



**Notice of Meeting and Information Circular  
in respect of the Annual General Meeting of Shareholders  
to be held on September 21, 2017**

**August 22, 2017**

**EASTERN PLATINUM LIMITED**  
**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**  
**TO BE HELD ON SEPTEMBER 21, 2017**

TO THE SHAREHOLDERS of Eastern Platinum Limited:

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares (“**Common Shares**”) of Eastern Platinum Limited (the “**Company**”) will be held at the offices of Fasken Martineau DuMoulin LLP, Suite 2900, 550 Burrard St., Vancouver, British Columbia, on Thursday, September 21, 2017 at 10:00 a.m. PDT (7:00 p.m. South African time) for the following purposes:

1. to receive the financial statements of the Company for the year ended December 31, 2016 together with the report of the Company’s auditor thereon;
2. to elect the directors of the Company for the ensuing year;
3. to appoint the auditor for the ensuing year and to authorize the board of directors of the Company to fix the auditor’s remuneration; and
4. to transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

Shareholders should refer to the attached management information circular (“**Information Circular**”) for more detailed information with respect to the matters to be considered at the Meeting.

The record date for the determination of Shareholders entitled to receive notice of the Meeting is August 9, 2017 for Shareholders on the Canadian register and August 18, 2017 for Shareholders on the South African register. The record date for the determination of Shareholders entitled to vote is August 9, 2017 for Shareholders on the Canadian register and September 15, 2017 for Shareholders on the South African register. Shareholders of record on the Canadian register at the close of business on August 9, 2017 are entitled to notice of the Meeting and to vote thereat and at any adjournment or adjournments thereof on the basis of one vote for each Common Share held. Shareholders of record on the South African register at close of business on September 15, 2017 are entitled to vote at the Meeting and at any adjournment or adjournments thereof on the basis of one vote for each Common Share held. The last day to trade for Shareholders on the South African register to be shareholders of record on the South African register on September 15, 2017 is September 12, 2017.

**A Shareholder may attend the Meeting in person or may be represented by proxy. If you are a registered Shareholder on the Canadian register and are unable to attend the Meeting in person, please date and execute the accompanying form of proxy and return it in the envelope provided to: Computershare Trust Company of Canada, the registrar and transfer agent of the Company, by mail at 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1.** In order to be valid and acted upon at the Meeting, Shareholders on the Canadian register must deposit their forms of proxy with Computershare Trust Company of Canada not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment or adjournments thereof. Proxies may also be voted by telephone, fax or on the internet as detailed on the proxy form.

**If you are not a registered Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided to you by your broker or by the other intermediary.**

**The persons named in the enclosed form of proxy are directors and/or officers of the Company. Each Shareholder has the right to appoint a proxyholder other than such persons, who need not be a Shareholder, to attend and to act for such Shareholder and on such Shareholder’s behalf at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Shareholder’s appointee should be legibly printed in the blank space provided.**

Certificated Shareholders and own-name registered dematerialised Shareholders on the South African register must send their signed form of proxy to the Company’s South African transfer secretaries, Link Market Services South Africa Proprietary Limited, 13th Floor, Rennie House, 19 Ameshoff Street, corner Biccara, Braamfontein, Johannesburg, 2001, South Africa (PO Box 4844, Johannesburg, 2000), to be received by them not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting and any adjournment or adjournments thereof.

Dematerialised Shareholders on the South African register, other than own-name registered Shareholders, who wish to attend the Meeting in person will need to request their Central Securities Depository Participant (“CSDP”) or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between such Shareholder and their CSDP or broker. Dematerialised Shareholders, other than own-name registered dematerialised Shareholders, who are unable to attend the Meeting and who wish to be represented thereat must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between such Shareholder and their CSDP or broker in the manner and time stipulated therein.

Proxies may also be voted by telephone or on the internet as detailed on the proxy form.

**BY ORDER OF THE BOARD OF DIRECTORS**

“*George Dorin*” (Signed)

George Dorin  
Chairman

August 22, 2017

**INFORMATION CIRCULAR**  
**FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**  
**TO BE HELD ON SEPTEMBER 21, 2017**

**PROXY SOLICITATION MATTERS**

**Purpose of Solicitation**

**This management information circular (“Information Circular”) is furnished in connection with the solicitation of proxies by the management of Eastern Platinum Limited (“Eastplats” or the “Company”) for use at the special meeting (the “Meeting”) of the holders (“Shareholders”) of common shares of Eastplats (“Common Shares”).**

The Meeting will be held at the offices of Fasken Martineau DuMoulin LLP, Suite 2900, 550 Burrard Street, Vancouver, British Columbia on Thursday, September 21, 2017 at 10:00 a.m. PDT (7:00 p.m. South African time) and at any adjournments thereof for the purposes set forth in the accompanying notice of meeting (the “**Notice of Meeting**”). Information contained herein is given as of August 9, 2017 unless otherwise specifically stated.

Solicitation of proxies will be primarily by mail but may also be by telephone, facsimile, other electronic means or in person by directors, officers and employees of the Company who will not be additionally compensated. Brokers, nominees or other persons holding Common Shares in their names for others shall be reimbursed for their reasonable charges and expenses in forwarding proxies and proxy material to the beneficial owners of such shares. The costs of soliciting proxies will be borne by Eastplats.

**Appointment and Revocation of Proxies**

Enclosed herewith is a form of proxy for use at the Meeting. **The persons named in the enclosed form of proxy are directors and/or officers of the Company. Each Shareholder has the right to appoint a proxyholder other than such persons, who need not be a Shareholder, to attend and to act for such Shareholder and on such Shareholder’s behalf at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Shareholder’s appointee should be legibly printed in the blank space provided.**

A form of proxy will not be valid for use at the Meeting or any adjournment thereof unless it is signed by the Shareholder or by the Shareholder’s attorney authorized in writing or, if the Shareholder is a corporation, it must be executed by a duly authorized officer or attorney thereof. In order for the form of proxy to be acted upon, Shareholders on the Canadian register must deposit the form of proxy with Computershare Trust Company of Canada, the registrar and transfer agent of the Common Shares, by mail at 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment or adjournments thereof. Proxies may also be voted by telephone, fax or on the internet as detailed on the proxy form.

Certificated Shareholders and own-named registered dematerialised Shareholders on the South African register must send their signed form of proxy to the Company’s South African transfer secretaries, Link Market Services South Africa Proprietary Limited, 13<sup>th</sup> Floor, Rennie House, 19 Ameshoff Street, corner Biccard, Braamfontein, Johannesburg, 2001, South Africa (PO Box 4844, Johannesburg, 2000), to be received by them by not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting and any adjournment or adjournments thereof in order for the proxy to be acted on.

Dematerialised Shareholders on the South African register, other than own-name registered dematerialised Shareholders, who wish to attend the Meeting in person will need to request their Central Securities Depository Participant (“CSDP”) or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between such Shareholder and their CSDP or broker. Dematerialised Shareholders, other than own-name registered dematerialised Shareholders, who are unable to attend the Meeting and who wish to be represented thereat must provide their CSDP or broker with their voting instructions in terms of the custody

agreement entered into between such Shareholder and their CDSP or broker in the manner and time stipulated therein.

A Shareholder who has given a proxy may revoke it prior to its use, in any manner permitted by law, including by instrument in writing executed by the Shareholder or by his or her attorney authorized in writing or, if the Shareholder is a corporation, executed by a duly authorized officer or attorney thereof, and deposited at the registered office of the Company at any time up to and including the last day (not including Saturdays, Sundays and statutory holidays observed in Vancouver, British Columbia) preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used or with the chairman of the Meeting on the day of the Meeting or any adjournment thereof.

#### **Advice to Beneficial Holders of Common Shares**

**The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name.** Shareholders who do not hold their Common Shares in their own name (referred to in this Information Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by Shareholders whose names appear on the records of Eastplats as the registered Shareholders can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder’s name on the records of Eastplats. Such Common Shares will more likely be registered under the names of the Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Common Shares for the broker’s clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person well in advance of the Meeting.**

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Shareholders; however, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically mails a scannable voting instruction form in lieu of the form of proxy. The Beneficial Shareholder is requested to complete and return the voting instruction form to them by mail or facsimile. Alternatively, the Beneficial Shareholder can call a toll-free telephone number or visit [www.proxyvote.com](http://www.proxyvote.com) to vote the Common Shares held by the Beneficial Shareholder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a voting instruction form cannot use that voting instruction form to vote Common Shares directly at the Meeting as the voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for a registered Shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Common Shares as proxyholder for a registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

The Company intends to send proxy related materials to non-objecting beneficial owners. The Company will pay for the costs of delivery of proxy related materials to objecting beneficial owners. The Company is not using notice-and-access procedures for distributing proxy related materials to Shareholders.

## Voting of Proxies

All Common Shares represented by properly executed and deposited proxies will be voted or withheld from voting in accordance with the instructions contained therein. **If no choice is specified with respect to any matters referred to herein, the persons whose names appear on the printed form of proxy will vote in favour of the matters to be considered by Shareholders at the Meeting. The enclosed form of proxy confers discretionary authority upon the persons named therein. If any other business or amendments or variations to matters identified in the Notice of Meeting properly comes before the Meeting, then discretionary authority is conferred upon the person appointed in the proxy to vote in the manner they see fit, in accordance with their best judgment.**

As of the date hereof, the management of Eastplats know of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting.

## Record Date

The board of directors of Eastplats (the “**Board**”) has fixed August 9, 2017 as the record date for the Meeting for Shareholders on the Canadian register and August 18, 2017 for Shareholders on the South African register. Shareholders on the Canadian register at the close of business on August 9, 2017 are entitled to receive notice of the Meeting and to vote thereat and at any adjournment or adjournments thereof on the basis of one vote for each Common Share held.

Shareholders of record on the South African register at close of business on September 15, 2017 are entitled to vote at the Meeting and at any adjournment or adjournments thereof on the basis of one vote for each common share held. The last day to trade for Shareholders on the South African register to be shareholders of record on the South African register on September 15, 2017 is September 12, 2017.

## INFORMATION CONCERNING THE COMPANY

### General

The Company is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, North West Territories, Yukon and Nunavut and its Common Shares are listed for trading on the TSX under the symbol “ELR”. The head office of the Company is located at 1080 - 1188 West Georgia Street, Vancouver, British Columbia, V6E 4A2. The registered office of the Company is located at Suite 2900, 550 Burrard Street, Vancouver, British Columbia, V6C 0A3.

### Voting Securities

The authorized capital of the Company consists of an unlimited number of Common Shares. As of the date hereof, 92,639,032 Common Shares were issued and outstanding as fully paid and non-assessable. Shareholders are entitled to one vote per Common Share held at meetings of Shareholders, to receive dividends, if, as and when declared by the Board and to receive pro rata the remaining property and assets of the Company upon its dissolution or winding up.

### Principal Holders of Voting Securities

As of the date hereof, to the knowledge of the directors and executive officers of Eastplats, the only person who beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to all outstanding Common Shares of the Company is set out below:

<u>Name and Address</u>	<u>Number of Shares Owned, Controlled or Directed</u>	<u>Percentage of Shares Outstanding</u>
KA AN Development Co. Limited	22,134,536	23.89%

**MATTERS TO BE CONSIDERED AT THE MEETING**

**I. Financial Statements**

The Company's financial statements for the financial year ended December 31, 2016 and the auditors' report thereon will be placed before the Meeting. The financial statements have been approved by the directors and receipt at the Meeting of the Company's financial statements and the auditors' report for its most recently completed financial year will not constitute approval or disapproval of any matters referred to therein.

**II. Election of Directors**

Each director elected will hold office until the close of business of the next annual meeting of Shareholders of the Company following his election unless his office is earlier vacated in accordance with the Company's by-laws. **It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies FOR the election of each of the nominees whose names are set forth below.** The following table provides the names of the nominees, all major offices and positions with the Company, each nominee's principal occupation, the period of time during which each has been a director, and the number of Common Shares beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at August 9, 2017, and the number of options to purchase Common Shares held by each as at August 9, 2017.

<b>DIANA HU</b> Richmond, B.C., Canada Age: 47  <b>Director Since:</b> August 12, 2016 <b>Director Status:</b> Non-Independent Director <sup>(3)</sup>				
<b>Principal Occupation, Business or Employment</b> <sup>(1)</sup>				
Chief Executive Officer, Eastern Platinum Limited (July 27, 2016 – present). President of CGH Industries Limited (“CGH”) since 2004; CGH provides sourcing, marketing and logistic solutions and advisory services through the metals and scrap supply chain on a global basis, General Manager, Nyrstar Hing Kong Co. Ltd. (2014 – 2015) and Head of Commercial, MRI Trading Ltd. (2012 – 2014)				
Board/Committee Membership	2016 Attendance		Other Public Company Board Memberships	
			Company	Since
Board of Directors	5 of 5	100%	n/a	n/a
<b>Total:</b>	5 of 5	100%		
<b>Common Shares Beneficially Owned, Controlled or Directed:</b> <sup>(2)</sup>			Nil	
<b>Options Beneficially Owned, Controlled or Directed:</b>			100,000	

<b>MICHAEL COSIC</b> Toronto, Ontario, Canada Age: 49  <b>Director Since:</b> July 5, 2016 <b>Director Status:</b> Independent Director <sup>(4)</sup>				
<b>Principal Occupation, Business or Employment<sup>(1)</sup></b>				
VP Finance BridgePoint Financial Group since 2016 and CFO, Lithium Americas Corp. (2012 – 2015)				
Board/Committee Membership	2016 Attendance		Other Public Company Board Memberships	
			Company	Since
Board of Directors	7 of 7	100%	n/a	n/a
Audit Committee	3 of 3	100%		
Safety, Health & Environmental Committee	1 of 2	50%		
<b>Total:</b>	11 of 12	91.6%		
<b>Common Shares Beneficially Owned, Controlled or Directed:<sup>(2)</sup></b>			Nil	
<b>Options Beneficially Owned, Controlled or Directed:</b>			100,000	

<b>GEORGE DORIN</b> Surrey, B.C., Canada Age: 64  <b>Director Since:</b> July 5, 2016 <b>Director Status:</b> Independent Director <sup>(4)</sup>				
<b>Principal Occupation, Business or Employment<sup>(1)</sup></b>				
Served as a director, including audit committee chairman, chief financial officer and corporate secretary of several reporting issuers listed on Canadian and US stock exchanges. He is the founder and president of CANUS Capital Corporation, a private corporate finance and business advisory firm based in Surrey, B.C., Canada, providing services to both public and private companies.				
Board/Committee Membership	2016 Attendance		Other Public Company Board Memberships	
			Company	Since
Board of Directors	7 of 7	100%	Gourmet Ocean Products Inc.	January 5, 2011
Audit Committee	3 of 3	100%	China Keli Electric Company Ltd.	May 5, 2010
Compensation and Corporate Governance Committee	0 of 0	-		
<b>Total:</b>	10 of 10	100%		
<b>Common Shares Beneficially Owned, Controlled or Directed:<sup>(2)</sup></b>			Nil	
<b>Options Beneficially Owned, Controlled or Directed:</b>			100,000	



<b>DOUGLAS PERKINS</b> Kingston, Ontario, Canada Age: 64  <b>Director Since:</b> July 5, 2016 <b>Director Status:</b> Independent Director <sup>(4)</sup>				
<b>Principal Occupation, Business or Employment<sup>(1)</sup></b>				
Formerly was a consultant to groups such as The World Bank and private industry in Africa and the Former Soviet Union and has been a CFO or CEO of numerous public companies listed in Canada and the United Kingdom. President of 7264496 Canada Inc. (2007-2017), Executive Director, Riverstone Karma SA (2015-2016); President and CEO, Legend Gold Corporation (2011 – 2014); CFO Canadian Royalties Inc. (2011); CEO & Director GMA Resources plc (2005-2010); CFO Orezone Resources Inc. (2002 – 2005).				
Board/Committee Membership	2016 Attendance		Other Public Company Board Memberships	
			Company	Since
Board of Directors	6 of 7	86%	n/a	n/a
Safety, Health and Environmental Committee	2 of 2	100%		
<b>Total:</b>	8 of 9	88.9%		
<b>Common Shares Beneficially Owned, Controlled or Directed:<sup>(2)</sup></b>			Nil	
<b>Options Beneficially Owned, Controlled or Directed:</b>			100,000	

<b>SAM WANG</b> Richmond, B.C., Canada Age: 47  <b>Director Since:</b> July 5, 2016 <b>Director Status:</b> Independent Director <sup>(3)</sup>				
<b>Principal Occupation, Business or Employment<sup>(1)</sup></b>				
Mr. Wang is the founder and president of Canadian Regal International Finance Inc., a private business consulting firm based in Vancouver, B.C. Canada. Director of Cadillac Ventures Inc. (November 2016-present); Chief Financial Officer, Corporate Secretary and Director of Oriental Non-Ferrous Resources Development Inc. (October 2015-present); Chief Financial Officer and Director of Bard Ventures Ltd. (August 2015–present); Chief Financial Officer and Corporate Secretary of 3TL Technologies Corp. (July 2015-April 2017); Chief Financial Officer of Julian Resources Inc. (April 2013-present); founder and president of Canadian Regal International Finance Inc. (September 2004-present).				
Board/Committee Membership <sup>(8)</sup>	2016 Attendance		Other Public Company Board Memberships	
			Company	Since
Board of Directors	7 of 7	100%	Cadillac Ventures Inc.	November 11, 2016
Audit Committee	3 of 3	100%	Oriental Non-ferrous Resources Development Inc.	October 2, 2015
Compensation and Corporate Governance Committee	0 of 0	-	Bard Ventures Ltd.	August 21, 2015
<b>Total:</b>	10 of 10	100%		
<b>Common Shares Beneficially Owned, Controlled or Directed:<sup>(2)</sup></b>			Nil	
<b>Options Beneficially Owned, Controlled or Directed:</b>			100,000	

<b>BIELIN SHI</b> Perth, Western Australia, Australia Age: 61 <b>Director Since:</b> September 5, 2016 <b>Director Status:</b> Non-Independent Director <sup>(4)</sup>				
<b>Principal Occupation, Business or Employment<sup>(1)</sup></b>				
Mr. Shi has been the Chief Geologist, Pei Si International (Beijing) Co. Ltd. since 2015. Previously, Mr. Shi was the Principal Geologist, CSA Global, Perth, Australia from 2009 – 2015 and was the Principal Geologist, Citic Pacific Mining Management, Australia from 2008 – 2009 and was the General Manager, Golder Associates Consulting Ltd., Beijing, China from 2004 to 2008.				
Board/Committee Membership	2016 Attendance		Other Public Company Board Memberships	
			Company	Since
Board of Directors	4 of 4	100%	n/a	n/a
Safety, Health and Environmental Committee	0 of 1 <sup>(5)</sup>	0%		
Compensation and Corporate Governance Committee	0 of 0	-		
<b>Total:</b>	4 of 5	80%		
<b>Common Shares Beneficially Owned, Controlled or Directed:<sup>(2)</sup></b>			Nil	
<b>Options Beneficially Owned, Controlled or Directed:</b>			100,000	

**NOTES:**

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned, controlled or directed by a nominee is not within the knowledge of the management of the Company and has been furnished by the nominee.
- (2) Does not include unissued Common Shares issuable upon the exercise of incentive stock options.
- (3) See the section entitled “Corporate Governance” for a description of the reasons why the Company does not consider this nominee to be independent.
- (4) “Independent” refers to the standards of independence established under Canadian Securities Administrators’ National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.
- (5) The Safety, Health and Environmental Committee met twice in the period commencing on July 5, 2016 and ending on December 31, 2016. Mr. Shi joined the Board after the first meeting of the Safety, Health and Environmental Committee took place.

***Corporate Cease Trade Orders or Bankruptcies***

Except as disclosed herein, to the knowledge of the Company, none of the proposed directors, or a shareholder holding a sufficient number of securities to affect materially the control of the Company is, or within ten years before the date of this Information Circular, has been, a director, officer, insider or promoter of any other issuer that while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied such issuer access to any statutory exemptions for a period of more than 30 consecutive days; or
- (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Ms. Hu was the Chief Executive Officer of the Company when she became the subject of a management cease trade order issued by the British Columbia Securities Commission on April 4, 2017 for the Company’s failure to file annual financial statements, management’s discussion and analysis, certification of annual filings and an annual information form for the year ended December 31, 2016. The management cease trade order was revoked on June 15, 2017.

Mr. Dorin was a director of Huaxing Machinery Corp (“HUA”), which had a cease trade order issued against it on February 26, 2015. Due to its declining financial position, HUA’s subsidiary operating company in China was unable to fund HUA, a reporting issuer that traded on the TSX Venture Exchange (TSXV: HUA), and was unable to provide the ongoing regulatory and financial reporting required by the British Columbia Securities Commission. As a result, HUA was unable to complete an audit of its financial statements for the fiscal year ended December 31, 2014, which was to include restated financial statements for the prior year. HUA was moved to the NEX during May 2016.

Mr. Dorin is also a director of China Keli Electric Co. Ltd (TSXV: ZKL) (“ZKL”), which had a cease trade order issued against it by the British Columbia Securities Commission on September 8, 2014 for failure to timely file its audited consolidated financial statements for the year ended April 30, 2014. ZKL filed its audited consolidated financial statements for the year ended April 30, 2014 and the cease trade order was revoked by the British Columbia Securities Commission on July 15, 2015. ZKL is currently pursuing a going private transaction.

### ***Penalties or Sanctions***

To the knowledge of the Company, no proposed director, officer, promoter or control person of the Company has:

- (a) been the subject of any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body that would be likely to be considered important to a reasonable securityholder making a decision.

### ***Personal Bankruptcies***

To the knowledge of the Company, no proposed director, officer, promoter or control person of the Company has, within the past ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold the assets of that individual.

### ***Conflicts of Interest***

Conflicts of interest may arise as a result of the directors and officers of the Company holding positions as director or officers of other companies. Some of the directors and officers have been and will continue to be engaged in the identification and evaluation of assets and businesses, with a view to potential acquisition of interests in businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies under the *Business Corporations Act* (British Columbia).

### **III. Change of Auditor**

The Board recommends, on the advice of the Audit Committee, that PricewaterhouseCoopers LLP be appointed as auditors of the Company, at a remuneration to be fixed by the Board. Deloitte LLP, the former auditor of the Company, resigned as auditor of the Company on its own initiative effective August 2, 2017. PricewaterhouseCoopers LLP was appointed by the directors of the Company as auditor of the Company commencing August 2, 2017. The resignation of Deloitte LLP and the appointment of PricewaterhouseCoopers LLP were approved by the Board.

Pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI 51-102”), the Company prepared and filed a Notice of Change of Auditor dated August 2, 2017 (the “Notice”). The Company has obtained response letters from each of Deloitte LLP and PricewaterhouseCoopers LLP confirming the statements contained in the Notice (the “Response Letters”). In accordance with NI 51-102, the Notice and Response Letters have been reviewed by the Audit Committee, have been filed on SEDAR and are attached as Schedule “A” to this Circular.

**Management recommends that PricewaterhouseCoopers LLP be appointed as auditor of the Company until the next annual meeting of shareholders. It is the intention of the persons named in the enclosed form of**

proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies FOR the appointment of PricewaterhouseCoopers LLP as auditors.

## STATEMENT OF EXECUTIVE COMPENSATION

In accordance with the requirements of applicable securities legislation in Canada, the following executive compensation disclosure is provided in respect of: (a) each person who served as the Company's Chief Executive Officer (the "CEO") or Chief Financial Officer (the "CFO") during the 2016 fiscal year; (b) the three most highly compensated executive officers of the Company (other than the CEO and CFO) and its subsidiaries whose annual aggregate compensation for the 2016 fiscal year exceeded \$150,000; and (c) each individual who would be included under (b) above but for the fact such individual was not an executive officer of the company or its subsidiaries at the end of the financial year (each, a "NEO" and collectively, the "NEOs").

### Compensation Discussion and Analysis

The Board's Compensation and Corporate Governance Committee (the "Committee") is responsible for overseeing compensation for the Company's executive officers and making recommendations in respect thereof to the Board, consistent with the Company's compensation philosophy and compensation and corporate governance best practices. The Committee executes its mandate in consultation with management and a review of comparable companies in the industry in which the Company operates. The Board, however, makes the ultimate decisions with respect to executive compensation upon consideration of the Committee's recommendations.

Most of the current Board took office on July 5, 2016, following a proxy contest which led to the resignations of all of the previous directors. The Committee established shortly thereafter initiated a review of the Company's director and executive compensation programs as part of the Board's broad review of its governance practices and policies. This review first established several comparable companies and used these for benchmarks for the directors and officers. This review was completed in September 2016, following which the Board accepted and implemented changes to compensation practices for directors. Compensation for executive officers will be reviewed annually. The Committee is in the process of undergoing a review of the committees and mandates of the Board.

In addition to the change of the Board associated with the proxy contest, there were significant changes in 2016 to the Company's senior management. Prior to the proxy contest, in January 2016, Ian Rozier resigned as Chief Executive Officer and was replaced by David Cohen. In connection with the proxy contest, David Cohen resigned as Chief Executive Officer on July 5, 2016 and was replaced by Peter Clausi as Interim Chief Executive Officer. Mr. Clausi resigned on July 27, 2016 and was replaced by Diana Hu.

In connection with the proxy contest, Horng Dih Lee resigned as Chief Financial Officer on July 5, 2016 and was replaced as Corporate Secretary on July 15, 2016. On July 15, 2016 David Li was appointed as Interim Chief Financial Officer. Mr. Li resigned on November 25, 2016 and was replaced by Rowland Wallenius. In accordance with applicable securities laws, each of these individuals is among the Company's "Named Executive Officers" or "NEOs" in respect of whom 2016 compensation is disclosed below.

The Committee was formed on July 5, 2016. During the remainder of 2016, the Committee did not formally meet but informally reviewed all key compensation issues for the directors and the executive officers and based on those discussions, the Chair made recommendations to the Board. The purpose of the Company's compensation program is to provide incentives to attract, motivate and retain qualified and experienced executives, to ensure their interests are aligned with the interests of shareholders of the Company and to provide for transparent and defensible compensation. The compensation program is designed to incentivize such executives to achieve the annual and long-term business goals of the Company and to reward each executive officer for his/her achievements on the basis of individual, group and corporate performance.

The three principal elements that make up the compensation program are base salary, long term incentives and cash bonuses. In the normal course, total executive compensation for NEOs (base salary, stock options and cash bonuses) is targeted at the median quartile of market. During the transition year, the Company required immediate assistance, which is reflected in the numerous interim NEOs following the proxy contest. The Board then set about seeking and retaining long-term personnel. Stock options have traditionally been awarded on an annual basis and grants are based on a number of factors, including individual and corporate performance, retention considerations, and performance motivation.

The base salary established for each executive officer is intended to reflect each individual’s responsibilities, experience, prior performance and other discretionary factors deemed relevant by the Board. The incentive stock option portion of the compensation is designed to provide the executive officers of the Company with a long term incentive in developing the Company’s business. Options granted under the Company’s stock option plan are approved by the Board and, if applicable, its subcommittees, after consideration of the Company’s overall performance and whether the Company has met targets set out by the executive officers in their strategic plan.

The Committee oversees the implementation of the Company’s executive compensation policies and philosophy, reviews the adequacy and form of compensation and/or benefits for directors and executives, assesses the individual performance of the Company’s executives, and makes recommendations to the Board. The Committee also assesses corporate and individual performance, recruiting and retention needs, and makes recommendations to the Board in respect of them. Based on these recommendations, the Board makes decisions concerning the nature and scope of the remuneration for directors and executive officers as well as other employees and consultants.

The Committee also administers and makes recommendations to the Board with respect to the Company’s stock option plan. The Company may also grant incentive stock options from time to time in accordance with the terms of its stock option plan. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to those of the shareholders.

The Committee may seek independent compensation advice where appropriate from external consultants in order to assist it in assessing executive remuneration levels and aligning directors and executive remuneration packages with comparable market compensation. During 2016 and to date the Committee has not yet engaged such external advice.

The majority of the members of the Committee were independent until July 2017. Effective July 2017, Dr. Shi is no longer independent as he is managing, overseeing and continues to direct the preparation of the reserves information in relation to the Tailings Storage Facility. The Committee is made up of the following members, all of whom have prior experience in dealing with compensation matters:

*Sam Wang, Chairman* July 5, 2016 – present

*George Dorin* July 5, 2016 – present

*Bielin Shi* September 21, 2016 – present

### **Elements of Executive Compensation**

The following elements of compensation are employed to reward the Company’s executive officers:

<b><u>Element</u></b>	<b><u>Purpose</u></b>
<b>Base Salaries/Fees</b>	<p>Base salaries/fees form an essential component of the Company’s compensation strategy as a key to the Company remaining competitive, are fixed and therefore not subject to uncertainty, and can be used as the base to determine other elements of compensation and benefits. In determining the base salaries/fees of executive officers, the Committee and the Board consider the following:</p> <ul style="list-style-type: none"> <li>• the recommendations of the Chief Executive Officer (other than in respect of the Chief Executive Officer’s compensation);</li> <li>• the particular responsibilities related to the position;</li> <li>• the level of experience and expertise of the</li> </ul>

<u>Element</u>	<u>Purpose</u>
	<p>executive officer; and</p> <ul style="list-style-type: none"> <li>• the executive officer’s overall performance based on feedback.</li> </ul> <p>The emphasis placed on any of these factors is at the discretion of the Board and may vary among the executive officers.</p>
<b>Bonus Payments</b>	<p>The purpose of the Company’s bonus program is to provide executives with the opportunity to receive a cash incentive that is broadly related to the progress of the Company and individual performance.</p> <p>The Company does not utilize a set of formal corporate objective measures to determine bonus entitlements but rather determines bonus payments to executives in specific individual objectives or targets on a case by case basis for each executive officer. The Committee, in making recommendations to the Board in respect of bonus awards, considers the achievement of individual targets or technical milestones. The Company does not focus on any particular performance metric.</p>
<b>Long-Term Incentives</b>	<p>Long-term incentives are designed to reward long-term executive performance, to aid in the retention of qualified executives and to align executive incentives directly with those of Shareholders by retaining a proprietary interest in the equity of the Company while at the same time not drawing on the cash resources of the Company.</p> <p>The Company does not utilize a set of formal objectives measures to determine long-term incentive grants. Rather such grants are determined on a case by case basis having consideration to such grants previously awarded. There are no specific quantitative or qualitative measures associated with long-term incentive grants, and no specific weights are assigned to any criteria individually. The performance of the Company is broadly considered as a whole when determining long-term incentive awards, if any, and the Company does not focus on any particular performance metric.</p> <p>The Company grants subject to approval by the Board long-term incentive awards in the form of stock options. The Committee reviews option grant recommendations made by the Chief Executive Officer with regard to each executive’s individual performance in contributing to the strategic objectives of the Company and demand in the market for the skills of that executive. The Committee makes its recommendations for approval of grants to the Board for the executives and Board members.</p>

## **Compensation Philosophy and Goals**

The Board has the overall responsibility for the Company's compensation program. The Board has delegated certain research and oversight responsibilities to the Committee but retains final authority over the compensation program and process, including approval of material amendments to or the adoption of new equity-based compensation plans and the review and approval of Committee recommendations.

The Committee assesses the individual performance of the Company's executive officers and makes recommendations relating to compensation to the Board. Based on these recommendations, the Board makes decisions concerning the nature and scope of the compensation to be paid to the Company's executive officers. The Committee bases its recommendations to the Board on its compensation philosophy and the Committee's assessment of corporate and individual performance, recruiting and retention needs.

While the Company does not have a formal compensation policy, the guiding philosophy of the Company's executive compensation program is to:

- align the interests of the executives with the interests of the Shareholders by linking their compensation to the performance of the Company;
- establish executive compensation on an individual basis in order to retain within the Company qualified and experienced individuals;
- ensure that compensation is fair and appropriate in the opinion of reasonable shareholders and that it be established, when deemed reasonable and effective to do so, with reference to the market for similar positions in other comparable mining and exploration companies;
- motivate the Company's management team to continually meet and exceed operating targets without sacrificing the Company's long-term growth or our commitment to the Company's employees' safety, health and the environment, while advancing the Company's strategic objectives of growth through optimization of its current exploration and development activities;
- designate an appropriate portion of compensation "at risk" that is variable and linked to individual, group and/or corporate performance;
- allocate an appropriate portion of variable compensation to equity based awards, aligning interests of the executives directly with those of Shareholders;
- equitably manage compensation so that executives in similar positions and locations are rewarded commensurately;
- reward achievement of business objectives;
- promote effective risk management; and
- effectively communicate goals and calculation methodologies so that they are understood by both executives and shareholders.

In implementing its compensation philosophy the Committee and the Board are mindful that:

- compensation should be guided by a pay for performance philosophy;
- compensation should be market-competitive to attract and retain the leadership talent required to drive business results;
- compensation should be linked to corporate objectives, and individual performance in achieving those corporate objectives, while not encouraging excessive or inappropriate risk taking in order to maximize shareholder return; and
- compensation should motivate high performers to achieve exceptional levels of performance through rewards tied to performance.

## **Management of Risk**

The Company recognizes that certain compensation programs, both employee and executive, could promote unintended behaviours that may, in certain circumstances, be misaligned with the Shareholders' interests. Such behaviours could be problematic at any level of the organization; however, they could potentially have a greater impact on the entire organization if exhibited by executive officers of the Company. The Company seeks to ensure, through the structure of its compensation programs, that executive actions and decisions align with the interests of the Company and its Shareholders. There are additional risks that the Company is typically subject to; however, this discussion focuses solely on risks linked to the Company's executive compensation programs.

In designing and implementing the Company's compensation policies and philosophy, the Committee and the Board regularly assess the risks associated with the Company's policies and practices. The Committee maintains sufficient discretion and flexibility in implementing compensation decisions such that unintended consequences in remuneration can be minimized, while still allowing the Committee to be responsive to market forces in a competitive environment. Several existing practices assist in the management of compensation risk, including the following:

- mixture of short-term and long-term variable incentive programs, which mitigates the risk of encouraging short-term goals at the expense of long-term sustainability and profitability;
- compensation plans incorporate elements of discretion for the Board thereby permitting adjustments to be made so that payouts are not overly influenced by an unusual result in a given area;
- in exercising its discretion under the bonus plan and stock option plan, the Committee reviews individual and corporate performance taking into account the long-term interests of the Company; and
- results of annual assessments of executives' goals, objectives and performance are reviewed and considered in awarding compensation and discretionary judgment is applied in awarding both discretionary bonuses under the bonus plan and future compensation.

The Company believes the elements of executive compensation are balanced, and do not encourage unnecessary or excessive risk taking. Base salaries are fixed in amount and therefore do not encourage risk taking. While annual incentive awards focus on the achievement of short term or annual goals and short term goals may encourage the taking of short-term risks at the expense of long term results, the Company's annual incentive award program represents a small percentage of employee's compensation opportunities. Annual incentive awards are based on various personal and company-wide objectives, as well as general performance in day-to-day corporate activities which would trigger the award of a bonus payment to the NEO. The determination as to whether a target has been met is ultimately made by the Board (after receiving recommendations of the Committee) and the Board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate. Stock option awards are important to further align employees' interests with those of Shareholders. The ultimate value of the awards is tied to the Company's stock price and since awards are staggered and subject to long-term vesting schedules, they help ensure that NEOs have significant value tied in long-term stock price performance.

The Company does not have a policy with regard to executive officer and director purchases of financial instruments designed to hedge or offset a decrease in the market value of the Company's securities held by executive officers and directors. In the event a director or NEO purchases financial instruments that are designed to hedge or offset a decrease in market value of the Company's equity securities granted as compensation or held, directly or indirectly, by the director or NEO, such purchases must be disclosed in insider reporting filings. To date, no such purchases have been disclosed by any director or NEO of the Company.

## **Peer Group**

The Committee, in conjunction with the Board, periodically performs a peer group review for the purposes of assessing the competitiveness of the Company's compensation programs and policies, establishing target incentives and determining total compensation for each of the executive officers. In 2012, the Company engaged Mercer (Canada) Limited ("**Mercer**") to provide support to the Committee in assessing the reasonableness of the compensation for the Company's Canadian executive officers. Mercer's report, completed in April 2012, detailed comparable companies that are platinum group metals producers, gold mining companies of similar market capitalization or revenue levels to the Company and natural resource companies involved in the acquisition,



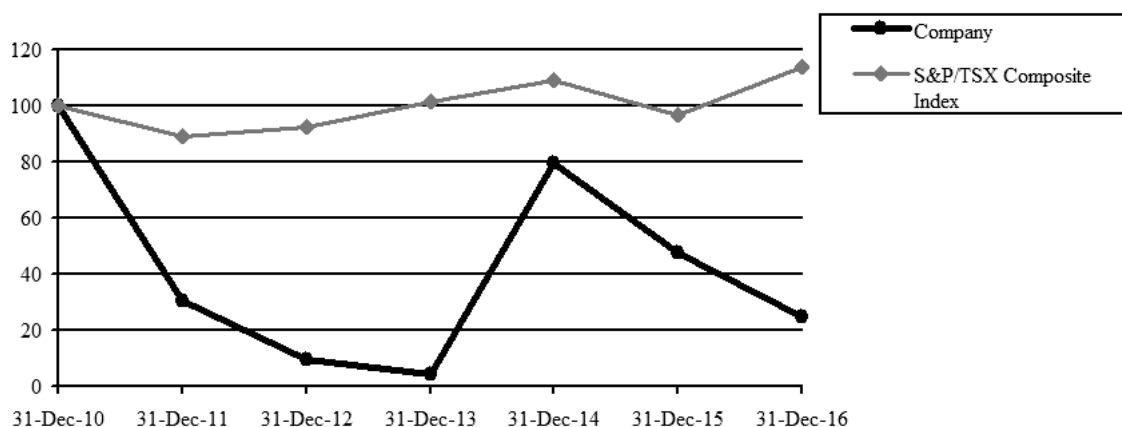
exploration, financing, development and operation of mineral properties in South Africa. The Company has not engaged an external third party to review compensation since 2012 but in September 2016 it performed an internal review using similar methodology as Mercer. The following is the list of companies determined by the Committee to be comparable:

- Wellgreen Platinum Ltd.
- Atlatsa Resources Corporation
- Solitario Exploration & Royalty Corp.
- Globex Mining Enterprises Inc.
- Wallbridge Mining Company Limited

The Company believes that these companies represent good comparators of the “market” in which the Company competed for executive talent in 2016.

### Performance Graph

The following graph compares the cumulative total return to a Shareholder who invested \$100 in Common Shares of the Company on December 31, 2010 until December 31, 2016 with the cumulative total return of the TSX.



	Investment	December 31, 2010	December 31, 2011	December 31, 2012	December 31, 2013	December 31, 2014	December 31, 2015	December 31, 2016
Company	\$100.00	\$100.00	\$30.51	\$9.60	\$4.52	\$79.66	\$47.46	24.86
S&P/TSX Composite Index	\$100.00	\$100.00	\$88.92	\$92.49	\$101.33	\$108.84	\$96.78	113.72

### Compensation in Relation to Shareholder Return

During the comparative five year period from 2012 to 2016, total shareholder return for shares of the Company was negative 75.14%. More recently, on July 31, 2017, the Company’s share price was \$0.295. The overall return to Shareholders has been negative over the past five years. This return is a direct result of changes in the economic environment in South Africa and PGM and other commodity pricing. Further, the fact that the Company did not have any active projects during 2016 reinforced the economic difficulty. This back drop precipitated a change in the entire Board during 2016. Following the proxy context, the Board hired new executive officers and reduced the base pay and incentives to better align executive pay with Shareholder returns.

**Summary Compensation Table**

The table below reflects compensation paid to the NEOs for the financial years ended December 31, 2016, 2015 and 2014:

Name and Principal Position	Year	Salary <sup>(11)</sup> (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All other Compensation <sup>(2)</sup> (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
<b>Diana Hu</b> <sup>(3)</sup> President & CEO	2016	128,750	-	35,318	-	-	-	-	164,068
<b>Rowland Wallenius</b> <sup>(4)</sup> Chief Financial Officer and Corporate Secretary	2016	17,143	-	-	-	-	-	-	17,143
<b>Andrea Zhang</b> <sup>(12)</sup> Chief Operating Officer	2016	113,850	-	35,318	-	-	-	-	149,168
<b>Anton Lubbe</b> <sup>(13)</sup> VP of South African Operations	2016	141,091	-	-	-	-	-	-	141,091
<b>Ian Terry Rozier</b> <sup>(5)</sup> Former President and Chief Executive Officer	2016 2015 2014	55,000 660,000 660,000	- - -	- - -	- - -	- - -	- - -	1,980,000 - -	2,035,000 660,000 660,000
<b>David Cohen</b> <sup>(6)</sup> Former President and Chief Executive Officer	2016	120,000	-	-	-	-	-	480,000	600,000
<b>Horng Dih Lee</b> <sup>(7)</sup> Former Vice-President Finance, Chief Financial Officer and Corporate Secretary	2016 2015 2014	201,250 345,000 345,000	- - -	- - -	- - -	- - -	- - -	690,000 - -	891,250 345,000 345,000
<b>David Li</b> <sup>(8)</sup> Former Interim Chief Financial Officer	2016	69,600	-	35,318	-	-	-	-	104,618
<b>Peter Clausi</b> <sup>(9)</sup> Former Interim Chief Executive Officer	2016	-	-	54,211	-	-	-	100,000	154,211

					Non-equity incentive plan compensation (\$)				
Name and Principal Position	Year	Salary <sup>(11)</sup> (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Annual Incentive Plans	Long-term Incentive Plans	Pension Value (\$)	All other Compensation <sup>(2)</sup> (\$)	Total Compensation (\$)
Willem Byleveld <sup>(10)</sup> Former VP Western Limb Projects	2016	80,343	-	-	-	-	-	-	80,343
	2015	196,629	-	-	-	-	-	-	196,629
	2014	201,712	-	-	-	-	-	-	201,712

**Notes:**

- (1) Amounts represent the grant date fair value of the stock options awarded to the NEO, calculated in accordance with the Black-Scholes model, which the Company determined to be the most accurate measure of value, using the market price of the Common Shares as at the grant date. The key valuation assumptions used for 2016 were stock price volatility of 61.63%, range of risk free interest rates of 0.61% to 0.61%, no dividend yield, and an expected option life of five years.
- (2) Amounts in this column include payments on termination to Messrs. Cohen and Lee (see “Termination and Change of Control Benefits”). None of the NEOs received perquisites, including property or personal benefits not generally available to all employees that in aggregate were worth more than \$50,000 or more, or worth 10% or more of the NEO’s total salary for the financial period ended December 31, 2016.
- (3) Ms. Hu was appointed as President and Chief Executive Officer on July 27, 2016. All amounts (except for option grants) for Ms. Hu were paid to CGH Industries Ltd. (“CGH”) during 2016. CGH is a private British Columbia company controlled by Ms. Hu. Under a management services contract dated July 27, 2016, Ms. Hu’s annualized fee is \$300,000 per year.
- (4) Mr. Wallenius commenced employment on November 23, 2016 and became the Chief Financial Officer and Corporate Secretary on November 25, 2016. Mr. Wallenius’ annualized salary is \$160,000.
- (5) Mr. Rozier ceased to be President and Chief Executive Officer on January 31, 2016. All amounts (except for option grants) for Mr. Rozier were paid to Buccaneer Management Inc. (“Buccaneer”) during 2016. Buccaneer is a private British Columbia company controlled by Mr. Rozier. Mr. Rozier’s annualized salary was \$660,000 per year. The amount included under the column “All other compensation” for Mr. Rozier includes the amount paid to him in accordance with the terms of a management agreement entered into with Eastern Platinum on December 7, 2007. See “Termination and Change of Control Benefits”.
- (6) Mr. Cohen ceased to be President and Chief Executive Officer on July 5, 2016. All amounts (except for option grants) for Mr. Cohen were paid to Maluti Services Limited (“Maluti”) during 2016. Maluti is a private British Columbia company controlled by Mr. Cohen. Mr. Cohen’s annualized salary was \$240,000 per year. The amount included under the column “All other compensation” for Mr. Cohen includes the amount paid to him in accordance with the agreement of the Board. See “Termination and Change of Control Benefits”.
- (7) Mr. Lee ceased to be Vice-President Finance and Chief Financial Officer on July 5, 2016. On July 15, 2016 Mr. Lee was removed as the Corporate Secretary. All amounts (except for option grants) for Mr. Lee were paid to Jazz Financial Ltd. (“Jazz”) during 2016. Jazz is a private British Columbia company controlled by Mr. Lee. Mr. Lee’s annualized salary was \$345,000 per year. The amount included under the column “All other compensation” for Mr. Lee includes the amount paid to him in accordance with the terms of a management agreement entered into with Eastern Platinum on November 15, 2007. See “Termination and Change of Control Benefits”.
- (8) Mr. Li served as Interim Chief Financial Officer from July 15, 2016 until November 25, 2016 and consulted until December 31, 2016. All amounts (except for option grants) for Mr. Li were paid to Remington Resources Inc. (“Remington”) during 2016. Remington is a private British Columbia company controlled by Mr. Li. Mr. Li’s annualized salary was \$144,000 per year. He was not entitled to and did not receive any payments upon his resignation as interim Chief Financial Officer.
- (9) Mr. Clausi served as Interim Chief Executive Officer from July 5, 2016 until July 27, 2016. All amounts (except for option grants) for Mr. Clausi were paid to Maplegrow Capital Inc. (“Maplegrow”) during 2016. Maplegrow is a private company controlled by Mr. Clausi. Mr. Clausi’s annualized salary was \$300,000 per year. The amount included under the column “All other compensation” for Mr. Clausi includes the amount paid to him under the terms of a termination agreement entered into with the Company in August 2016. See “Termination and Change of Control Benefits”.
- (10) Mr. Byleveld ceased to be VP Western Limb Projects on July 5, 2016. All amounts (except for option grants) for Mr. Byleveld were paid to WHB Consulting Services (“WHB”), a South African service provider controlled by Mr. Byleveld. Mr. Byleveld’s annualized salary was approximately \$200,000 per year.
- (11) Certain of the NEOs are engaged under contract with those officers’ personal services companies. The compensation included under the heading “Salary” includes amounts paid as management or consulting fees to private companies controlled by NEOs of the Company.
- (12) Mr. Zhang was appointed as Chief Operating Officer on July 5, 2016. All amounts (except for option grants) for Mr. Zhang were paid to Oriental Fortune Consulting Services Limited (“Oriental”) during 2016. Oriental is a private Hong Kong, China company controlled by Mr. Zhang. Under a management services contract dated July 5, 2016 the annualized salary is \$276,000 per year.
- (13) Mr. Lubbe was appointed as VP South Africa Operations on July 5, 2016 and signed an employment agreement providing for an annualized salary of approximately \$280,000 per year (16 days per month). Effective May 1, 2017 a new employment contract was signed providing for an annualized salary of approximately \$398,000 per year, along with condition based incentive bonuses.

## **Incentive Plan Awards**

Prior to 2016 the Company granted incentive stock options (“**Old Options**”) pursuant to its stock option plan last amended and restated as of September 12, 2014 (the “**Original Option Plan**”). At the special meeting of shareholders of the Company held on October 12, 2016, the Company’s shareholders approved a new incentive stock option plan (the “**2016 Option Plan**”) as a replacement for the Original Option Plan.

### ***Original Option Plan***

Historically, the Company granted Old Options pursuant to the Original Option Plan. The Board ceased granting Old Options under the Original Option Plan in October, 2016. All Old Options granted under the Original Option Plan have fully vested. The Company has ceased granting any Old Options and any Old Options that were previously granted under the Original Option Plan are administered by the Board.

The Original Option Plan reserved 7,900,000 common shares pursuant to Old Options granted under the Original Option Plan, which represents approximately 8.5% of the current issued and outstanding Common Shares. As of the date hereof, Old Options to acquire an aggregate of 1,016,500 shares are outstanding under the Original Option Plan, representing approximately 1% of the issued and outstanding Common Shares. At this time, no further grants are permitted under the Original Option Plan.

### ***2016 Option Plan***

The purpose of the 2016 Option Plan is to attract and retain officers, directors, employees and consultants as incentive for such persons to put forth maximum effort for the continued success and growth of the Company.

The 2016 Option Plan reserves for issuance pursuant to incentive stock options granted under the 2016 Option Plan (“**Options**”), when taken together with common shares reserved for issuance pursuant to all of the Company’s security based compensation arrangements, a maximum of 10% of the issued and outstanding common shares of the Company. As of the date hereof, Options to acquire an aggregate of 200,000 shares (issued in February 2017) are outstanding under the 2016 Option Plan, representing approximately 0.2% of the issued and outstanding common shares of the Company. Options which have expired, were cancelled or otherwise terminated without having been exercised, and those which have been exercised, are available for subsequent grants under the 2016 Option Plan.

### ***Eligible Participants***

The 2016 Option Plan provides that the Board may, from time to time, grant Options to acquire common shares to officers, directors, employees and consultants of the Company and its subsidiaries (“**Participants**”).

### ***Exercise Price and Expiry***

The Board, or the compensation and corporate governance committee if so empowered, will determine the exercise price for Options granted. The exercise price must not be less than the five day volume weighted average trading price of the Common Shares on the TSX. An Option terminates at 5:00 p.m. (PDT) on the date determined by the Company and specified in the particular option agreement on which the Option would normally terminate, which date may not be later than ten years after the date of grant.

### ***Insider Participation Limit***

The maximum number of Common Shares pursuant to the 2016 Option Plan and all other security based compensation arrangements:

- (a) issuable to all insiders, at any time; or
- (b) issued to all insiders, within any one-year period,

must not exceed 10% of the issued and outstanding Common Shares of the Company.

### *Vesting*

The vesting of Options under the 2016 Option Plan will be determined at the discretion of the Board.

### *Anti-Dilution and Other Adjustments*

Under the 2016 Option Plan, the Board may make such adjustments to the 2016 Option Plan and Options granted thereunder as the Board may in its sole discretion (and without shareholder approval) deem appropriate to prevent the substantial dilution or enlargement of the rights granted to, or available for, holders of Options in the event:

- of any change or proposed change in the Common Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise;
- of any issuance, dividend or distribution to all or substantially all the holders of Common Shares of any shares, securities, property or assets of the Company other than in the ordinary course;
- that any rights are granted to holders of Common Shares to purchase Common Shares at prices materially below fair market value; or
- that as a result of any recapitalization, merger, consolidation or otherwise the Common Shares are converted into or exchangeable for any other shares or securities.

### *No Financial Assistance*

No financial assistance will be provided by the Company or its subsidiaries to Participants to facilitate the purchase of Common Shares issuable under the 2016 Option Plan.

### *Transferability*

Under the 2016 Option Plan, Options are not assignable or transferable by a Participant.

### *Termination*

Upon the death or long term disability of a Participant holding Options under the 2016 Option Plan, all outstanding Options held by that Participant will immediately vest and automatically terminate other than those Options which would have vested within the one year period following the date of such termination if such termination had not occurred, which Options shall be deemed to be vested upon such termination and only such Participant or the person(s) to whom such Participant's rights under the Options pass by such Participant's will or applicable law shall have the right to exercise part or all of such Participant's outstanding and vested Options, which shall be exercisable until the earlier of: (i) the original expiry date of the Option; and (ii) one year following the date of death or long term disability.

If a Participant ceases to be a director, officer, employee or consultant of the Company for any other reason, then all outstanding unvested Options held by that Participant will immediately terminate and such Participant shall have the right to exercise part or all of his or her outstanding vested Options until the earlier of: (i) the original expiry date of the Option; and (ii) 30 days following the date of such termination, resignation or cessation of employment.

### *Black-Out Periods*

Under the 2016 Option Plan, if an Option expires during a black-out period, the expiry date for the Option is extended for a period of ten business days following the expiry of such black-out period. This provision applies to all Participants under the 2016 Option Plan.

### *Amending the 2016 Option Plan*

Subject to the requirements of applicable law, rules and regulations, the Board may, without shareholder approval, amend, alter, suspend, discontinue, or terminate the 2016 Option Plan at its sole discretion unless it would impair rights of a Participant holding Options under the 2016 Option Plan in which case that Participant's consent is required. Further, Shareholder approval is required for amendments that:

- increase the total number of Common Shares available for Options under the 2016 Option Plan, unless authorized expressly in the 2016 Option Plan;
- reduce the exercise price or extend the exercise period of any Option;
- have the effect of cancelling any Options and concurrently reissuing such Options on different terms;
- otherwise would cause the 2016 Option Plan to cease to comply with any tax or regulatory requirement, including for these purposes any approval or other requirement;
- have the effect of amending what type of amendments require shareholder approval;
- modify or amend the provisions of the 2016 Option Plan in any manner which would permit Options, including those previously granted, to be transferable or assignable; or
- change the Participants under the 2016 Option Plan which would have the potential of broadening or increasing insider participation.

Without limiting the generality of the foregoing, the Board may, without shareholder approval, make the following types of amendments to the 2016 Option Plan:

- amendments of a “housekeeping” nature; or
- a change to the termination provisions of Options which does not entail an extension beyond the original expiry date.

The foregoing summary is subject to the specific provisions of the 2016 Option Plan.

#### NEO Compensation - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information with respect to option-based awards made to NEOs that were outstanding as at December 31, 2016. The NEOs do not receive any share-based awards.

Name	Option-Based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date <sup>(1)</sup>	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
<b>Diana Hu</b> President and Chief Executive Officer	100,000	1.05	August 14, 2021	-	-	-	-
<b>Rowland Wallenius</b> Chief Financial Officer and Corporate Secretary	-	-	-	-	-	-	-

Name	Option-Based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date <sup>(1)</sup>	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
<b>Andrea Zhang</b> Chief Operating Officer	100,000	1.05	August 14, 2021	-	-	-	-
<b>Anton Lubbe</b> VP of South African Operations	-	-	-	-	-	-	-
<b>Ian Terry Rozier</b> <sup>(3)</sup> Former President and Chief Executive Officer	-	-	-	-	-	-	-
<b>David Cohen</b> <sup>(4)</sup> Former President and Chief Executive Officer	-	-	-	-	-	-	-
<b>Hong Dih Lee</b> <sup>(5)</sup> Former Vice-President Finance, Chief Financial Officer and Corporate Secretary	-	-	-	-	-	-	-
<b>David Li</b> <sup>(6)</sup> Former Interim Chief Financial Officer	-	-	-	-	-	-	-
<b>Peter Clausi</b> <sup>(7)</sup> Former Interim Chief Executive Officer	-	-	-	-	-	-	-
<b>Willem Byleveld</b> <sup>(8)</sup> Former VP Western Limb Projects	-	-	-	-	-	-	-

**Notes:**

- (1) Options vest 90 days from the date of grant.
- (2) The "in-the-money" amount is based on the difference between the closing price of the Common Shares on December 30, 2016 of \$0.44 on the TSX, being the last day which the Common Shares traded in 2016 and the exercise price of the Options.
- (3) Mr. Rozier ceased to be President and Chief Executive Officer on January 31, 2016.
- (4) Mr. Cohen ceased to be President and Chief Executive Officer on July 5, 2016.
- (5) Mr. Lee ceased to be Vice-President Finance, Chief Financial Officer on July 5, 2016 and Corporate Secretary on July 15, 2016.
- (6) Mr. Li ceased to be Interim Chief Financial Officer on November 25, 2016.
- (7) Mr. Clausi ceased to be Interim Chief Executive Officer on July 27, 2016.
- (8) Mr. Byleveld ceased to be VP Western Limb Projects on July 5, 2016.

**NEO Compensation - Incentive Plan Awards - Value Vested or Earned During the Year**

The following table discloses incentive plan awards held by the NEOs that vested during the year ended December 31, 2016. The NEOs do not receive any share-based awards.

Name	Option-Based Awards - Value vested during the year (\$) <sup>(1)</sup>	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
<b>Diana Hu</b> President and Chief Executive Officer	-	-	-
<b>Rowland Wallenius</b> Chief Financial Officer and Corporate Secretary	-	-	-
<b>Andrea Zhang</b> Chief Operating Officer	-	-	-
<b>Anton Lubbe</b> VP of South African Operations	-	-	-
<b>Ian Terry Rozier</b> <sup>(2)</sup> Former President and Chief Executive Officer	-	-	-
<b>David Cohen</b> <sup>(3)</sup> Former President and Chief Executive Officer	-	-	-
<b>Hong Dih Lee</b> <sup>(4)</sup> Former Vice-President Finance, Chief Financial Officer and Corporate Secretary	-	-	-
<b>David Li</b> <sup>(5)</sup> Former Interim Chief Financial Officer	-	-	-
<b>Peter Clausi</b> <sup>(6)</sup> Former Interim Chief Executive Officer	-	-	-
Willem Byleveld <sup>(7)</sup> Former VP Western Limb Projects	-	-	-

**Notes:**

- (1) Represents the aggregate "in-the-money" amount that would have been realized if the vested in-the-money Options had been exercised on the vesting date.
- (2) Mr. Rozier ceased to be President and Chief Executive Officer on January 31, 2016.
- (3) Mr. Cohen ceased to be President and Chief Executive Officer on July 5, 2016.



- (4) Mr. Lee ceased to be Vice-President Finance, Chief Financial Officer on July 5 2016 and Corporate Secretary on July 15, 2016.
- (5) Mr. Li ceased to be Interim Chief Financial Officer on November 25, 2016.
- (6) Mr. Clausi ceased to be Interim Chief Executive Officer on July 27, 2016.
- (7) Mr. Byleveld ceased to be VP Western Limb Projects on July 5, 2016.

### **Pension Plan Benefits**

The Company does not have any defined benefit or defined contribution plans.

### **NEO Termination and Change of Control Benefits**

Each of Diana Hu, Rowland Wallenius, Andrea Zhang and Anton Lubbe is party to an employment or consulting agreement with the Company. Such agreements establish the base salary and right to participate in the Company's bonus and long-term incentive plan and provide for payments and benefits on their involuntary termination without cause, as applicable. The agreements provide for the following payments and benefits following their resignation, involuntary termination without just cause or a change of control:

- in the case of Andrea Zhang, the independent consultant agreement between the Company and Oriental, a company having its corporate offices in Hong Kong, China which is controlled by Andrea Zhang, provides that the agreement may be terminated by the Company for any reason and at any time, on payment to Andrea Zhang of the balance owing on the agreement to the end of the term. The amount of this payment would be equal to the number of months remaining on the term of the agreement multiplied by the fee of \$23,000 per month as set out in the agreement. In the event of a termination by either party, the agreement provides that the Company pay for services properly performed under the agreement to the date of termination; and
- in the case of Anton Lubbe, the employment agreement between Anton Lubbe and the Company dated July 5, 2016 did not provide for any payments and benefits following a resignation, involuntary termination or a change of control. Anton Lubbe has entered into a new employment agreement dated May 1, 2017 which provides for the payment of two months' salary per year (or portion of a year) of service with a minimum of three months' and a maximum of six months' salary as a termination fee in the event of a change of control of the Company where Mr. Lubbe or the Company wishes to terminate the agreement as a result of the change of control. The monthly salary of Mr. Lubbe under the agreement is \$32,500. This clause also provides that all options or shares held by Mr. Lubbe vest concurrently with such a termination.

Neither Ms. Hu's nor Mr. Wallenius' agreement provides for the payment of any sum following their resignation, involuntary termination or a change of control.

Each of Diana Hu, Rowland Wallenius, Andrea Zhang and Anton Lubbe are required by their respective agreements to not solicit officers, employees or agents of the Company for one year following the termination of their respective agreement and they are also required to maintain the confidentiality of the Company's confidential information.

Based on the disclosure record of the Company prior to July 5, 2016, management understands that certain executive officers had the following arrangements:

- in the case of Ian Terry Rozier, a management services contract between the Company and Buccaneer, a private British Columbia company controlled by Ian Rozier, provided for a lump sum payment equal to three times the annual base fee and a lump sum payment equal to three times the average annual bonus percentage for the prior two years applied to the highest base fee in effect during the 12-month immediately preceding the termination;
- in the case of David Cohen, an executive consulting services agreement between the Company and Maluti, a private British Columbia company controlled by Mr. Cohen, provided for the vesting of all stock options and a lump sum payment equal to one times the annual base fee and a lump sum payment equal to one times the average of the cash bonuses for the prior two years, provided that if the termination occurs prior to the completion of two years of services, the amount shall equal one times the cash bonus paid for the recently completed year, and if the termination occurs prior to the completion of one year of services, the amount shall equal one times the greater of the annual base fee or cash bonus;

- in the case of Horng Dih Lee, a management services contract between the Company and Jazz, a private British Columbia controlled by Horng Dih Lee, provided in the event of termination or resignation within six months following a change of control, a change in the majority of the members of the Board or a termination without just cause, a lump sum payment equal to two times the annual base fee plus an additional amount equal to two times its average annual bonus percentage for the prior two years, applied to the highest base fee in effect during the 12-month period immediately preceding the termination; and
- in the case of Willem Byleveld, if a management services contract between the Company and WHB, a South African service provider controlled by Mr. Byleveld, is terminated prior to July 31, 2016, WHB is entitled to receive its monthly retainer of ZAR100,000 as though the contract terminated on July 31, 2016.

New management cannot locate any agreements related to employment for Ian Rozier, Horng Dih Lee and William Byleveld and, as a result, is unable to verify or disclose details of these arrangements.

The following table provides details regarding the estimated incremental payments from us to each of the NEOs assuming termination on December 31, 2016:

Name	Severance (Base Salary) (\$)	Severance (Bonus) (\$)	Severance (Value of Benefits) (\$)	Total (\$)
Diana Hu	-	-	-	-
Rowland Wallenius	13,333	-	-	13,333
Andrea Zhang	177,138	-	-	177,138
Anton Lubbe	23,500	-	-	23,500
Ian Terry Rozier <sup>(1)</sup>	1,980,000	-	-	1,980,000
David Cohen <sup>(2)</sup>	480,000	-	-	480,000
Horng Dih Lee <sup>(3)</sup>	690,000	-	-	690,000
Peter Clausi <sup>(4)</sup>	100,000	-	-	100,000
David Li <sup>(5)</sup>	-	-	-	-
William Byleveld <sup>(6)</sup>	-	-	-	-

**Notes:**

- (1) Mr. Rozier's employment ceased on January 31, 2016. Pursuant to a termination agreement entered into with the Company, Mr. Rozier received an aggregate of \$1,980,000 on January 31, 2016.
- (2) Mr. Cohen's employment ceased on July 5, 2016. Mr. Cohen received an aggregate of \$480,000 on July 5, 2016.
- (3) Mr. Horng Dih Lee's employment ceased on July 5, 2016. Mr. Lee received an aggregate of \$690,000 on July 5, 2016.
- (4) Mr. Clausi's employment ceased on July 27, 2016. Mr. Clausi received an aggregate of \$100,000 in August 2016.
- (5) Mr. Li was not entitled to and did not receive any payments on termination of his role as Interim Chief Financial Officer.
- (6) Mr. Byleveld's employment ceased on July 5, 2016. Mr. Byleveld did not receive a termination payment.

**Director Compensation – Compensation Table**

The following compensation table sets out the total compensation paid to each of the Company's directors (who are not NEOs) for the year ended December 31, 2016.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other Compensation (\$)	Total (\$)
Michael Cosic <sup>(2)</sup>	25,092	-	54,211	-	-	-	79,302
George Dorin <sup>(2)</sup>	57,342	-	54,211	-	-	-	111,553
Douglas Perkins <sup>(2)</sup>	17,354	-	54,211	-	-	-	71,565
Sam Wang <sup>(2)</sup>	46,855	-	54,211	-	-	-	101,065

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other Compensation (\$)	Total (\$)
George Pirie <sup>(2)(5)</sup>	6,125	-	54,211	-	-	-	60,336
Bielin Shi <sup>(3)</sup>	10,000	-	32,588	-	-	-	42,588
Gordon Keep <sup>(4)</sup>	-	-	-	-	-	-	-
J. Merfyn Roberts <sup>(4)</sup>	10,000	-	-	-	-	-	10,000
Robert Gayton <sup>(4)</sup>	-	-	-	-	-	-	-
Gregory Cameron <sup>(4)</sup>	-	-	-	-	-	-	-

**Notes:**

- (1) Amounts represent the grant date fair value of the Options awarded to the Director, calculated in accordance with the Black-Scholes model, which the Company determined to be the most accurate measure of value, using the market price of the Common Shares as at the grant date. The key valuation assumptions used for 2016 were stock price volatility of 61.63%, range of risk free interest rates of 0.61% to 0.61%, no dividend yield, and an expected option life of five years.
- (2) Became a director on July 5, 2016.
- (3) Became a director on September 21, 2016.
- (4) Ceased to be directors on July 5, 2016.
- (5) Ceased to be a director on September 20, 2016.

**Director Compensation - Outstanding Share-Based and Option-Based Awards**

The following table sets forth information with respect to outstanding option-based awards made to directors (that are not NEOs) that were outstanding as at December 31, 2016. The directors do not receive any share based awards.

Name	Option-Based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price <sup>(1)</sup> (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Michael Cosic <sup>(3)</sup>	100,000	1.05	July 4, 2021	-	-	-	-
George Dorin <sup>(3)</sup>	100,000	1.05	July 4, 2021	-	-	-	-
Douglas Perkins <sup>(3)</sup>	100,000	1.05	July 4, 2021	-	-	-	-
Sam Wang <sup>(3)</sup>	100,000	1.05	July 4, 2021	-	-	-	-
George Pirie <sup>(3)(6)</sup>	-	-	-	-	-	-	-
Bielin Shi <sup>(4)</sup>	100,000	1.05	September 20, 2021	-	-	-	-
David Cohen <sup>(5)</sup>	-	-	-	-	-	-	-
Gordon Keep <sup>(5)</sup>	-	-	-	-	-	-	-
J. Merfyn Roberts <sup>(5)</sup>	-	-	-	-	-	-	-
Robert Gayton <sup>(5)</sup>	-	-	-	-	-	-	-

Name	Number of securities underlying unexercised options (#)	Option exercise price <sup>(1)</sup> (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Gregory Cameron <sup>(5)</sup>	-	-	-	-	-	-	-

**Notes:**

- (1) Options vest 90 days from the date of grant.
- (2) The "in-the-money" amount is based on the difference between the closing price of the Common Shares on December 30, 2016 of \$0.44 on the TSX, being the last day which the Common Shares traded in 2016 and the exercise price of the Options.
- (3) Became a director on July 5, 2016.
- (4) Became a director on September 21, 2016.
- (5) Ceased to be directors on July 5, 2016.
- (6) Ceased to be a director on September 20, 2016.

**Director Compensation - Incentive Plan Awards - Value Vested or Earned During the Year**

The following table discloses incentive plan awards held by the directors that vested during the year ended December 31, 2016. The Directors did not receive any share-based awards.

Name	Option-Based Awards - Value vested during the year (\$) <sup>(1)</sup>	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Michael Cosic <sup>(2)</sup>	-	-	-
George Dorin <sup>(2)</sup>	-	-	-
Douglas Perkins <sup>(2)</sup>	-	-	-
Sam Wang <sup>(2)</sup>	-	-	-
George Pirie <sup>(2)(5)</sup>	-	-	-
Bielin Shi <sup>(3)</sup>	-	-	-
David Cohen <sup>(4)</sup>	-	-	-
Gordon Keep <sup>(4)</sup>	-	-	-
J. Merfyn Roberts <sup>(4)</sup>	-	-	-
Robert Gayton <sup>(4)</sup>	-	-	-
Gregory Cameron <sup>(4)</sup>	-	-	-

**Notes:**

- (1) Represents the aggregate "in-the-money" amount that would have been realized if the vested in-the-money Options had been exercised on the vesting date.
- (2) Became a director on July 5, 2016.
- (3) Became a director on September 21, 2016.
- (4) Ceased to be directors on July 5, 2016.
- (5) Ceased to be a director on September 20, 2016.

**SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table provides information as at December 31, 2016 with respect to Common Shares that may be issued under the Original Option Plan and the 2016 Option Plan. The Company has ceased granting any Old Options under the Original Option Plan and the 2016 Option Plan is now the sole equity compensation plan of the Company.

<b>Plan Category</b>	<b>Number of Common Shares to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)(\$)</b>	<b>Number of Common Shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by security holders <sup>(1)</sup>	1,144,000	1.41	-
Equity compensation plans approved by security holders <sup>(2)</sup>	-	-	8,119,903
Equity compensation plans not approved by security holders	-	-	-
<b>Total</b>	<b>1,144,000</b>	<b>1.41</b>	<b>8,119,903</b>

**Notes:**

- (1) The Original Option Plan provides for the grant of stock options for the purchase of up to 7,900,000 of the issued and outstanding Common Shares.
- (2) The 2016 Stock Option Plan provides for the grant of stock options for the purchase of up to 10% of the issued and outstanding Common Shares.

## **CORPORATE GOVERNANCE**

The following provides information with respect to the Company's compliance with the corporate governance requirements of the Canadian Securities Administrators set forth in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and Form 58-101F1 – *Corporate Governance Disclosure*.

### **Board of Directors**

The Company's Board is composed of six directors. At the Meeting the Company proposes to elect six directors (each a "Nominee") to the Board.

### **Majority Voting Policy**

The Board has adopted a policy stipulating that if the votes in favour of the election of a Nominee at a shareholders' meeting represent less than a majority of the shares voted and withheld, the Nominee will submit his or her resignation promptly after the meeting, for the Committee's consideration. The Committee will make a recommendation to the Board after reviewing the matter, and the Board will act on the Committee's recommendation within 90 days following certification of the shareholder vote. The Board's decision to accept or reject the resignation offer will promptly be disclosed to the public by press release. The Nominee will not participate in any Committee or Board deliberations on the resignation offer. The majority voting policy does not apply in circumstances involving contested director elections.

### **Independence**

The Board considers a director to be independent if he meets the definition of independence set forth in National Instrument 52-110 – *Audit Committees* ("NI 52-110") and if he has no direct or indirect material relationship with the Company which, in the view of the Board, could reasonably be perceived to materially interfere with the exercise of the director's independent judgment.

The independent status of each individual director is reviewed annually by the Board. The Company has a Board that is comprised of a majority of independent directors. Four of the Board's six directors are deemed to be independent, and two are deemed to not be independent, as follows:

<b>Director</b>	<b>Independence status</b>	<b>Basis for determination of non-independence</b>
Diana Hu	Not Independent	Ms. Hu is President and Chief Executive Officer of the Company and, therefore, does not meet the definition of independence set forth in NI 52-110.

Director	Independence status	Basis for determination of non-independence
Sam Wang	Independent	Mr. Wang has no direct or indirect material relationship with the Company as defined in NI 52-110.
Michael Cosic	Independent	Mr. Cosic has no direct or indirect material relationship with the Company as defined in NI 52-110.
George Dorin	Independent	Mr. Dorin has no direct or indirect material relationship with the Company as defined in NI 52-110.
Douglas Perkins	Independent	Mr. Perkins has no direct or indirect material relationship with the Company as defined in NI 52-110.
Bielin Shi	Not Independent	During July 2017, Dr. Shi began providing advice and expertise to the Company. Dr. Shi has become the Company's qualified person under National Instrument 43-101 – <i>Standard for Disclosure for Mineral Projects</i> . Dr. Shi receives compensation for these services which is separate and in addition to his compensation for acting as a director. As a result of Dr. Shi's work for the Company as a qualified person, the Board has determined that Dr. Shi has a material relationship with the Company and is not independent.

### **Role of the Chair**

The Chair of the Board, George Dorin, is an independent director, as indicated above. The Chair presides at all meetings of the Board and is responsible for the operation and functioning of the Board and for ensuring the Board's effectiveness by encouraging full participation, thorough discussions and by facilitating consensus.

### **Board and Committee Meetings**

The fact that the majority of Board members are independent facilitates the Board's exercise of independent supervision over management. At this time, the independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. However, individual committees meet without management as appropriate and the Board will, in appropriate circumstances, meet separately from non-independent directors and the independent directors will have open and candid discussions among themselves.

The Audit Committee members, all independent directors, routinely meet with representatives of the Company's auditors, without management in attendance, immediately after each regularly scheduled quarterly Audit Committee meeting. After such meetings, if deemed necessary by its members, the Audit Committee will then meet without the auditors and management in attendance.

When an Audit Committee meeting takes place, it may initially begin with a member of management if requested by the Board to be in attendance and, thereafter with the meeting attended by committee members only, all being independent directors.

The following table summarizes directors' attendance at all Board and committee meetings during the year ended December 31, 2016:

Director	Board of Directors		Independent Directors		Audit Committee		Compensation and Corporate Governance Committee <sup>(2)</sup>		Safety, Health and Environmental Committee	
	# of meetings attended	# of meetings eligible to attend	# of meetings attended	# of meetings eligible to attend	# of meetings attended	# of meetings eligible to attend	# of meetings attended	# of meetings eligible to attend	# of meetings attended	# of meetings eligible to attend
Diana Hu	5	5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Sam Wang	7	7	-	-	3	3	-	-	n/a	n/a
Michael Cosic	7	7	-	-	3	3	n/a	n/a	1	2

Director	Board of Directors		Independent Directors		Audit Committee		Compensation and Corporate Governance Committee <sup>(2)</sup>		Safety, Health and Environmental Committee	
	# of meetings attended	# of meetings eligible to attend	# of meetings attended	# of meetings eligible to attend	# of meetings attended	# of meetings eligible to attend	# of meetings attended	# of meetings eligible to attend	# of meetings attended	# of meetings eligible to attend
George Dorin	7	7	-	-	3	3	-	-	n/a	n/a
Douglas Perkins	6	7	-	-	n/a	n/a	n/a	n/a	2	2
Bielin Shi	4	4	-	-	n/a	n/a	-	-	0	1

**Notes:**

- (1) During the period of January 1 – July 5, 2016 to the knowledge of management, the Board had five meetings, The Audit Committee had two meetings and the Compensation, and Corporate Governance Committee had one meeting. New management does not have access to all of the records of the Company prior to July 6, 2016 and is unable to verify that additional meetings were not held.
- (2) During the year no formal Compensation and Corporate Governance meetings were held but significant discussions were held and provided the basis for the Chairman to make recommendations to the Board.

***Directorships***

The following table provides information about directors of the Company who are also directors of other reporting issuers (or equivalent) or publicly-traded entities.

Director	Issuer	Exchange
Diana Hu	-	-
Sam Wang	Cadillac Ventures Inc. Oriental Non-ferrous Resources Development Inc. Bard Ventures Ltd.	TSX-V Canadian Securities Exchange TSX-V
Michael Cosic	-	-
George Dorin	Gourmet Ocean Products Inc. China Keli Electric Company Ltd.	TSX-V TSX-V
Douglas Perkins	-	-
Bielin Shi	-	-

***Board Mandate***

The Board does not have a current written mandate for the Board. However, the Board is empowered by governing corporate law, the Company's Articles and its corporate governance policies to manage or supervise the management of the affairs and business of the Company. The Board is in the process of reviewing the corporate governance practices of the Company. The Board carries out its responsibilities directly and through three Board committees, the Audit Committee, the Compensation and Corporate Governance Committee and the Safety Health and Environmental Committee, each of which operate under a written committee mandate approved by the Board. The Board meets regularly on a quarterly basis and holds additional meetings as required to deal with the Company's business. Independent directors also meet regularly on Committees without the presence of related directors and management.

### ***Board Assessments***

The Board conducts self-assessments as deemed necessary by the Compensation and Corporate Governance Committee or the Board as a whole. This Board was first elected on July 5, 2016 and has had several changes during the year. The Board did not conduct a self-assessment review during 2016 and the last assessment was done in 2010. As part of the ongoing corporate governance review of the Company, the Board expects to conduct an all-encompassing, confidential questionnaire regarding such matters as board effectiveness, composition, and its relationship with management. In response to the results of this review, the Board will be able to make appropriate changes to improve Board effectiveness.

Due to its small size, the Board has informally considered the effectiveness of the Board through informal and ad-hoc conversations regarding the matter.

### ***Position Descriptions***

The Board has adopted written charters for the three Board committees. Brief summaries of the role of the Board committees are provided below. The Board has not developed written position descriptions for the chair of each committee and the Chief Executive Officer. The role of the Chief Executive Officer is delineated through industry norms and past practice, with reference to the terms of her contract. The Chief Executive Officer is responsible for carrying out all strategic plans and policies as established by the Board. The Chief Executive Officer is required to report to the Board and advise and make recommendations to the Board. The Chief Executive Officer also facilitates communications between the Board and other members of management, employees and Shareholders.

### ***Director Orientation and Continuing Education***

The Board has not developed a formal orientation policy for new directors. The Board has an informal orientation program in which a new director will meet with executive management, the Chair of the Board, the Chair of the Compensation and Corporate Governance Committee and possibly incumbent directors, prior to being invited to join the Board, as well as after being accepted to the Board. Such meetings facilitate the exchange of information, ideas and questions amongst all participants. Prior to joining the Board, incoming directors will be invited to tour the Company's operations if possible. New directors are provided with written materials both to aid in their familiarization with the Company and to inform them of their obligations as a director. Such information includes governance policies such as the Company's code of business conduct and ethics, whistleblower policy, disclosure policy, committee charters, and also includes corporate information such as financial statements.

At each Board and committee meeting, executive management routinely provides directors with presentations and verbal updates on matters relevant to the Company such as operational issues, market conditions, sales trends, industry issues, competitive conditions, financial position, and strategic considerations. Directors are encouraged to attend and participate in seminars and other continuing education programs, with the cost of such programs being reimbursed by the Company.

The Company ensures that there are informal opportunities for directors to meet with senior members of the Company which offers the opportunity for individual board members to ask questions and enhance their knowledge and clarify their understanding of various issues, and gain additional exposure to help evaluate the knowledge, capability and conduct of the senior management team.

In order to ensure that directors maintain the skill and knowledge necessary to meet their obligations as directors, the Company encourages its directors to take director education and training courses offered by associations and postsecondary institutions. Directors are reimbursed for the expense of these training courses.

### ***Ethical Business Conduct***

The Company has a code of conduct and business ethics (the "**Code of Conduct**") which sets out guidelines and expectations regarding conduct on the part of directors, officers and employees of the Company. The Code of Conduct is available on the Company's website at [www.eastplats.com](http://www.eastplats.com) as well as on [www.sedar.com](http://www.sedar.com).



The Code of Conduct contains measures to ensure ethical business conduct, such as policies and requirements regarding insider trading and trading black-out periods.

The Board requires that directors provide disclosure to it of all boards and committees of which they are members and all offices held in other reporting issuers. The Board also requires conflicts of interest to be disclosed to the Governance, Compensation and Nominating Committee. In the event that conflicts of interest arise, a director who has such a conflict is required to disclose the conflict and to abstain from voting for or against any decision related to that matter. In addition, in considering transactions and agreements in respect of which a director has a material interest, the Board will require that the interested person absent themselves from portions of Board or committee meetings so as to allow independent discussion of points in issue and the exercise of independent judgment.

The Company has not adopted term limits for individual directors. The Board believes that individuals can continue to remain effective directors beyond a maximum period of service. Without having term limits, the Company has experienced turnover on its board that has brought directors with new perspectives and approaches. This has complemented the depth of knowledge and insight about the Company and business operations that the Company's long-standing directors have developed over time.

The Company is in the process of reviewing its current corporate governance policies and practices and will be implementing new policies to conform to current industry standards.

### ***Diversity***

The Board believes in diversity and values the benefits that diversity can bring to its workforce, including its senior management and the Board. The Company believes that its needs are best served by first identifying and screening all fully qualified candidates for leadership roles, in the context of the skills, expertise, and experience which the Board and Company requires for an individual to be effective in their role. However, gender and other forms of diversity are important and valuable considerations in selecting from amongst qualified candidates.

Since it is difficult to predict the timing of future hiring and the ability to identify candidates who offer diversity while meeting or exceeding the requirements of specific positions, formal Board or management diversity percentage targets and specific dates by which it is intended that the Company satisfy those targets, have not been established by the Company. The Company currently has a female President, Chief Executive Officer and Director.

The Company's approach to diversity is intended to encourage respect for and appreciation of, diversity in a broad sense, in all leadership roles. Although the Board does not have a formal diversity policy, the Board anticipates it will formally include diversity measures in its corporate governance practices following the corporate governance review which is underway. As of the date hereof, 16.7% (one out of six) of the Nominees is a woman, and 25% (one out of four) of the Company's executive team is a woman.

### ***Nomination of Directors***

The Board does not have a formal policy for the recruitment of new candidates to the Board. Typically, the Chief Executive Officer and the Chair of the Compensation and Corporate Governance Committee collaborate in the candidate selection process. When considering potential candidates for the Board, they take into consideration the areas of expertise in which the Board would realize added benefit through diversity of professional experience and knowledge, the appropriate size of the board and the ratio of independent to non-independent directors. The Company has no obligation or contract with any third party providing it with the right to nominate a director. As part of its continued renewal and updating of its corporate governance practices, the Committee is considering formalizing new objective criteria for prospective directors.

### ***Board Committees***

The Company has three Board Committees: the Audit Committee, the Compensation and Corporate Governance Committee and the Safety, Health and Environmental Committee.

### ***Audit Committee***

The Audit Committee assists the Board in fulfilling its responsibilities for oversight of financial and accounting matters. In addition to recommending the auditors to be nominated and reviewing the compensation of the auditors, the Audit Committee is responsible for overseeing the work of the auditors and pre-approving non-audit services. It also reviews the Company's annual and interim financial statements and news releases containing information taken from the Company's financial statements prior to their release. The Audit Committee is responsible for reviewing the acceptability and quality of the Company's financial reporting and accounting standards and principles and any proposed material changes to them or their application.

The current members of the Audit Committee are: Michael Cosic (Chair), George Dorin and Sam Wang, all independent directors.

The Audit Committee has a published mandate which is attached to the Company's Annual Information Form (the "AIF"), filed with Canadian securities regulators and posted under the Company's profile at [www.sedar.com](http://www.sedar.com), and is posted on the Company's website, [www.esatplats.com](http://www.esatplats.com). For additional information on the Audit Committee, please see the section of the AIF titled "*Audit Committee*".

### ***Compensation and Corporate Governance Committee***

The Compensation and Corporate Governance Committee assists the Board in fulfilling its oversight responsibilities relating to the governance of the Company, its relationship with senior management, and compensation. The Committee's role includes developing and monitoring the effectiveness of the Company's system of corporate governance, assessing the effectiveness of individual directors, the Board and various board committees, and is responsible for appropriate corporate governance and proper delineation of the roles, duties and responsibilities of management, the Board and its committees. The committee's role includes maintaining a remuneration and benefits plan for directors, executives and other key employees, and reviewing the appropriateness of that plan in order to support the Company's business objectives and attract and retain key executives. The committee adjusts the plan in response to that review. The committee also reviews and makes recommendations to the Company's Board regarding the Company's equity compensation plans and grants thereunder. The current members of the committee are Sam Wang (Chair), George Dorin and Bielin Shi, two of whom are independent directors. Each member has direct experience relevant to his responsibilities in executive compensation. During 2016, the Committee reviewed and revised the comparable companies to the Company, and made changes to executive compensation to align with market practices. This process will continue in 2017 as the Committee continues to assess appropriate compensation for its executive officers.

### ***Safety, Health and Environmental Committee***

The members of the Safety, Health and Environmental Committee are Doug Perkins (Chair), Michael Cosic and Bielin Shi along with selected senior management in South Africa. This committee assists the Board in its oversight responsibilities relating to the development, review, and evaluation of the Company's safety, health and environmental objectives, and the monitoring of compliance with applicable safety, health and environmental laws and regulations. The committee meets quarterly and on an ad hoc basis, as required.

## **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON**

Other than as set forth in this Information Circular, no person who has been a director or senior officer of the Company at any time since the beginning of the last financial year, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No director, proposed director, executive officer, nor any of their respective associates or affiliates, is or has been indebted to the Company or its subsidiaries since the beginning of the Company's most recently completed financial year.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as set out in this Information Circular, no informed person, no director of the Company and no associate or affiliate of any informed person or director has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

The Company was previously a party to a shareholders' cost-sharing agreement with certain other public and private companies (the "**Other Companies**"), pursuant to which the Company and the Other Companies were equal shareholders in Sterling West Management Ltd. ("**SWM**") and, through SWM, shared office space, furnishings and equipment and communications facilities and the employment, on a part-time and full-time basis, of various administrative, office and management personnel in Vancouver, British Columbia. This agreement was terminated by SWM on July 5, 2016.

## **OTHER BUSINESS**

As of the date hereof, management of the Company is not aware of any other business to come before the Meeting other than as set forth in the Notice of Meeting. If any other business properly comes before the Meeting, it is the intention of the persons named in the form of proxy to vote the Common Shares represented thereby in accordance with their judgment pursuant to the discretionary authority conferred by the proxy with respect to such matters.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com) and is contained in the Company's Annual Information Form for the year ended December 31, 2016. Financial information is contained in the Company's consolidated financial statements and management's discussion and analysis for the year ended December 31, 2016. In addition, a Shareholder may obtain copies of the Company's consolidated financial statements and management's discussion and analysis by contacting the Company at 1080-1188 West Georgia Street, Vancouver, British Columbia, V6E 4A2, Attention: Diana Hu, Chief Executive Officer.

**SCHEDULE "A"**



TSX: ELR | JSE: EPS

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T 604.800.8200  
F 604.210.4516  
E info@eastplats.com

[www.eastplats.com](http://www.eastplats.com)

## NOTICE OF CHANGE OF AUDITOR

**TO:** British Columbia Securities Commission  
Ontario Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission  
Manitoba Securities Commission  
New Brunswick Securities Commission  
Nova Scotia Securities Commission  
Prince Edward Island Securities Office  
Government of Newfoundland and Labrador Financial Services Regulation  
Division  
Office of the Yukon Superintendent of Securities  
Government of Northwest Territories Department of Justice Securities  
Registry  
Government of Nunavut Department of Justice Legal Registries Division

**AND TO:** DELOITTE LLP  
PRICEWATERHOUSECOOPERS LLP

Eastern Platinum Limited (“**Eastplats**” or the “**Company**”) hereby gives notice pursuant to National Instrument 51-102 – Continuous Disclosure Obligations (“**NI 51-102**”) as follows:

1. Deloitte LLP resigned as auditor of Eastplats on its own initiative effective August 2, 2017 (the “**Cessation Date**”).
2. The resignation of Deloitte LLP was considered and accepted by the board of directors of the Company (the “**Board**”) after considering the recommendation for acceptance by the audit committee (“**Audit Committee**”) of the Company.
3. The Board proposes to appoint PricewaterhouseCoopers LLP as auditor of the Company, effective August 2, 2017, to hold office until the next annual meeting of shareholders of the Company. The appointment of PricewaterhouseCoopers LLP was considered and approved by the Board after considering the recommendation for approval by the Audit Committee.
4. There were no reservations in Deloitte LLP’s reports on Eastplats’ financial statements for the period commencing at the beginning of the Company’s two most recently completed financial years and ending on the Cessation Date.

5. In the opinion of the Company, as at the date hereof, there have been no “Reportable Events” (as such term is defined in NI 51-102) in connection with the audits for the period commencing at the beginning of the Company’s two most recently completed financial years and ending on the Cessation Date.

Dated the 2<sup>nd</sup> day of August, 2017

**EASTERN PLATINUM LIMITED**

Per: “*Rowland Wallenius*”  
Name: Rowland Wallenius  
Title: Chief Financial Officer

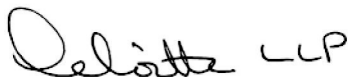
August 8, 2017

To: British Columbia Securities Commission  
Ontario Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission  
Manitoba Securities Commission  
New Brunswick Securities Commission  
Nova Scotia Securities Commission  
Prince Edward Island Securities  
Government of Newfoundland and Labrador Financial Services Regulation Division  
Office of the Yukon Superintendent of Securities  
Government of Northwest Territories Department of Justice Securities Registry  
Government of Nunavut Department of Justice Legal Registries Division

**Re: Eastern Platinum Limited (the "Company")  
Change of Auditor pursuant to National Instrument 51-102**

As required by subparagraph (5)(a)(ii) of section 4.11 of National Instrument 51-102, we have reviewed the change of auditor notice of Eastern Platinum Limited dated August 2, 2017 (the "Notice"), and, based on our knowledge of such information at this time, we agree with the statements (1) and (4), and we have no basis to agree with statements (2) and (3) contained in the Notice. In relation to statement (5), we are not aware of any "Reportable Events" (as such term is defined in NI 52-102) in connection with the audits for the period commencing at the beginning of the Company's two most recently completed financial years and ending on the date of our latest Independent auditor's report, June 14, 2017.

Yours truly,



Chartered Professional Accountants



August 4, 2017

To: British Columbia Securities Commission  
Ontario Securities Commission  
Alberta Securities Commission  
Financial and Consumer Affairs Authority of Saskatchewan, Securities Division  
Manitoba Securities Commission  
Financial and Consumer Services Commission (New Brunswick)  
Nova Scotia Securities Commission  
Office of the Attorney General, Prince Edward Island  
Securities NL, Financial Services Regulation Division  
Department of Government Services  
Office of the Superintendent of Securities, Department of Justice, Government of the Northwest Territories  
Superintendent of Securities, Government of Yukon  
Superintendent of Securities, Legal Registries Division Department of Justice, Government of Nunavut

Dear Sirs/Madams

We have read the statements made by Eastern Platinum Limited in the attached copy of change of auditor notice dated August 2, 2017, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements in the change of auditor notice dated August 2, 2017.

Yours very truly,

*PricewaterhouseCoopers LLP*

**Chartered Professional Accountants**

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*PricewaterhouseCoopers LLP*  
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T: +1 604 806 7000, F: +1 604 806 7806, [www.pwc.com/ca](http://www.pwc.com/ca)

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.