental rehabilitation provision are disclosed in Note 15 of the Company's audited consolidated financial statements for the year ended December 31, 2024.

(iii) Union Goal Contracts

As discussed in Note 14 of the Company's audited consolidated financial statements for the year ended December 31, 2024, the Company purchased the Chrome Circuit equipment based on the contracts with Union Goal 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. The assessment of the accounting effect of the entire Union Goal Contracts requires significant judgment. There are significant estimates and uncertainties involved in assessing the performance and the economic value of the Chrome Circuit equipment, as well as the assessment of the value of the Company's revenue, deferred revenue, trade receivable and the related contracts payable to Union Goal. Management has assessed and concluded the revenue recognition under the Union Goal Contracts ceased in the second half of 2022 and suspended shipments to Union Goal as a result of continuing non-payment and failure of Union Goal to reduce its significantly long outstanding account with the Company. Accordingly, the Company discontinued the recognition of deferred revenue based on quantities re-mined from the tailings, as this method would only be applicable if the chrome concentrate were supplied to Union Goal under the Framework Agreement. In fiscal 2022, the Company reclassified its contracts payable to Union Goal from a non-current to current liability. This reclassification is based on the Company's best estimate of the timing of the payment due. Based on agreed terms in the Framework Agreement with Union Goal, the actual payment amount and the timing of the payment have yet to be determined and are subject to further negotiations as part of the Framework Agreement, including the Company's ability to offset trade receivables owing to it against the payable amount. On February 16, 2024, the Company received a notice of civil claim from Union Goal (Note 21(a)). On March 17, 2025, the Company delivered the notice to exercise the put option pursuant to the Union Goal Contracts for the re-purchase of the Chrome Circuit equipment by Union Goal.

(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.

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, short-term investments, trade and other receivables (excluding taxes receivables and PGM trade receivables), other assets, trade and other payables, and draw on finance facility 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 years ended December 31, 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 in Table 6 as follows:

Table 6

	December 31, 2024 $	December 31, 2023 $
Financial assets		
Denominated in USD at South African subsidiaries	**7,348**	10,928
Denominated in Rand at Canadian head office	**115**	113
Total	**7,463**	11,041
Financial liabilities		
Contracts payable denominated in Rand at Canadian head office	**6,493**	6,673
Contracts payable denominated in USD at South African subsidiaries	**46,207**	46,207
Total	**52,700**	52,880

As at December 31, 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 $580; 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 $3,533.

(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 $6.1 million (ZAR 110 million) with an interest rate set at the Johannesburg Interbank Average Rate ("JIBAR") + margin agreed between the Company and Investec. The Company has drawn $2,508 (ZAR47,163) 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. Up until June 2022, the Company's 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 sales price is determined upon transfer of control of the chrome concentrates. The price is fixed once it is determined and there is no provision price adjustment for chrome concentrate sales.

The Company's PGM concentrate sales are subject to the provision price adjustment. The Company has not entered into any derivative or hedge contract to manage exposure of the changes in the market price of platinum group metals. As at December 31, 2024, with other variables unchanged, a 10% movement of platinum group metal price would have increased (decreased) net income before income tax by approximately $507.

(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.

Since December 2020, the Company started to generate PGM concentrate revenue from processing tailings material based on an agreement with Impala Platinum Limited ("Impala") dated September 18, 2020. The agreement has been subsequently extended by mutual agreement yearly since inception until December 21, 2024. Subsequent to December 21, 2024, all PGM revenue is derived based on an offtake agreement with Impala dated April 30, 2024, subject to a recommissioning period as agreed between Impala and Barplats.

The Company has an offtake agreement with Union Goal for the chrome concentrate produced from the CRM historic tailings. The offtake agreement is one part of the 2018 Retreatment Project Agreements. Since late 2022, the Company added new third-party chrome customers and temporarily ended sales to Union Goal. There is both a credit risk and concentration risk associated with the collection of revenue from Union Goal. As at December 31, 2024, the Company is owed approximately $15 million from Union Goal in gross trade receivables from processing and dispatching chrome concentrate, and management has recorded an estimated credit loss against the trade receivable from Union Goal due to the uncertainty of the collection and the timing. This matter is considered part of the arbitration process to be undertaken to settle the matters regarding the Union Goal Contract, which was described earlier in this MD&A.

With respect to credit risk arising from cash 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, CRM underground has not resumed production and 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. The Company also holds a secured credit facility which can provide financing up to $6.1 million (ZAR 110 million). As discussed previously, the Company also holds a secured credit facility which can provide financing up to $2,508 (ZAR47,163). 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 in the future to reach steady-state 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

Certain accounting standards or amendments to existing accounting standards that have been issued that are not mandatory for the current period and have not been early adopted.

Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the International Accounting Standards Board ("IASB") issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 Financial Instruments: Disclosures. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance ("ESG")-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income.

The amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted. Management is currently assessing the effect of these amendments on the Company's financial statements.

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements (IFRS 18), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management-defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes. Retrospective application is required, and early application is permitted. Management is currently assessing the effect of this new standard on our financial statements.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with early application permitted. Management is currently assessing the effect of the standard on the Company's financial statements.

10. Off-Balance Sheet Arrangements

As at December 31, 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 December 31, 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 International Financial Reporting Standards ("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 December 31, 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 December 31, 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.

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 weakness discussed above and the matter described in the paragraph below, for the year ended December 31, 2024, that could have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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 subsequently 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, 2024, 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 2025 and later; ramp-up the Zandfontein underground operations, targeting to process up to 631,000 tons of ROM ore for the year 2025; 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 and confirm the TSF dam space for new ROM tailings; optimization and renovation of the PGM Circuits for underground operations; advancement of the Mareesburg and Spitzkop project environmental work to complete the EIA and other environmental studies and amendments; resolution of matters pertaining to the Retreatment Project 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; 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 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.