EASTERN PLATINUM LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017

The following Management's Discussion and Analysis ("MD&A") is intended to assist the reader to assess material changes in financial condition and results of operations of Eastern Platinum Limited ("Eastplats" or the "Company") as at December 31, 2017 and for the three months and year ended in comparison to the same periods in 2016.

This MD&A should be read in conjunction with the audited consolidated financial statements and the related notes for the year ended December 31, 2017 and the annual information form ("AIF") for the year ended December 31, 2017. The audited consolidated financial statements have been prepared using accounting policies prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

The Company's presentation currency is U.S dollars. Monetary amounts in this MD&A are in thousands of U.S. dollars ("$" or "U.S. dollars"), except when indicated as thousands of Canadian dollars ("Cdn$" or "Canadian dollars"), thousands of South African Rand ("ZAR" or "Rand") and except for per share amounts, per tonnage amounts or as otherwise indicated. The effective date of this MD&A is March 27, 2018. Additional information relating to the Company, including its AIF is available under the Company's profile on SEDAR at www.sedar.com.

1. Overview

Eastplats owns directly and indirectly a number of platinum group metals ("PGM") and chrome assets in the Republic of South Africa ("South Africa"). All of the PGM properties are situated on the western and eastern limbs of the Bushveld Complex ("BCX"), the geological environment that supports over 75% of the world's PGM production.

As at December 31, 2017, the Company's primary assets were:

(a) an 87.5% direct and indirect interest in Barplats Investments Limited, whose main assets are an indirect interest in the Crocodile River Mine (the "CRM") located on the western limb of the BCX and the Kennedy's Vale ("KV") project located on the eastern limb of the BCX;

(b) an 87% direct and indirect interest in the Mareesburg project, located on the eastern limb of the BCX; and

(c) a 93.4% direct and indirect interest in the Spitzkop project, also located on the eastern limb of the BCX.

In 2012, due to an uncertain global economic outlook, the development of KV, Spitzkop and Mareesburg projects (collectively the "Eastern Limb Projects") were suspended and then in August 2013 the CRM was placed on care and maintenance.

On March 1, 2018 Eastplats and its subsidiary Barplats Mines (Pty) Limited ("Barplats") entered into an agreement (the "UG Agreement") with Union Goal Offshore Solution Limited ("Union Goal"). The UG Agreement provides for construction, mining and processing of the tailings resource, and the subsequent offtake of chrome concentrate from, the Barplats Zandfontein UG2 tailings facility ("Retreatment Project") located at the CRM in South Africa (See section 2.2 Significant Events and section 4.1CRM).

In August 2017, SRK Consulting (South Africa) Pty Ltd ("SRK") issued a resource report on the Barplats Zandfontein UG2 tailings facility and in September 2017 Sound Mining Solution (Pty) Ltd. ("Sound Mining") issued an independent technical report confirming the Retreatment project to recover Chrome (See section 4.1 CRM).

Sound Mining is now engaged to complete a feasibility study to further investigate the PGM opportunity in relation to the Zandfontein UG2 tailings facility which may provide additional value, and the report is expected in early Q2 of 2018.

SRK was also engaged in 2017 to prepare a feasibility study on the Mareesburg project. The Company has significantly advanced the drilling and geotechnical work and SRK is in the process of compiling all the technical information and interpreting the results which will become part of a feasibility study expected in late Q2 of 2018.

In addition to the above, the Company continues to actively monitor the PGM markets and other developments in the mining and minerals sector to assess the possible resumption of active underground mining at CRM.

The Company's ownership percentages or compliance with the South African Mining Charters may be impacted by certain agreements purportedly entered into in June 2016 and other legal proceedings as discussed in detail in the December 31, 2017 audited consolidated financial statements and in this MD&A (see section 5.3 Contractual Obligations, Commitments and Contingencies).

2. Fiscal Year 2017 Highlights

2.1 New Mining Charter in South Africa

The reviewed Broad-Based Black Economic Empowerment Charter for the South African Mining Industry, commonly styled Mining Charter III, was published on June 15, 2017. Within hours of its publication, the Chamber of Mines rejected Mining Charter III as being unilaterally imposed upon the mining industry and maintained that the process of developing the charter was seriously flawed. On June 26, 2017, the Chamber of Mines launched an urgent court application to interdict the implementation of Mining Charter III, pending a review application. On the eve of the urgent interdict hearing in September 2017, the Chamber of Mines reached an agreement with the then Minister of Minerals Resources in respect of the Chamber of Mines' urgent interdict. The then Minister of Mineral Resources gave a written undertaking that the Mining Charter III would not be implemented until judgment was handed down in respect of the Chamber of Mines' review application, which rendered the granting of an interdict by the Court unnecessary. The Chamber of Mines agreed that the review application would be heard on February 19, 2018 by a full bench of judges. On February 18, 2018, the Chamber of Mines agreed, after talks with the new Presidency, to suspend its case to review the Mining Charter III. New South African President Cyril Ramaphosa and the Chamber of Mines agreed to open talks around the charter to end an impasse that has been in place between the industry body and Department of Mineral Resources since the charter was gazetted in June 2017. The timeframe, as stated by the current Minister on 28 February 2018, is to resolve the issues within 3 months.

The application by the Chamber of Mines for a declaratory order on the 'once empowered always empowered' principle was heard by the High Court of South Africa (Pretoria) on 9 and 10 November, and judgement was reserved. This principle is a simplified reference to whether a mining company has only to comply with the ownership element of the Mining Charter once or whether this is a continuous obligation throughout the life of the mining right for companies to initiate and possibly finance new black ownership transactions when existing empowered shareholders have disposed of their shares in the company.

2.2 Significant events

EASTPLATS ANNOUNCES AN AGREEMENT WITH UNION GOAL OFFSHORE SOLUTION LIMITED TO CONSTRUCT, MINE, PROCESS AND RECOVER CHROME CONCENTRATE FROM THE BARPLATS ZANDFONTEIN UG2 TAILINGS FACILITY

The UG Agreement was signed on March 1, 2018. The UG Agreement provides for construction, mining and processing of the tailings resource, and the subsequent offtake of chrome concentrate from the Retreatment Project located at the CRM.

Union Goal has financed and sourced for Barplats the chrome processing circuit, related technology and knowhow (the "Chrome Circuit") while Barplats will develop, mine and operate the Retreatment Project. The Chrome Circuit is designed to improve on recoveries of chrome concentrate compared to traditional technology which could expand available resources for mining and processing. The initial estimated capital requirements for Barplats are ZAR164,000 ($13,940) which is expected to be funded from cash on hand, the upfront project payment from Union Goal described below and revenue from the Retreatment Project. The parties have pre-sourced equipment and the construction phase is estimated to be seven months. Eastplats anticipates the Retreatment Project will result in revenue producing operations through offtake of the chrome concentrates produced to Union Goal, as planned production commences during Q3 2018.

The UG Agreement provides, amongst other matters, for the following:

- March 15, 2018 payment of ZAR42,200 ($3,587) received by Barplats from Union Goal;
- Barplats will recover the Retreatment Project capital from Union Goal during operations at a rate of ZAR25 ($2.125) /Run of Mine ("ROM") per ton made available to the plant;
- Barplats will deliver all the chrome concentrate to Union Goal from the Retreatment Project based on full cost recovery from Union Goal of all operation costs for the mining, processing, deposition and logistics;
- Union Goal shall additionally pay Barplats fees of ZAR31.17 ($2.65)/ROM per ton made available to the plant; and
- deferred payment terms for the Chrome Circuit of up to 33 months subject to a Barplats put option and Union Goal call option for the re-purchase of the Chrome Circuit by Union Goal in the event either party is not satisfied with the agreed pricing for the Chrome Circuit once its operational capacity is established.

Union Goal's business partners include major direct mine operators and traders of chrome ores and concentres. Union Goal also deals directly with downstream consumers through trading, direct and technological investments into ferro-chrome producers and has other interests directly with the stainless-steel industry. Union Goal has been in business for over 10 years and has traded more than one million tons of chrome ores and concentrates on average during the past four years with average annual sales reaching approximately $200,000.

Management entered into the UG Agreement with the expectation of increased returns on the Retreatment Project due to the Chrome Circuit insulation compared to the traditional technology as referenced in the below Feasibility Study.

FEASIBILITY COMPLETED BY SOUND MINING ON ZANDFONTEIN UG2 TAILINGS RETREATMENT PROJECT TO RECOVER CHROME

Published in September 2017 - Highlights

- Mineral resource estimate of 13,680,000 tons at an average grade of 20.72% chromium oxide;
- Mineral reserve estimate of 6,420,000 tons, containing 1,440,000 tons of chromium oxide at an average grade of 22.36%;
- Estimated after-tax net present value of ZAR42,200 ($3,587) using 13% discount rate;
- Estimated operating costs of ZAR71.26/(ROM) ($6.06) per ton processed;
- Estimated after-tax internal rate of return of 24% with a 33 month mine life; and
- Recommendation to prepare feasibility study on the resource in regards to PGM recovery.

Note - 1 ZAR to 0.085 US$ in section 2.2 disclosure.

CRM

On November 24, 2017 the Company completed a settlement agreement with Hebei Zhongheng Tianda Platinum Co. Limited ("HZT") which confirmed the termination of the June 28, 2016 Crocodile River Mine Share Purchase Agreement (the "CRM Share Purchase Agreement") entered into between HZT, Eastplats and its subsidiaries. Further, all parties dismissed the litigation commenced by HZT and released each party from any further obligations. Pursuant to the terms of the settlement, the parties are each entitled to the return of escrow funds posted by them, less a payment by the Company to HZT of $420. This enabled Eastplats to recover $4,580 plus accrued interest on escrow funds and move forward with operational developments at CRM.

BEE PARTNERS

The Company has been advised by the non-controlling partners ("BEE shareholders") of Gubevu Consortium Investment Holdings (Pty) Ltd. ("Gubevu") and Lion's Head Platinum (Pty) Ltd. ("Lion's Head") that they have purportedly relinquished their interests in those companies in varying amounts to either Serina Services AG ("Serina") or Ingwenya Incorporated ("Ingwenya"). Gubevu is the Company's Black Economic Empowerment ("BEE") partner in Barplats Investment Limited and Lion's Head is a BEE compliant corporation in the Company's Mareesburg Joint Venture. The Company has been advised that the BEE shareholders originally acquired these shares from Serina and Ingwenya, and these shares have purportedly now reverted to them. Neither the Company nor its subsidiaries were parties to these purported transactions and the Company has not been provided with copies of these agreements for the reason that they were apparently subject to confidentiality undertakings nor further direct information regarding these transactions.

On June 30, 2016, two days following the announcement of the proposed sale of CRM (which has now been terminated), former management purportedly caused the Company to enter into certain buyout agreement with Serina and Ingwenya (as described in Note 7 of the December 31, 2017 financial statements) (the "BEE Buyout Agreements"). Those BEE Buyout Agreements contemplated payment by Eastplats of $13,367 upon any change of control of the Company. Following a change of control at the 2016 AGM, former management caused the funds to be paid. (see News Release of July 4, 2016). Current management has demanded repayment of the funds paid to Serina and Ingwenya.

The Company has met and discussed the above issues with the Department of Mineral Resources in South Africa ("DMR"). As previously disclosed, South African mining regulations require certain levels of BEE in respect of mining rights. The Company is working to understand the nature and possible implications of the above transactions and, if necessary, to reorganize or remedy its BEE arrangements.

If the BEE Buyout Agreements are complete, the Company may no longer have its BEE Partners, and the Company may be in breach of the provisions of its mining rights and certain provisions of applicable legislation, unless steps are taken to rectify those requirements. The Company is working proactively to resolve these issues contemplated in the BEE Buyout Agreements. If required to do so, there is no guarantee that the Company will be able to successfully rectify those requirements within the required timeframe. Failure to rectify any non-compliance with the obligations under applicable legislation may negatively impact the Company's operations and value of its assets. The Company remains committed to working with the DMR to ensure ongoing compliance.

2.3 Financial Highlights

- Release of $4,580 plus accrued interest from escrow into working capital on the settlement of the HZT litigation.

- As at December 31, 2017, the Company had cash, cash equivalents and short-term investments ("Cash Position") of $25,544, a decrease of $694 from $26,238 as at December 2016. The decrease in Cash Position was related to the Company's general operations including administrative, mine care and maintenance expenditures, offset with the escrow fund release of $4,580 as a result of termination of the CRM Share Purchase Agreement.

- The Company recorded a loss attributable to equity shareholders of the Company of $7,367 ($0.08 loss per share) for the year ended December 31, 2017 compared to a loss of $50,796 ($0.55 loss per share) for the same period in 2016.

- General and administrative ("G&A") costs decreased $3,216 from $6,883 to $3,667 for the year ended December 31, 2017 compared to the same period in 2016. The decrease was due to the termination fees of $2,738 paid to the former management in 2016 and the incremental professional fees and other investigation costs incurred by the Company in 2016 associated with the various agreements purportedly entered into by former management, as well as a reduction in corporate costs.

- Care and maintenance costs in connection with the CRM and Eastern Limb Projects decreased $403 from $7,064 to $6,661 for the year ended December 31, 2017 compared to the same period in 2016, representing a 6% reduction in 2017 compared to 2016 as a result of reallocating resources to capital projects including active feasibility work.

3. Selected Quarterly Financial Data

The table below sets forth selected results of operations for the Company's eight most recently completed quarters; prepared in accordance with IFRS.

Table 1

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

	2017				2016			
	Dec. 31	Sept. 30	Jun. 30	Mar. 31	Dec. 31	Sept. 30	Jun. 30	Mar. 31
	$	$	$	$	$	$	$	$
Expenses:								
General and administrative	(1,068)	(776)	(687)	(1,136)	(639)	(3,327)	(1,010)	(1,907)
Care and maintenance	(1,763)	(1,344)	(1,828)	(1,726)	(1,893)	(1,865)	(1,455)	(1,851)
Care and maintenance depreciation	(31)	(31)	(30)	(31)	(3)	(73)	(122)	(74)
Impairment expense	—	—	—	—	(5,802)	—	(23,357)	—
Impairment of prepayments	—	—	—	—	(13,367)	—	—	—
	(2,862)	(2,151)	(2,545)	(2,893)	(21,704)	(5,265)	(25,944)	(3,832)
Other income (expenses), net	694	61	402	394	1,359	1,278	490	(1,346)
Loss before income taxes	(2,168)	(2,090)	(2,143)	(2,499)	(20,345)	(3,987)	(25,454)	(5,178)
Net loss for the period	(2,368)	(2,105)	(2,213)	(2,522)	(20,648)	(3,997)	(25,509)	(4,970)
Net loss attributable to equity shareholders of the Company	(1,907)	(1,681)	(1,750)	(2,029)	(20,408)	(3,570)	(22,207)	(4,611)
Loss per share - basic and diluted	(0.02)	(0.02)	(0.02)	(0.02)	(0.22)	(0.04)	(0.24)	(0.05)
Average foreign exchange rates								
South African Rand per US dollar	13.61	13.18	13.20	13.22	13.90	14.05	14.98	15.82
US dollar per Canadian dollar	0.7866	0.7986	0.7437	0.7559	0.7495	0.7664	0.7763	0.7284
Period end foreign exchange rates								
South African Rand per US dollar	12.36	13.52	13.09	13.40	13.70	13.73	14.68	14.73
US dollar per Canadian dollar	0.7971	0.8013	0.7706	0.7519	0.7448	0.7624	0.7742	0.7700

The Company's operations are not materially impacted by seasonality considerations, with the exception of electricity which has seasonal tariffs (winter rates in South Africa are 1.5 times the summer rates).

3.1 Results of Operations for the Fourth Quarter of 2017

The Company recorded a loss attributable to equity shareholders of the Company of $1,907 ($0.02 loss per share) for the three months ended December 31, 2017 ("Q4 2017") compared to a loss of $20,408 ($0.22 loss per share) for the three months ended December 31, 2016 ("Q4 2016"). Details explaining the loss are below.

The loss in 2016 includes a $13,367 allowance against the BEE Buyout Transactions recorded as a prepayment in Q2 2016, as the result of uncertainty described in Sections 2.1 and 2.2 above.

General and Administrative (refer to table 3)

G&A costs increased $429 from $639 to $1,068 in Q4 2017 compared to Q4 2016. The increase is the result of the settlement costs of $420 paid to HZT in respect of the termination of the CRM Share Purchase Agreement, the write-off of $75 of deposits related to Sterling West Management Limited from 2016 and offset by a $38 increased management and director fees in Q4 2017.

Care and Maintenance

Care and maintenance costs decreased $130 to $1,763 in Q4 2017 compared to $1,893 for the same period in 2016 in connection with the CRM and Eastern Limb Projects. If excluding the foreign exchange impact of $41, the actual decrease is $171 in Q4 2017. This decrease mainly resulted from minimizing and more actively managing the site activities and utilization and capitalization of certain employee costs for Zanfontein UG2 tailings retreatment project and the Mareesburg project feasibility study.

Impairment

During the fourth quarter of 2017, management determined that there were no indicators of impairment and during the second quarter of 2017, management tested for impairment but had no change in carrying values. As discussed in detail in Section 4.2, the Company recorded impairment recoveries of $5,556 and $4,544 at CRM and the Mareesburg project in Q4 2016, respectively. The Company recorded an impairment charge of $23,808 and $15,451 at the Kennedy's Vale and Spitzkop projects, respectively in Q4 2016.

Interest Income

Interest income increased $96 (excluding foreign currency translation impact of $4) to $284 in Q4 2017, compared to $184 for the same period in 2016. Interest income mainly represents the interest and investment return earned through various money market funds invested in Canada and South Africa.

Other Income

Other income increased $46 (excluding foreign currency translation impact of $10) to $508 in Q4 2017, compared to $452 for the same period in 2016. Other income consists of rental income from residential properties on the Eastern Limb Projects and at the CRM, as well as scrap metal sales not directly related to operations.

Finance Costs

The Company recorded finance costs of $395 in Q4 2017 compared to $177 for the same period in 2016. Finance costs include interest accretion on the provision for environmental rehabilitation and miscellaneous interest charges.

Income Tax

The Company recorded a net income tax expense of $200 in Q4 2017 compared to $303 for the same period in 2016. The income tax expense consists of the income tax payable relating to the non-mining income (i.e. rental and scrap metal sales) earned in South African subsidiaries and the origination and reversal of temporary differences which arose due to changes in the Company's net assets and the foreign exchange impact on deferred tax liabilities.

4. Results of Operations for the Year Ended December 31, 2017

The Company’s presentation currency is the U.S. dollar while the Company’s operating expenses are predominately incurred in Canadian dollars and Rand. The annual average foreign exchange rate for 2017, 2016 and 2015 is listed below

	Cdn to USD	ZAR to USD
2017	0.7712	0.0753
2016	0.7552	0.0683
2015	0.7832	0.0788

The South African annual inflation rate is 2017 – 5.19%, 2016 – 6.59% and 2015 – 4.51%. All of the Company’s mineral properties are located in South Africa and all of the care and maintenance costs, impairment recovery/charges towards the mineral properties, gain on disposal of property, plant and equipment, interest income, other income and finance costs are incurred in South Africa. Therefore, the Company is subject to the risks of the foreign exchange and inflation fluctuations in South Africa. South African operational funding is provided from Canada by its parent company, which holds its cash and cash equivalents, and short-term investments in U.S dollars and Canadian dollars.

The following table sets forth selected consolidated financial information for the years ended December 31, 2017, 2016 and 2015, prepared in accordance with IFRS:

Table 2

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

	Year ended December 31		
	2017	2016	2015
	$	$	$
Revenue	**—**	—	—
Mine operating loss	**—**	—	—
Expenses			
General and administrative	**3,667**	6,883	2,889
Care and maintenance	**6,661**	7,064	11,392
Care and maintenance depreciation and amortization	**123**	272	1,154
Impairment	**—**	29,159	14,514
Impairment of prepayments	**—**	13,367	—
Operating loss	**(10,451)**	(56,745)	(29,949)
Other income (expense) and income tax expense	**1,243**	1,621	6,596
Net loss for the year	**(9,208)**	(55,124)	(23,353)
Attributable to			
Non-controlling interest	**(1,841)**	(4,328)	(3,738)
Equity shareholders of the Company	**(7,367)**	(50,796)	(19,615)
Net loss for the year	**(9,208)**	(55,124)	(23,353)
Loss per share			
Basic and diluted	**(0.08)**	(0.55)	(0.21)
Weighted average number of common shares outstanding			
Basic and diluted	**92,599**	92,599	92,599

Consolidated statements of financial position

	December 31 2017	December 31 2016	December 31 2015
	$	$	$
Total assets	**146,949**	144,786	184,113
Total long-term liabilities	**9,713**	11,215	9,078

4.1 *Crocodile River Mine*

During 2017 and to the date of the MD&A, significant development activities occurred at the CRM in addition to the core care and maintenance activities.

As discussed above in section 2.2 significant events:

- On September 1, 2017, the Sound Mining Feasibility Study regarding Zandfontein UG2 Tailings Retreatment of Chrome was completed.

- On November 24, 2017, the Company completed a settlement agreement with HZT which confirmed the termination of the June 28, 2016 CRM Share Purchase Agreement, entered into between HZT, Eastplats and its subsidiaries.

- On March 1, 2018, the UG Agreement was signed which provides for construction, mining and processing of the tailings resource, and the subsequent offtake of chrome concentrate from the Retreatment Project located at the CRM.

Construction of the Retreatment project has begun with work on site and some of the Chrome Circuit has been imported and is now at site. Work is ongoing in the tailings dam to move the ore and create a secondary holding pond for initial production. The schedule remains on track and the Company is ensuring work proceeds efficiently.

Further, the Company is continuing to work with Sound Mining to complete work on the PGM feasibility study based on the Zandfontein UG2 Tailings Facility. During the year, 14 additional drilling holes were completed. Composite as well as variability samples were sent for metallurgical test work and the test results will be used for the expected recoveries and grade in the feasibility study. Delivery is expected in early Q2 2018.

CRM - ZANDFONTEIN UG2 TAILINGS RETREATMENT PROJECT TO RECOVER CHROME FEASIBILITY RESULTS

Mineral Resources

The mineral resource estimate by SRK on the Barplats Zandfontein UG2 tailings storage facility ("TSF") located at CRM has been completed and is effective as of August 1, 2017. The technical report provides for a total measured and indicated mineral resource of approximately 13,680,000 tons containing 535,520 ounces of combined platinum group elements (platinum, palladium and rhodium) ("PGE") at an average grade of 1.218 g/t, 3,404 ounces of gold at an average grade of 0.008 g/t and 2,834,000 tons of chromium oxide at an average grade of 20.72%.

Technical table 1[1]

Category	Tonnage (Mt)	3E PGE (g/t)	Pt (g/t)	Pd (g/t)	Rh (g/t)	Au (g/t)	Cr_2O_3 (%)	3E PGE (Oz)	Au (Oz)	Cr_2O_3 (Mt)
Measured	12.489	1.225	0.747	0.309	0.170	0.008	20.85	494,003	3,179	2.604
Indicated	1.191	1.136	0.688	0.285	0.165	0.006	19.31	43,517	225	0.230
Total	13.680	1.218	0.742	0.307	0.169	0.008	20.72	535,520	3,404	2.834

Note 1: No cut-off grade has been applied to the PGEs.

The resource estimate for the TSF has a high level of confidence, with 91.3% of the estimate falling into the measured category and 8.7 % falling in the indicated category.

The mineral resource estimate in Technical Table 1 conforms to the requirements of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") and was prepared and verified by Mr. A. S. Page (Pr. Sci. Nat South Africa Reg. No 400022/07), BSc (Hons), who is a qualified person as defined in NI 43-101. Full details of the methodology used in the estimation of resources are provided in the technical report entitled "Mineral Resource Estimate for Barplats Zandfontein UG2 Tailings Storage Facility" filed on Eastplats' SEDAR profile at www.sedar.com.

Mineral Reserve

An independent technical report ("ITR") was completed by Sound Mining on the TSF located at CRM and is effective September 1, 2107. The report provides for a total proven and probable mineral reserve estimate of approximately 6,420,000 tons of tailings material containing 1,440,000 tons of chromium oxide at an average grade of 22.36%.

Technical Table 2 - Mineral Reserve Estimate as at September 1, 2017

Category	Quantity (Mt)	Grade (%) Cr_2O_3	Content (Mt) Cr_2O_3
Proved Mineral Reserve	6.25	22.42	1.40
Probable Mineral Reserve	0.18	20.28	0.04
Total Mineral Reserve	6.42	22.36	1.44

Notes:

Cut-off grade of 20.5%;

Mineral reserves include mineral resources; mineral resources that are not mineral reserves do not have demonstrated economic viability; no inferred mineral resources are included in mineral reserve estimate;

PGMs are excluded from the mineral reserve estimate;

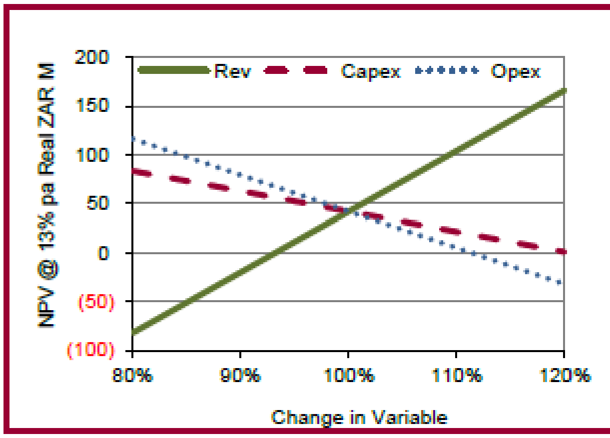
Material risks include chrome price fluctuation, politically motivated unrest, illegal squatting and failure of the TSF wall.

The chrome mineral reserve estimate has a high confidence level, with 97.3% of the estimate falling into the proved category and 2.7% falling into the probable category.

Economic Assessment

Sound Mining, is of the opinion, and management agrees, that the Company will be able to get the chrome cost efficiently into the Chinese market, where demand is the highest. Chrome prices were adjusted as the metals are sold as a 40% concentrate, and therefore only attract a percentage of the metal value.

At a free on mine price of ZAR 870.79 ($74.12)/t for 40% chrome concentrate, the project could achieve a cash margin of 10% and an operating margin of 14%. Average total cost of production after capital, operating cost and royalties, excluding further exploration drilling, corporate overhead and financing costs is estimated to be ZAR 110.03 ($9.35)/t (ROM) ton processed (not in thousands). Sound Mining added additional contingencies to the operating cost models, as set out in the ITR.



Driver	NPV of Project Cash Flow				
Revenue	*80%*	*90%*	*100%*	*110%*	*120%*
(ZAR M)	(81.9)	(19.9)	42.2	104.2	166.2
Capex	*80%*	*90%*	*100%*	*110%*	*120%*
(ZAR M)	83.6	62.9	42.2	21.5	0.8
Opex	*80%*	*90%*	*100%*	*110%*	*120%*
(ZAR M)	116.4	79.3	42.2	5.1	(32.0)

The net present value of the project, discounted at 13% per annum, is estimated to be ZAR 42,200 ($3,587), with an annualised internal rate of return of 24% over a 33 month period. The project is forecast to generate a positive cash flow in month 10 and break-even in month 25. Positive cash flows averaging ZAR 12,900 ($1,097) per month, after payment of royalties, are forecast over the remaining life of mine.

Note - 1 ZAR to 0.085 US$ used in section 4.1 disclosure of the studies.

Recommendation

Sound Mining recommended that Eastplats consider a feasibility study on PGM recovery in the TSF as there may be substantial value in same. Eastplats agreed and the feasibility study results are expected in early Q2 of 2018.

Qualified Person

The information contained in Technical Table 2 conform to the requirements of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101") and was prepared and verified by Mr. Vaughn Duke Pr. Eng., PMP, MBA, BSc Mining Engineering (Hons), who is a qualified person as defined in NI 43-101. Full details of the methodology used in the estimation of the chrome mineral reserves, project summary and economic analysis are set out in a technical report entitled "ZANDFONTEIN TAILINGS RETREATMENT PROJECT TO RECOVER CHROME" filed on Eastplats' SEDAR profile at www.sedar.com.

The qualified person for the purposes of NI 43-101 who approved the contents of the information in Technical Tables 1 and 2 is Dr Bielin Shi, ("Dr. Shi") PhD, MSc, FAusIMM MAIG, who is also a director of the Company.

4.2 Mareesburg Project

The Company has appointed SRK to complete a feasibility study on the Mareesburg project. The exploration plan provides for infill drilling to bring the payback period of the project to the measured category has been completed under the supervision of SRK and the Company's qualified persons Anton Lubbe and Hannelie Hanson. During Q2 2017, 14 infill exploration holes were drilled and then logged and sampled in Q3 2017 to compliment the current resource model and further increase the confidence in the resource. The assay results have been received and Quality Assurance and Quality Control was satisfactory to complete the process. The updated geological resource model was completed in Q4 2017 and further work has proceeded in Q1 2018 on the pit design. Structurally and lithologically, the results are in line with the previous model.

The next phase of the project is to determine the optimal depth of the pit, and to this effect, 12 geotechnical holes were subsequently completed in Q3 2017. The information and lab test work results from the geotechnical holes were received in Q4 2017 and will be used to determine the pit slope angles.

In addition, during Q3 2017 the third phase of drilling six holes for the metallurgical test work for fresh ore were completed. Nine trenches were dug on the outcrop for near surface samples. These samples were submitted for use in laboratory test work at Mintek to determine the recovery factors and assumptions for the pit optimisation models. The test work commenced in Q4 2017 and results are expected in early Q2 2018. The intention is to treat Mareesburg material at a neighbouring facility that has spare capacity. The final drilling phase was the eight water monitoring boreholes that were drilled and completed in Q4 2017 for the Mareesburg project.

The finalisation of the optimal pit, haul road, infrastructure and financial modeling as well as a review of the social and environmental impacts and risk of the project will be the focus in 2018. The bankable feasibility is on track for completion by the end of Q2 2018.

Consultation with interested and affected parties with the support of the DMR are continuing, with a special focus on the neighbouring communities.

4.3 Corporate and Other Expenses

General and Administrative

G&A costs are associated with the Company's Vancouver corporate head office and are summarized below:

Table 3

	Three Months Ended December 31		**Year Ended December 31**	
	2017	2016	**2017**	2016
	$	$	**$**	$
Termination fees - Former Management	**—**	—	**—**	2,738
Management and directors - former	**—**	—	**—**	627
Management and directors - new	**230**	192	**779**	391
Other consulting fees	**20**	31	**152**	125
Professional fees	**170**	251	**1,639**	1,388
Insurance	**—**	—	**92**	215
Shareholder communications	**24**	72	**89**	745
Travel	**22**	29	**115**	142
Office expenses	**98**	57	**239**	148
HZT settlement cost	**420**	—	**420**	—
Rent	**8**	7	**36**	9
Stock-based compensation	**76**	—	**106**	355
Total	**1,068**	639	**3,667**	6,883

The G&A costs decreased $3,216 to $3,667 for the year ended December 31, 2017, compared to $6,883 for the same period in 2016. The decrease in 2017 is primarily due to (i) the termination payments made in 2016 totaling $2,661 consisting of $1,442 (Cdn$1,980) to Ian Rozier ("Mr. Rozier") upon his resignation as President and Chief Executive Officer ("CEO") of the Company on January 31, 2016; and the termination fees of $1,219 paid to the former management in July 2016 upon the change of control at the Company's annual general meeting held in 2016 (the "2016 AGM"); (ii) higher shareholder communication costs in 2016 in connection with the 2016 AGM; (iii) higher D&O insurance in 2016 as purchased by the former management and the former board of directors of the Company; and (iv) higher stock-based compensation in 2016. However, despite decreased G&A costs for the year ended December 31, 2017 there were: (i) higher professional and other investigation costs in 2017 relating to the CRM Share Purchase Agreement and the BEE Buyout Agreements; (ii) payment of settlement cost of $420 to HZT as a result of termination of the CRM Share Purchase Agreement; and (iii) the write-off of $75 of deposits related to Sterling West Management Limited from 2016.

Care and Maintenance, and Care and Maintenance Depreciation

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

Care and maintenance costs decreased $1,088 (excluding foreign currency translation impact of $685) to $6,661 for the year ended December 31, 2017 compared to $7,064 for the same period in 2016 in connection with the CRM and Eastern Limb Projects. This decrease mainly resulted from minimizing and more actively managing the site activities and utilization of certain employees for the Zanfontein UG2 tailings retreatment project and Mareesburg project feasibility study. The costs directly attributable to these projects' activities are capitalized in the property, plant and equipment. The overall decrease in care and maintenance costs for the year ended December 31, 2017 is consistent with the proposed budget. Management has reduced the routine care and maintenance costs while ensuring effective and safe operation levels for employees.

Care and maintenance depreciation consists of the depreciation expense related to assets belonging to a project that is currently on care and maintenance. Care and maintenance depreciation decreased to $123 for the year ended December 31, 2017, compared to $272 for the same period in 2016. The decrease primarily resulted from the full amortization of certain equipment in 2017.

Impairment

Mineral properties are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable, or previous impairment on assets are recoverable. The Company considers impairment, or if previous impairment charges should be reversed, at the cash generating unit ("CGU") level. The CGU carrying amount for the purposes of this test includes the carrying value of the mineral properties less deferred tax liabilities related to each CGU. The Company assesses the carrying values of its mineral properties for indication of impairment at each quarter end.

In June 2017, the South African government released a new mining charter which introduced new rules around increased levels of BEE ownership of mining assets, employment and redistribution of revenues. As a result of the significant uncertainties arising under this new mining regime as discussed in section 2.1 – New Mining Charter in South Africa, the decrease in the Company's market capitalization and deterioration in commodity prices, management concluded that there were impairment indicators in Q2 2017 requiring management to consider the carrying value from an accounting point of view on its South African assets. For the purpose of the impairment assessment, the Company has considered CRM, KV, Spitzkop and Mareesburg each as separate CGUs which are consistent with the CGU classification during the 2016, year-end assessments. Based on the re-assessment in Q2 2017, management has concluded that the recoverable amount of CRM and Mareesburg is not less than its carrying value as at June 30, 2017 and therefore, no impairment charge was considered necessary for the CRM and Mareesburg projects in Q2 2017. The recoverable amounts of the KV and Spitzkop projects were determined on a fair value less cost to sell ("FVLCTS") basis with reference to market transactions as well as any purchase offers received, if any. In Q2 2017, there were no significant changes of the observable market transactions for the properties that are similar to KV and Spitzkop. Therefore, no impairment charge was recorded for the KV and Spitzkop projects in Q2 2017. During the fourth quarter of 2017, management determined that there were no indicators of impairments.

In Q2 2016, the Company considered the transaction contemplated by the CRM Purchase Agreement as representing an impairment indicator and recorded an impairment charge in the amount of $23,357 based on the value of the CRM Purchase Agreement as an assessment of fair value of CRM less cost to sell. The recoverable amount was estimated to be $47,400 calculated based on the CRM Purchase Agreement less estimated costs to sell of approximately $2,600.

In the fourth quarter of 2016, management engaged specialists to reconsider its development options for the CRM and all of the Company's properties. Further, as a result of the uncertainty as to whether the conditions for completion under the CRM Purchase Agreement would be satisfied, or if the transactions under the CRM Purchase Agreement would be completed, terminated or otherwise resolved, the Company wanted new and updated information. During the fourth quarter of 2016, management determined that changes in operating assumptions for the CRM and Mareesburg projects, including but not limited to changes in estimated reserves, resources and mine-life estimates, when considered together with changes to the commodity consensus prices could be indicative of changes in the assets' recoverable amounts significant enough to warrant a reversal of previous impairment charges.

During the fourth quarter of 2016, management reassessed the Company's CGUs based on its then current plans for future development of Eastern Limb Projects and how these projects were intended to be brought into production independently. Based on the reassessment, management determined that the Eastern Limb Projects were comprised of three CGUs in 2016, being KV, Spitzkop and Mareesburg. CRM remains as one CGU.

In cases where the Company has current plans to develop a particular mineral property into an operating mining operation, management considers its internal discounted cash flow economic models as a proxy for the calculation of FVLCTS, given a willing market participant would use such models in establishing a value for the properties. In situations where management does not currently intend to advance a particular mineral property into production, management will use reference market transactions and/or recent offers on the properties as a proxy for FVLCTS.

Based on this analysis, management determined that the carrying value of CRM and Mareesburg was materially below the expected NPV of its future cash flows and therefore, recorded a reversal of impairment in the amount of $28,913 and $4,544 at the CRM and Mareesburg projects, respectively, during the fourth quarter of 2016.

Also, during the fourth quarter of 2016, management determined that changes in operating assumptions for the KV and Spitzkop projects, when considered together with changes to the consensus prices used by the Company, as well as changes in the South African Rand per U.S. dollar exchange rate could be indicative of changes in the assets' recoverable amounts significant enough to warrant additional impairment charges.

Consequently, management estimated the recoverable amounts of the KV and Spitzkop projects as at December 31, 2016, determined on a FVLCTS basis on reference market transactions as well as purchase offers received, and concluded that decreases in the carrying values of both properties were appropriate. As such, the Company has recorded impairment charges of $23,808 and $15,451 at KV and Spitzkop, respectively. Selection of relevant market transactions as indicative of fair value for the KV and Spitzkop projects involves significant judgements. Management believes the estimated recoverable amount of the KV and Spitzkop as at December 31, 2016 was comparable with the relevant market transactions.

The significant assumptions and judgements used in determination of the FVLCTS as at December 31, 2016 are disclosed in detail in Note 6(e) of the Audited Consolidated Financial Statements of the Company for the year ended December 31, 2017. Any changes to future market conditions, commodity prices, foreign exchange rates, operation costs, capital costs, discount rates or estimated costs to sell may result in material changes to the Company's assessment and impairment, a further impairment or a reversal of impairment of any of the Company's mineral properties. Also, disclosed in Note 6(e) to the Audited Consolidated Financial Statements for the year ended December 31, 2017 is management's consideration of the sensitivity of the carrying value of the Company's mineral properties given variation in the foregoing inputs.

Interest Income

Interest income increased $279 (excluding of foreign currency translation impact of $81) to $1,161 for the year ended December 31, 2017, compared to $801 for the same period in 2016 due to higher market returns. Interest income mainly represents the interest and investment return earned through various money market funds invested in Canada and South Africa.

Other Income

Other income increased $133 (excluding of foreign currency translation impact of $173) to $2,041 for the year ended December 31, 2017, compared to $1,736 for the same period in 2016 mostly due to increased scrap metals sales. Other income consists of rental income from company-owned residential properties on the Eastern Limb Projects and at the CRM as well as scrap metal sales not directly related to operations.

Finance Costs

Finance cost increased $243 (excluding of foreign currency translation impact of $64) to $973 for the year ended December 31, 2017, compared to $666 for the same period in 2016 as a result of additional accretion. Finance costs include interest accretion on the provision for environmental rehabilitation and miscellaneous interest charges.

Income Tax

The Company recorded a net income tax expense of $308 for the year ended December 31, 2017 compared to $160 for the same period in 2016.

The income tax expenses consist of the income tax payable relating to the non-mining income (i.e. rental and scrap metal sales) earned in South African subsidiaries and the origination and reversal of temporary differences which arose due to changes in the Company's net assets and the foreign exchange impact on deferred tax liabilities. The consolidated statement of financial position reflects total deferred tax liabilities of $3,373 which arose primarily as a result of the step-up to fair value of the net assets acquired on the Spitzkop and Mareesburg business acquisitions in prior years.

5. Liquidity and Capital Resources

As at December 31, 2017, the Company had working capital of $26,153 (December 31, 2016 – $26,640) and a Cash Position of $25,544 (December 31, 2016 – $26,238).

The Company's Cash Position increased by $2,559 in Q4 2017 compared to the balance as at September 30, 2017. If excluding the foreign currency translation loss impact of $53, the actual increase is $2,612. The increase results from: (i) escrow funds released in the amount of $4,580 as a result of termination of the CRM Share Purchase Agreement; (ii) interest received net of finance cost paid in the amount of $49, offset with the cost incurred of (i) cash incurred approximately $1,628 in operations, including G&A and care and maintenance of the CRM and the Eastern Limb Projects; (ii) an increase in other assets in the amount of $136; (iii) tax paid of $68; and (iv) a net acquisition of property, plant and equipment of $185.

The Company's Cash Position decreased by $694 during the year ended December 31, 2017 compared to the balance as at December 31, 2016. If excluding the foreign currency translation gain impact of $1,055, the actual decrease is $1,749. The decrease results from costs incurred of: (i) approximately $7,877 in operations including G&A and care and maintenance of the CRM and the Eastern Limb Projects; (ii) an increase in other assets in the amount of $506; (iii) tax paid of $138; (iv) a net acquisition of property, plant and equipment of $1,254, offset with the following cash received (i) $2,787 released to the Company from the cash security provided under the environmental rehabilitation fund due to the reduced estimated liability and therefore reduced security requirement; (ii) escrow fund released in the amount of $4,580 as a result of termination of the CRM Share Purchase Agreement; (iii) interest received net of finance cost paid in the amount of $659.

As at December 31, 2017, the Company did not have any producing operations. In March 2018 the UG Agreement was signed and the construction phase, estimated at seven months, began immediately with operations expected in Q3 2018. New capital commitments for 2018 as a result of the UG Agreement are described below, but new cash sources will also be available during the year. The remaining CRM underground was in care and maintenance during 2017 with all other properties and projects at an earlier stage of development or on hold. The Company did not generate income in 2017 other than interest and other income which is insufficient to cover the Company's general and administrative, and care and maintenance expenses. The Company has sufficient cash to meet its expected obligations in the next 12 months including for the new Retreatment Project. However, additional funding will be required should mining and production be commenced at the CRM underground, and the Eastern Limb projects be developed and brought into commercial production. There can be no assurance that additional funding will be available to the Company when needed or, if available, that this funding will be on acceptable terms.

The Company has allocated $2,370 in capital funding towards its 2018 capital budgets and an additional net funding of $6,463 for the Retreatment Project approved in February 2018. The corporate objectives discussed in Section 5.1 are funded from these capital budgets. All funding is from existing working capital.

The Company had no long-term debt outstanding as at December 31, 2017. The provision for environmental rehabilitation relating to the CRM and Eastern Limb Projects and the deferred income tax liabilities are the only non-current liabilities. The UG Agreement signed in 2018 is expected to create a long-term liability in relation to Chrome Circuit.

5.1 Outlook

The UG Agreement and the initiation of construction on the Retreatment Project provides new possibilities and options for Eastplats. Management's 2017 focus on the completion of the Chrome feasibility study and the ongoing technical work have enabled the Company to enter into the UG Agreement and now advance the Retreatment Project. Management is optimistic that it will deliver on the agreed construction timetable for the chrome operations with the expectation of revenue-producing operations during 2018. The Company will be focused on advancing the construction of the Retreatment Project and, ensuring schedules are maintained.

The anticipated delivery of the updated PGM feasibility study in early Q2 2018 could also provide additional opportunities for the Company. Further, the completion of the Mareesburg Feasibility Study could also provide another opportunity and when the results are available at the end of Q2 2018 the Company can determine the best path forward.

As at the date of this MD&A, the Company notes that the BEE Buyout Transactions have not been completed. However, completion of the BEE Buyout Transaction could give rise to non-compliance with the mining rights and certain provisions of the *Mineral & Petroleum Resources Development Act (South Africa)* ("MPRDA") in respect of black economic empowerment requirements, unless other steps are taken to rectify the potential non-compliance. In particular, under the MPRDA, the Department of Mineral Resources of the Republic of South Africa ("DMR") may order the Company to rectify any such non-compliance, and failure to do so could lead to the Minister cancelling or modifying the mining rights under the MPRDA. The Company has met with the DMR and is working proactively to address these issues.

The Company intends to continue care and maintenance with respect to the underground portion of the CRM but is actively looking at opportunities for other areas and all of its other assets including continuing to assess other options to utilize its assets.

The Company will review its operations in late 2018 and will be able to reassess the PGM market developments outside of the near term, the Chrome Circuit operations and the economics overall which could provide an opportunity regarding the development of CRM underground. However, all decisions will be made based on long term economic determinations and any restart would require additional funding that may or may not be available or require an alteration of the operations at the CRM.

Development of the Mareesburg open pit mine, which was suspended in mid-2012, may also begin again once market and operating conditions support such recommencement, including the completion of the 2018 feasibility study, subject to capital requirements and the availability of financing.

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

5.2 Share Capital

The Company did not issue any common shares during the year ended December 31, 2017. During the year ended December 31, 2017, the Company granted 1,575,000 stock options to directors, officers and employees of the Company to acquire common shares of the Company at a weighted average exercise price of Cdn$0.33 per share expiring in five years from the grant date. These options vest 90 days from the grant date. During the year ended December 31, 2017, a total of $106 (2016 – $355) was recorded as share-based compensation expense relating to G&A. During the year ended December 31, 2017, 136,500 stock options expired. Subsequent to the year ended December 31, 2017, an additional 407,500 stock options expired.

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

- 92,639,032 common shares issued;
- 92,599,310 common shares outstanding;
- 39,722 treasury shares outstanding and held; and
- 2,175,000 stock options outstanding as listed below:

Table 4

Options outstanding	Options exercisable	Exercise price Cdn$	Remaining Contractual Life (Years)	Expiry date
300,000	300,000	1.05	3.15	July 4, 2021
300,000	300,000	1.05	3.62	August 14, 2021
100,000	100,000	1.05	3.72	September 20, 2021
200,000	200,000	0.40	4.15	Febuary 24, 2022
700,000	700,000	0.32	4.86	November 9, 2022
575,000	575,000	0.33	4.94	December 7, 2022
2,175,000	2,175,000			

5.3 Contractual Obligations, Commitments and Contingencies

The Company's major contractual obligations and commitments as at December 31, 2017 were as follows:

Table 5

(in thousands of U.S. dollars)	Total	Less than 1 year	1 - 5 years	More than 5 years
	$	$	$	$
Provision for environmental rehabilitation	7,827	—	—	7,827
Operating lease	37	21	16	—
Capital expenditure and purchase commitments contracted at December 31, 2017 but not recognized on the consolidated statement of financial position	934	934	—	—
	8,798	955	16	7,827

Alpha Global Claim

On March 14, 2017, the Company was served with a claim by Alpha Global Capital Inc. ("Alpha Global"), an entity registered in the British Virgin Islands. On May 12, 2017, the Company served its response to the claim filed by Alpha Global in the High Court of South Africa. In its claim, Alpha Global is seeking relief under a provision of South African company legislation contemplating that a South African court may make an order to wind up an "external company" registered in South Africa on the basis that it is just and equitable to do so or that it is unable to pay its debts. Alpha Global has asserted that it is entitled to bring its action on the basis that an alleged default occurred under a promissory note originally issued in 2007 and that it is now entitled to approximately $2,491 (ZAR30,797) plus default interest (the "Promissory Note"). In March 2018 the court date for the hearing was changed to September 2018.

In its response, the Company has denied Alpha Global's allegations, in particular as to the Company's solvency or the state of its business. The Company also refuted that Alpha Global has legal standing to bring its action under the above provision since, even based on the facts as asserted by Alpha Global, the claim under the Promissory Note has prescribed (or not been made within the limitation period) and no amount is currently owing to it. The Company has also asserted that if there is any dispute as to Alpha Global's status as a creditor of the Company to whom money is owed, that this is a matter for the Courts of the British Virgin Islands to decide, being the law under which the parties agreed the Promissory Note was to be governed and interpreted. The Company has asked in its legal papers for Alpha Global's claim to be dismissed with costs; however, the Company notes that a court could determine that it may have potential future obligations related to this matter.

The Promissory Note was provided pursuant to an agreement dated April 25, 2007 (the "Alpha Global Agreement") between Eastplats International Inc. ("EII"), a wholly-owned subsidiary of the Company and Alpha Global. The Alpha Global Agreement states Alpha Global is to receive ZAR30,797 ($2,491) upon the closing of a fundamental transaction defined in the Alpha Global Agreement as the sale of 40% or more of the assets (as determined on a fair market value basis) of the combined or separate assets of the Company, EII, their subsidiaries and/or additional 5% of BIL which indirectly holds the CRM.

BEE Buyout Transactions

The Company notes that the BEE Buyout Transactions have not been completed. However, the Company has been advised by some of its BEE partners that they have transferred a portion of their ownership in Gubevu (indirectly holding the CRM and KV Project) and Lion's Head (indirectly holding the Mareesburg Project) in various percentages to Serina and Ingwenya. This could give rise to non-compliance with the mining rights and certain provisions of the MPRDA in respect of black economic empowerment requirements. Further, in June 2017 a New Mining Charter was issued in South Africa including new ownership and other new BEE requirements. However, legal challenges have been filed. On 18 February 2018, the Chamber of Mines agreed, after talks with the new Presidency of South Africa, to suspend its case to review the Mining Charter III. New President Cyril Ramaphosa and the Chamber of Mines agreed to open talks around the charter to end an impasse that has been in place between the industry body and Department of Mineral Resources since the charter was gazetted in June 2017. The timeframe, as stated by the current Minister on 28 February 2018, is to resolve the issues within 3 months. In particular, under the MPRDA, the DMR may order the Company to rectify any such non-compliance, and failure to do so could lead to the Minister cancelling or modifying the mining rights under the MPRDA. The Company has met with the DMR and is working proactively to address these issues.

Breach of Fiduciary Duty Claim

On October 16, 2017, the Company filed a claim in the Supreme Court of British Columbia against its former Chief Financial Officer ("CFO") and Corporate Secretary, Mr. Lee for breach of fiduciary duty and conflict of interest and its former general and administrative service provider Sterling West Management Ltd. in regards to recovery of termination fees, withholding of deposits, recovery of property and records, breach of contract, conspiracy and negligence. The Company is demanding recovery of the payments, value of property withheld, general and punitive damages. No amount is accrued as it would be a contingent gain.

General

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

6. Related Party Transactions

Summarized below is a list of related parties and nature of the services provided that the Company had transactions with during the years ended December 31, 2017 and 2016:

	Relationships	Nature of services
Buccaneer Management Inc. ("Buccaneer")	Controlled by Ian Rozier, former director of the Company, resigned on July 5, 2016	Management consulting
Jazz Financial Ltd. ("Jazz")	Controlled by Horng Dih Lee, the former CFO of the Company, resigned on July 5, 2016	Management consulting
Maluti Services Limited ("Maluti")	Controlled by David Cohen, the former CEO and director of the Company, resigned on July 5, 2016	Management consulting
Remington Resources Inc. ("Remington")	Significantly influenced by the former directors and officers of the Company, resigned on July 5, 2016	General and administrative
Sterling West Management Ltd. ("Sterling")	Significantly influenced by the former directors and officers of the Company resigned on July 5, 2016	General and administrative
Zinpro Engineering (Pty) Ltd. ("Zinpro")	Controlled by Willie Byleveld, the former director of the South Africa subsidiaries and the former vice president of Western Limb Operations, resigned on July 5, 2016	Consulting and mine contractor
Maplegrow Capital Inc. ("Maplegrow")	Controlled by Peter Clausi, the former interim CEO and former director of the Company, resigned on August 12, 2016	Management consulting
Redfield Management Service Limited ("Redfield")	Controlled by David Li, the former interim CFO of the Company, resigned on November 23, 2016	Management consulting
CGH Industries Ltd. ("CGH")	Controlled by Diana Hu, the CEO and director of the Company	Management consulting
Oriental Fortune Consulting Services Limited ("Oriental Fortune")	Controlled by Andrea Zhang, the COO of the Company	Management consulting
Gubevu Consortium Investment Holdings (Pty) Ltd. ("Gubevu")	49.99% owned by the Company	Loan receivable

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

Table 6

(Expressed in thousands of U.S. dollars)	**Three months ended December 31, 2017**		**Year ended December 31, 2017**	
	2017	2016	**2017**	2016
	$	$	**$**	$
Trading transactions				
Consulting fees	**—**	—	**65**	68
General and administrative expenses	**—**	—	**—**	612
Director fees	**39**	45	**165**	179
Management fees, including termination fees	**140**	199	**470**	3,068
Share-based payments	**70**	—	**101**	272
Total	**249**	244	**801**	4,199
Compensation of key management personnel				
Remuneration (excluding termination payments)	**264**	199	**878**	720
Termination payments	**—**	—	**—**	2,416
Share-based payments	**34**	—	**65**	81
Total compensation of key management personnel	**298**	199	**943**	3,217

For the years ended December 31, 2017 and 2016, the Company had transactions with the following related parties:

On January 31, 2016, Mr. Rozier resigned as President and CEO of the Company and David Cohen, the then Chairman of the Company, assumed the role of President and CEO until July 5, 2016. Mr. Rozier was paid a monthly consulting fee of $41 (Cdn$55) until January 2016, and his services were provided pursuant to a management services contract with Buccaneer. In accordance with this services contract, Buccaneer was paid a termination fee in the amount of $1,442 (Cdn$1,980) on January 31, 2016. Mr. Rozier remained a director of the Company until July 5, 2016.

Mr. Cohen was paid a monthly consulting fee of $15 (Cdn$20) for the period from February 2016 to July 2016 and his services were provided through Maluti. Mr. Lee was paid a monthly consulting fee of $21 (Cdn$29) until July 2016, and his services were provided pursuant to a management services contract with Jazz. Mr. Byleveld was paid a monthly consulting fee of $4 until June 2016, and his services were provided through Zinpro.

At the 2016 AGM, the shareholders elected a new board of directors. Concurrently with the election of the new board of directors, the former management terminated their services and were paid the termination fees totaling $1,219 (Cdn$1,590).

In Q3 2016, Peter Clausi ("Mr. Clausi") resigned as interim CEO and a director of the Company and was paid a termination fee in the amount of $77 (Cdn$100). Mr. Clausi's services were provided pursuant to a management services contract with Maplerow.

The Company has agreed to pay $19 (Cdn$25) per month and increase to $22 (Cdn$28) per month effective September 21, 2017, to CGH for the management consulting services rendered.

The Company has agreed to pay $18 (Cdn$23) per month to Oriental Fortune for the management consulting services rendered.

The Company entered into a consulting agreement with Redfield on July 15, 2016, pursuant to which the Company has agreed to pay $9 (Cdn$12) per month to Redfield for the management consulting services rendered. The consulting agreement has an initial term of three months and is renewable every three months. The interim CFO, David Li, resigned effective November 23, 2016.

At December 31, 2017, the Company held a loan receivable from Gubevu in the amount of $70,987 (ZAR877,468) (December 31, 2016 – $58,318 (ZAR798,875). This loan is secured by Gubevu's interest in Barplats Investments Limited, bears interest at the Johannesburg Interbank Agreed Rate + 3% and has been provided for in full. The Company did not record any interest income with regards to this loan or receive cash from, or lend any further cash to, Gubevu during the years ended December 31, 2017 and 2016.

Accounts receivable as at December 31, 2017 included $40 (December 31, 2016 - $39) due from Remington representing the reimbursement receivable for certain general and administrative expenses incurred by the Company on behalf of Remington. Amount due from the related party is unsecured and due on demand.

During the year ended December 31, 2017 and 2016, the Company's key management includes the CEO, Chief Financial Officer ("CFO"), Chief Operating Officer ("COO"), and vice president of South African Operations. As stated in table 6, the total remuneration to the key management for the year ended December 31, 2017 was $943 (2016 - $3,217). As noted above, the total compensation figure includes a termination payment of nil for the year ended December 31, 2017 ($1,442 made in January 2016, $897 in July 2016 and $77 in August 2016). During the year ended December 31, 2017, the key management received share-based payments of $65 (2016 – $81).

Key management personnel were not paid post-employment benefits or other long-term benefits during the years ended December 31, 2017 and 2016.

7. Critical Accounting Estimates and Judgments

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

The Company has three reportable segments - CRM, Eastern Limb Projects and corporate. Eastern Limb Projects consist of KV, Spitzkop and Mareesburg. Corporate operations in Barbados, BVI and Canada collectively are corporate segment. All of the reportable segments have consistently applied the same accounting policies as disclosed in Note 4 of the Company's audited consolidated financial statements for the year ended December 31, 2017.

Areas of significant judgment and estimates made by management for the year ended December 31, 2017 are as summarized below.

Critical Accounting Estimates

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

(i) *Impairment*

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

The Company has determined that there are no impairment indicators as at December 31, 2017. At June 30, 2017, the Company tested for impairment but concluded that there was no change to the carrying values and therefore no adjustments required. During the impairment assessment of the fourth quarter of 2016, management has determined that the Eastern Limb Projects have three CGUs, being KV, Spitzkop and Mareesburg, instead of being considered as one CGU as was the case in prior years. This change in CGUs was based on management's reassessment in the fourth quarter of 2016 on how the Eastern Limb Projects could be further developed and brought into production separately. Determination of the CGUs requires significant estimates and judgements.

(ii) *Environmental rehabilitation provision*

Environmental rehabilitation obligations have been estimated by appropriately qualified external persons based on the Company's interpretation of current regulatory and best practice requirements and have been measured at the net present value of expected future cash expenditures that would be required upon mine closure. These estimates require significant judgement about the nature, cost and timing of work to be completed, and may change with future changes to costs, environmental laws, regulations and remediation practices and the expected timing of remediation work. The details of assumptions used in calculation of the Company's environmental rehabilitation provision are disclosed in Note 16 of the Company's audited consolidated financial statements for the year ended December 31, 2017.

Critical Accounting Judgments

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

(i) Determination of functional currency

In accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates,* management determined that the functional currencies of the Company and its South African subsidiaries are the Canadian dollar and South African Rand, respectively as these are the currencies of the primary economic environment in which the companies operate.

(ii) Provision and contingency

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

In June 2016, the Company's former management signed certain purported agreements in connection with the BEE Buyout Agreement of certain non-controlling interests in the Company's South African operations and in connection with the sale of the CRM (see Notes 7 and 5(a) of the 2017 audited consolidated financial statements). These transactions are complex and the agreements are subject to interpretations of laws under the various jurisdictions. Although the Company reached an agreement with HZT to terminate the CRM Share Purchase Agreement in November 2017, the Company was unable to complete the BEE Transactions due to difficulties in accessing the underlying documents, obtaining the cooperation of various parties and the review of the implications of these transactions under the Company's mining rights and certain provisions under the MPRDA.

8. Financial Instruments and Other Instruments

(a) Management of capital risk

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

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

The Company is not subject to externally imposed capital requirements.

(b) Fair value of financial instruments

(i) Fair value estimation of financial instruments

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

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

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

The Company's financial instruments that are measured at fair value on a recurring basis are available for sale financial instruments consisting of short-term investments and other assets. Short-term investments are mainly GICs at financial institutions with market interest rates and other assets are mainly money market fund investments. These are Level 1 financial instruments at December 31, 2017 and 2016. As at December 31, 2017 and 2016, the Company did not have financial liabilities measured at fair value on a recurring basis. There were no transfers between levels during the years ended December 31, 2017 and 2016.

(c) Reclassification of financial assets

There was no reclassification of financial assets during the years ended December 31, 2017 and 2016.

(d) Financial risk management

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

(i) Currency risk

The Company reports its financial statements in U.S dollars. The functional currency of head office and its British Virgin Island and Barbados intermediate holding companies is Canadian dollars and the functional currency of all South African subsidiaries is South African Rand. The Company is exposed to foreign exchange risk when the Company undertakes transactions and holds assets and liabilities in currencies other than its functional currencies.

The Company has not entered into any derivative financial instruments to manage exposures to currency fluctuations. As at December 31, 2017, the Company's exposure to currency risk affecting net income is mainly US dollars cash and equivalents and short-term investment in the amount of $12,285 held at the Canadian head office whose functional currency is Canadian dollars. As at December 31, 2017, with other variables unchanged, a 10% strengthening (weakening) of U.S dollars against Canadian dollars would have increased (decreased) net income by approximately $1,229.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its short-term investments. The risk that the Company will realize a loss as a result of a decline in the fair value of short-term investments is limited because these investments, although available for sale, will mature within 12 months from the year end and are generally not sold before maturity. The Company also staggers the maturity dates of its investments over different time periods and dates to minimize exposure to interest rate changes. The Company monitors its exposure to interest rates and has not entered into any derivative financial instruments to manage this risk. The sensitivity of the Company's net earnings due to changes in interest rates is not material.

(iii) Commodity price risk

The Company is not exposed to commodity price risk with respect to fluctuations in the prices of platinum group metals and chrome as there were no revenues from PGM and chrome sales during the years ended December 31, 2017 and 2016.

(iv) Credit risk

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

As at December 31, 2017, the Company did not have material trade receivables. The other receivable balances are monitored on an ongoing basis. The Company seeks to maintain strict control over its outstanding receivables to minimize credit risk. Provision for doubtful debts is calculated based on the payment history. With respect to credit risk arising from cash and cash equivalents and other assets, the Company limits its counterparty credit risk on these assets by dealing only with financial institutions with strong credit ratings.

(v) Liquidity risk

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

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

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. Table 5 summarizes the Company's significant commitments and corresponding maturities.

9. Accounting standards issued but not yet effective

9.1 Application of New and Revised IFRS

A number of new standards, amendments to standards and interpretations, are not yet effective for the year ended December 31, 2017, and have not been applied in preparing these consolidated financial statements. The following pronouncements are those that the Company considers most significant and are not intended to be a complete list of new pronouncements that effect the financial statements.

(i) New standard IFRS 9, *Financial Instruments* ("IFRS 9")

IFRS 9, Financial Instruments, was issued in July 2014 and replaces IAS 39 Financial Instruments - Recognition and Measurement. IFRS 9 includes requirements for classification and measurement of financial assets and financial liabilities; impairment methodology for financial instruments; and general hedge accounting. IFRS 9 has specific requirements for whether debt instruments are accounted for at amortized cost, fair value through other comprehensive income or fair value through profit or loss. IFRS 9 requires equity instruments to be measured at fair value through profit or loss unless an irrevocable election for use of fair value through other comprehensive income which results in changes in fair value not being recycled to the income statement. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 with early adoption permitted. Adoption of this standard does have material impact on the Company's consolidated financial statements.

(ii) New standard IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15")

IFRS 15 provides guidance on how and when revenue from contracts with customers is to be recognized, along with new disclosure requirements in order to provide financial statement users with more informative and relevant information. IFRS 15 is effective for annual periods beginning on or after January 1, 2018. The Company currently does not have any operating revenue, adoption of this standard does not have material impact on the Company's consolidated financial statements. However, this standard may have impact to the Company's consolidated financial statements, should the Company start to generate operating income.

(iii) New standard IFRS 16, *Leases* ("IFRS 16")

Effective for annual periods commencing on or after January 1, 2019, this replaces existing lease accounting guidance. All leases will be required to be reported on the statement of financial position unless certain requirements for exclusion are met. The Company did not have significant operating leases obligation as at December 31, 2017. The Company is currently assessing the impact that this standard will have on its consolidated financial statements.

10. Off-Balance Sheet Arrangements

As at December 31, 2017, the Company had not entered into any off-balance sheet arrangements.

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

Disclosure Controls and Procedures

For the year ended December 31, 2017, the CEO and the CFO have designed, or caused to be designed under their supervision, the Company's disclosure controls and procedures ("DCP") to provide reasonable assurance that material information relating to the Company and its consolidated subsidiaries has been recorded, processed, summarized and disclosed in a timely manner in accordance with regulatory requirements and good business practices and that the Company's DCP will enable the Company to meet its ongoing disclosure requirements.

The CEO and CFO have evaluated the effectiveness of the Company's disclosure controls and procedures and have concluded that based on this evaluation the design and operation of the Company's DCP were effective as of December 31, 2017, and that the Company has the appropriate DCP to provide reasonable assurance that information used internally by management and disclosed externally is, in all material respects, complete and reliable.

Internal Control over Financial Reporting

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

The CEO and CFO have evaluated the effectiveness of the Company's ICFR as at December 31, 2017 based on I*nternal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") for the Company as a whole. The assessment incorporated the review for the South African operations and all of the other subsidiaries of the Company in regards to ICFR. Based on that evaluation, the CEO and the CFO concluded that the design and operation of the Company's ICFR were effective as at December 31, 2017.

The scope of the Company's design of the DCP and the ICFR excluded Gubevu, an associated entity which is accounted for using the equity method under IFRS.

Limitation of Controls and Procedures

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

12. Risk Factors

The exploration of mineral deposits involves significant risks and uncertainties. A comprehensive list of risk factors relating to our business is provided under the heading "Risk Factors", in the Company's AIF for the year ended December 31, 2017, which is available on SEDAR at www.sedar.com.

13. Cautionary Statement on Forward-Looking Information

This MD&A contains certain “forward-looking statements” or “forward-looking information” (collectively referred to herein as “forward-looking statements”) within the meaning of applicable securities legislation. Such forward-looking statements include, without limitation, forecasts, estimates, expectations and objectives for future operations that are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential” and similar expressions, or are events or conditions that “will”, “would”, “may”, “could” or “should” occur or be achieved. This MD&A contains forward-looking statements, pertaining to, among other things, the future development and funding of the Company’s projects; the Company’s plans for its properties; the resolution of current litigation; the BEE Buyout Agreements and all related transactions; the seasonality of the Company’s operations; the continuing impact of adverse economic factors on the South African PGM industry; the potential restarts of the CRM if there is a sustained strengthening of PGM prices and a marked improvement in the South African operating environment; the possibility of restarting the development of the Mareesburg open pit mine; the possibility of developing the Kennedy’s Vale and Spitzkop project in the future; the requirement of additional funding to bring projects into production and how that funding will be attained; estimated resources and reserves; economic assessments; extension of the life of the Retreatment Project; estimated costs and timelines of construction; estimated operations; capital costs and payment terms related to the Chrome Circuit; estimated timelines for revenue, production and anticipated capital costs; timelines for feasibility studies; test work results; the possibility of any impairment or reversal of impairment if there are any changes to future market conditions and commodity prices; the composition of G&A costs; potential non-compliance with the MPRDA and the corresponding impact; the possible impact of Mining Charter III; the share capital of the Company; the renewal of consulting agreements; the ongoing assessment of mine life; critical accounting judgments made by the Company; the impact of the new IFRS on consolidated financial statements; adoption of new IFRS standards; impairment estimates and the applicable risk factors.

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

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

Although the Company believes that the material factors, expectations and assumptions expressed in such forward-looking statements are reasonable based on information available to it on the date such statements were made, no assurances can be given as to future results, levels of activity and achievements and such statements are not guarantees of future performance. The Company’s actual results may differ materially from those expressed or implied in forward-looking statements and readers should not place undue importance or reliance on the forward-looking statements. Statements including forward-looking statements are made as of the date they are given and, except as required by applicable securities laws, the Company disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement.