



Trading Symbol: ELR (TSX); EPS (JSE)

Unless otherwise noted, all amounts are expressed in US dollars.

NEWS RELEASE

EASTERN PLATINUM LIMITED REPORTS THIRD QUARTER 2016 FINANCIAL RESULTS AND UPDATES ON OTHER DEVELOPMENTS

Third Quarter Financial Results

November 14, 2016, Vancouver, British Columbia – Eastern Platinum Limited (“Eastplats” or the “Company”) is pleased to provide the following summary of its third quarter ended September 30, 2016 (“Q3 2016”) financial results:

Summary and Financial Highlights

- The Company reported a net loss of \$3.99 million (\$0.04 per share) for Q3 2016 compared to a net loss of \$0.5 million (\$0.00 per share) in the same quarter of 2015.
- The increased losses were primarily due to \$1.2 million in one-time termination payments made to the former management of the Company.
- In addition to the above mentioned termination payments, general and administrative expenses in Q3 2016 were significantly higher than in the same quarter of 2015 due to approximately \$1.0 million in legal and other investigation costs.
- The losses in Q3 2016 were partially offset by a reduction in the care and maintenance costs at the Company’s South African operations when compared to those incurred in the same quarter of 2015. The Company is looking at ways to continue to control its care and maintenance costs at its South African operations.
- At the end of Q3 2016, the Company had cash and short term investments totalling \$29.2 million and net working capital of \$48.2 million.
- During Q3 2016, the Company appointed Diana Hu as the President and Chief Executive Officer, David Li as the Interim Chief Financial Officer, Andrea Zhang as the Interim Chief Operating Officer and Anton Lubbe as the Vice President of South African Operations.

The summary above is qualified in its entirety by the more detailed disclosures provided in the Company's condensed interim consolidated financial statements for the three and nine months ended September 30, 2016 (unaudited) and the management's discussion and analysis of financial conditions and results of operations for the three and nine months ended September 30, 2016 ("Q3 MD&A") which are available under the Company's profile on SEDAR at www.sedar.com.

Operating Highlights and Outlook

The Company is in the process of actively reviewing its strategic plan, however, the Company believes that, given the continued stagnation of the global economy and the European car market (which consumes approximately 50% of South Africa's platinum production) the industry will be contending with a continuation of stagnant platinum group metals ("PGM") prices which are hovering near 10-year lows. At the same time, the South African PGM industry continues to experience a number of adverse economic factors, particularly ongoing labour unrest, operating cost inflation, and concerns with respect to reliable power delivery. Ongoing cost pressures and decreasing productivity in South Africa may continue to significantly reduce free cash flow for the industry.

Subject to adequate funding being available, development of the Company's Mareesburg open pit mine which was suspended in mid-2012, may be restarted once market and operating conditions support such activities.

Diana Hu, President and Chief Executive Officer, stated, "Overall, Eastplats is continuing its commitment in developing and advancing its PGM projects in South Africa. Subject to resolving certain of the issues inherited from former management, under the leadership of new management and the new board of directors, the Company believes it is in a strong position to enter a new development stage."

Other Developments

CRM Purchase Agreement

On June 28, 2016, prior to the election of the new board of directors ("Board") at the Company's Annual General Meeting held on July 5, 2016 (the "AGM"), former management of the Company entered into a share purchase agreement (the "CRM Purchase Agreement") with Hebei Zhongheng Tianda Platinum Co. Limited ("HZT"), a company incorporated in the People's Republic of China, whereby HZT would acquire a 100% equity interest in Barplats Mines Limited and associated intercorporate investments and loans for total consideration of \$50 million (the "CRM Transaction"). Further details on the terms and conditions of the CRM Purchase Agreement are contained in the Company's Q3 MD&A and the CRM Purchase Agreement has also been filed under the Company's profile on SEDAR at www.sedar.com.

Completion of the CRM Transaction is subject to a number of conditions. The CRM Transaction was put forward to the Company's shareholders for approval at special

meeting of shareholders held on October 12, 2016. The information circular disseminated in connection with that meeting included further disclosure of the terms and conditions of the CRM Purchase Agreement. At that meeting, 85.8% of the shareholders represented at the meeting voted against the CRM Transaction.

The new management of the Company is continuing its review and investigation of the Company's rights and obligations and attending to satisfaction of its covenants under the CRM Purchase Agreement. At the present time, the CRM Transaction has not been completed or formally terminated. It is uncertain whether the conditions for completion under the CRM Purchase Agreement will be satisfied, or the CRM Purchase Agreement terminated or otherwise resolved.

BEE Buy-Out Agreements

On June 30, 2016, prior to the election of the Board at the AGM, former management of the Company entered into share purchase agreements (the "BEE Buyout Agreements") to acquire certain minority interests from the Company's black economic empowerment partners' in the Company's South African projects, for a total of \$13,366,609. Details on the terms and conditions of the BEE Buy-Out Agreements are contained in the Company's Q3 MD&A.

Pursuant to the terms of the BEE Buyout Agreements, former management of the Company placed 100% of the purchase consideration with an escrow agent and thereafter provided certain documents sufficient to permit the escrow agent to release the funds to the vendors upon the change of the board of directors of the Company at its AGM.

New management has been actively investigating the Company's rights and obligations under the BEE Buyout Agreements and the related transactions between the parties (the "BEE Buy-Out Transaction"). The Company's ability to complete its review has been impeded by the difficulty in accessing underlying documents and agreements, the co-operation of various parties and the review of the implications of the BEE Buyout Agreements under the Company's mining rights and provisions of applicable South African mining laws. As at September 30, 2016, consideration in the amount of \$13,366,609 paid to the vendors had been recorded as a prepayment in the Company's consolidated statement of financial position.

At the present time, the BEE Buy-Out Transaction has not been completed or formally terminated.

Private Placement

On October 27, 2016, the Company announced that, subject to regulatory approval, it intends to complete a private placement of 18,435,360 Eastplats' common shares (representing 19.9% of the currently outstanding shares and 16.6% post-completion) at a price of Cdn\$0.56 per share for aggregate proceeds of approximately Cdn\$10,323,802. The Company intends to use the net proceeds from the private placement for general working capital purposes, including capital costs to advance the Company's mining assets, which may include prospect work and mine construction.

The Company is continuing to negotiate and settle further terms and conditions of the private placement and seeking regulatory approval thereof.

Cautionary Statement on Forward-Looking Information

This press release 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 press release contains forward-looking statements, pertaining to, among other things, the following: the future funding of the Company’s projects, including the negotiation of the further terms and conditions and regulatory approval of the proposed private placement and the use of proceeds therefrom; the future development and funding of the Company’s projects; the Company’s plans for its properties; the review of the CRM Purchase Agreement, the BEE Buy-Out Agreements and all related transactions and determinations arising therefrom; the adoption of a new strategy based on the outcome of this review; the Company’s belief that the platinum production industry will have to face a continuation of stagnant PGM prices; the continuing impact of adverse economic factors on the South African PGM industry; the assertion that ongoing cost pressure and decreasing productivity in South Africa will continue to reduce free cash flow for the PGM industry; the potential restarts of the CRM if there is a sustained strengthening of PGM prices and a marked improvement in the South African operating environment; commitment to developing PGM in South Africa; and the resolution of certain issues inherited from former management.

With respect to forward-looking statements contained in this press release, assumptions have been made regarding, among other things: the Company’s ability to complete or otherwise to resolve the CRM Transaction and the BEE Buy-Out Agreements; the resolution of the black economic empowerment requirements; the price of PGMs; fluctuations in currency markets; inflation; the regulatory framework in the jurisdictions that the Company conducts its business; operating costs; and 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; risks associated with mining or development activities; the speculative nature of exploration and development, including the risk of obtaining necessary licences and permits; assumed quantities or grades of reserves 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.sedar.com.

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 press release are expressly qualified by this cautionary statement.

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