EASTERN PLATINUM LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2018

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 March 31, 2018 and for the three months then ended in comparison to the same periods in 2017.

This MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements and the related notes for the three months ended March 31, 2018. The unaudited condensed interim consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and in accordance with International Standard 34 Interim Financial Reporting.

The Company's presentation currency is U.S dollars. Monetary amounts in this MD&A are in thousands of U.S. dollars ("$" or "U.S. dollars"), except when indicated as thousands of Canadian dollars ("Cdn$" or "Canadian dollars"), thousands of South African Rand ("ZAR" or "Rand") and except for per share amounts, per tonnage amounts or as otherwise indicated. The effective date of this MD&A is May 10, 2018. Additional information relating to the Company, including its Annual Information Form for the year ended, December 31, 2017, 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 Company's properties are situated on the western and eastern limbs of the Bushveld Complex ("BCX"), the geological environment that hosts approximately 80% of the world's PGM-bearing ore.

As at March 31, 2018, 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.

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 (also see section 2.2 Significant Events and section 4.1CRM).

In addition to the above activity, the Company is progressing feasibility studies and 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. No current development is occurring at the KV or Spitzkop projects. The KV, Spitzkop and Mareesburg projects (collectively the "Eastern Limb Projects") currently report as a group to management.

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 (also see section 5.3 Contractual Obligations, Commitments and Contingencies).

2. First Quarter of Fiscal Year 2018 Highlights

2.1 New Mining Charter in South Africa - Update

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. Although court challenges were filed by various parties, on February 18, 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 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 new Minister of Mineral Resources, Mr. Gwede, spoke in April 2018 and indicated that a new document guiding transformation of the mining sector would be ready and gazetted in May 2018 and talks on the new Mining Charter were 80% complete.

On April 4, 2018, the Gauteng High Court (Pretoria) ruled that, unless the mining right itself specifies otherwise, empowerment deals did not need to be topped up once a company had reached the 26% black ownership level and companies could not be penalised for falling below this level. This was in response to the application by the Chamber of Mines for a declaratory order on the 'once empowered always empowered' principle that was heard by the High Court of South Africa (Pretoria) in November 2017. 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. On April 19, 2018, the Minister of the Department of Mineral Resources appealed the ruling.

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. The Company and Union Goal extended the completion date to May 31, 2018 to provide additional time for both sides to finalize the conditions precedent as defined in the UG Agreement and sign all transactional agreements.

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. A significant portion of the Chrome Circuit is now at site with construction to be completed during July 2018 and commissioning during August 2018. Eastplats anticipates the Retreatment Project will result in revenue producing operations through offtake of the chrome concentrates 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 ($3,562) received by Barplats from Union Goal;
- Barplats will recover the Retreatment Project capital from Union Goal during operations at a rate of ZAR25 ($2.11) /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 ($2.63)/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 concentrates. 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 installation compared to the traditional technology referenced Sound Mining Feasibility Study published in September 2017.

2.3 Financial Highlights

- Cash inflow of $3,562 (ZAR42,200) upfront payment from UG in accordance to the UG Agreement.

- The Company capitalized and expended $29,451 on the Chrome Circuit and construction activities to further the Retreatment Project during Q1 2018.

- As at March 31, 2018, the Company had cash, cash equivalents and short-term investments ("Cash Position") of $21,298, a decrease of $4,246 from $25,544 as at December 2017. The decrease in Cash Position was related to the Company's general operations including administrative, mine care and maintenance expenditures and the payment of the imported Chrome Circuit equipment VAT (see below) offset with the upfront payment of $3,562 received from UG in accordance with the UG Agreement.

- The Company recorded a loss attributable to equity shareholders of the Company of $694 ($0.01 loss per share) in Q1 2018 compared to a loss of $2,029 ($0.02 loss per share) for the same period in 2017.

- General and administrative ("G&A") costs decreased $381 to $755 in Q1 2018 from $1,136 in Q1 2017. The decrease was due to unusually high professional fees in Q1 2017. Higher professional fees were incurred in Q1 2017 as a result of the various investigation costs relating to various agreements purportedly entered into by the Company's former management in 2016.

- Care and maintenance costs in connection with the CRM and Eastern Limb Projects decreased $139 (excluding the foreign exchange impact of $183) from $1,726 in Q1 2017 to $1,770 in Q1 2018. This decrease was the result of a reallocation of resources and staff time to the active Retreatment Project and work on the feasibility studies offset with annual wage adjustments in South Africa related to the cost of living.

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)

	2018	2017				2016		
	Mar. 31	Dec. 31	Sept. 30	Jun. 30	Mar. 31	Dec. 31	Sept. 30	Jun. 30
	$	$	$	$	$	$	$	$
Expenses:								
General and administrative	(755)	(1,068)	(776)	(687)	(1,136)	(639)	(3,327)	(1,010)
Care and maintenance	(1,770)	(1,763)	(1,344)	(1,828)	(1,726)	(1,893)	(1,865)	(1,455)
Care and maintenance depreciation	(29)	(31)	(31)	(30)	(31)	(3)	(73)	(122)
Impairment expense	—	—	—	—	—	(5,802)	—	(23,357)
Impairment of prepayments	—	—	—	—	—	(13,367)	—	—
	(2,554)	(2,862)	(2,151)	(2,545)	(2,893)	(21,704)	(5,265)	(25,944)
Other income (expenses), net	1,155	694	61	402	394	1,359	1,278	490
Loss before income taxes	(1,399)	(2,168)	(2,090)	(2,143)	(2,499)	(20,345)	(3,987)	(25,454)
Net loss for the period	(1,172)	(2,368)	(2,105)	(2,213)	(2,522)	(20,648)	(3,997)	(25,509)
Net loss attributable to equity shareholders of the Company	(694)	(1,907)	(1,681)	(1,750)	(2,029)	(20,408)	(3,570)	(22,207)
Loss per share - basic and diluted	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)	(0.22)	(0.04)	(0.24)
Average foreign exchange rates								
South African Rand per US dollar	11.95	13.61	13.18	13.20	13.22	13.90	14.05	14.98
US dollar per Canadian dollar	0.7909	0.7866	0.7986	0.7437	0.7559	0.7495	0.7664	0.7763
Period end foreign exchange rates								
South African Rand per US dollar	11.85	12.36	13.52	13.09	13.40	13.70	13.73	14.68
US dollar per Canadian dollar	0.7756	0.7971	0.8013	0.7706	0.7519	0.7448	0.7624	0.7742

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). During Q1 -2018 the Company began the construction of the Retreatment Project and reallocated current staff as appropriate towards this active project. New construction contractors were engaged but no changes have yet occurred in the operations staff.

4. Results of Operations for the Three Months March 31, 2018

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 average foreign exchange rate for Q1 2018 and Q1 2017 is listed below

	Cdn to USD	ZAR to USD
Q1 2018	0.7909	0.0837
Q1 2017	0.7559	0.0757

The estimated South African annual inflation rate is 2018 - $3.94% and 2017 – 5.19%. 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 Q1 2018 and 2017:

Table 2

Consolidated statements of loss		
(Expressed in thousands of U.S. dollars, except per share amounts)		
	Three months ended March 31	
	2018	2017
	$	$
Revenue	**—**	—
Mine operating loss	**—**	—
Expenses		
General and administrative	**755**	1,136
Care and maintenance	**1,770**	1,726
Care and maintenance depreciation and amortization	**29**	31
Operating loss	**(2,554)**	(2,893)
Other income (expense) and income tax expense	**1,382**	371
Net loss for the period	**(1,172)**	(2,522)
Attributable to		
Non-controlling interest	**(478)**	(493)
Equity shareholders of the Company	**(694)**	(2,029)
Net loss for the period	**(1,172)**	(2,522)
Loss per share		
Basic and diluted	**(0.01)**	(0.02)
Weighted average number of common shares outstanding		
Basic and diluted	**92,599**	92,599
Consolidated statements of financial position		
	March 31	December 31
	2018	2017
	$	$
Total assets	**182,339**	146,949
Total non-current liabilities	**41,245**	9,713

The Company recorded a loss attributable to equity shareholders of the Company of $694 (or $0.01 loss per share) in Q1 2018 compared to a loss of $2,029 (or $0.02 loss per share) in Q1 2017. Detailed explanations are presented below.

4.1 *Crocodile River Mine*

During Q1 2018 the Company began construction of the Retreatment Project which significantly alters operations going forward. The Company will continue to protect the CRM underground reserves through diligent care and maintenance activities but has shifted its core focus to active construction and operational readiness of the Retreatment Project.

As discussed above in section 2.2 significant events, 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. The Company has completed a cost to complete exercise, after contracting almost 80% of Phase 1, and updated the estimated capital requirements for Barplats related to the Retreatment Project at ZAR 191,242 ($16,007). The total capital required is broken into three phases over 21 months with ZAR 130,551 ($10,927) required in Phase 1(expected to be complete in August 2018). Further, the upfront ore relocation costs, which is part of the mining costs, requires ZAR 22,822 ($1,910) of additional funding by August 2018, but is recoverable from Union Goal. The estimated increase capital is ZAR 27,167 ($2,274) or 16.6%. The increase relates to additional engineering related to the tailings return systems, various upgrades and improvements and increased hydro mining infrastructure costs. The updated capital amounts will continue to be funded from cash on hand (including the upfront project payment from Union Goal) and revenue from the Retreatment Project.

Construction of the Retreatment project is well underway with the significant components of the Chrome Circuit already imported and at site. Construction teams have begun civil work to configure and build the structures for the Chrome Circuit. Work is progressing well at the tailings facility to move ore and create a secondary holding pond for initial production all within the existing facility. The schedule remains on track.

Sound Mining Solution (Pty) Ltd. (“Sound Mining”) and the Company require additional time to complete the feasibility study to further investigate the PGM opportunity in relation to the Zandfontein UG2 tailings facility which may provide additional value. An updated timeline is being developed due to additional test work but the report should be ready during Q3 2018.

4.2 Mareesburg Project

The Mareesburg feasibility study was placed on hold in April 2018 as the Company obtains certainty over its ability to dispose of the ore to third parties. SRK Consulting (South Africa) Pty Ltd (“SRK”) will need a few months to finalize the feasibility study once certainty is obtained.

SRK next steps, finalise the review of the optimal pit, haul road, infrastructure and financial modeling as well as the social and environmental impacts and risk of the project.

The Company continues to ensure 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:

The G&A costs decreased $381 to $755 in Q1 2018 compared to $1,136 for the same period in 2017. The decrease in 2018 is primarily due to lower professional fees incurred in Q1 2018. The Company incurred higher professional fees in Q1 2017 because the investigation costs relating to various agreements purportedly entered into by the Company’s former management in 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 $139 (excluding foreign currency translation impact of $183) to $1,770 in Q1 2018 compared to $1,726 for the same period in 2017 in connection with the CRM and Eastern Limb Projects. This decrease was the result of a reallocation of resources and staff time to the active Retreatment project and work on the feasibility studies offset with annual wage adjustment's in South Africa related to the cost of living.

Care and maintenance depreciation consists of the depreciation expense related to the residential properties only as the project is currently on care and maintenance. Care and maintenance depreciation decreased to $29 in Q1 2018 compared to $31 for the same period 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.

The Company concluded that there were no indicators of impairment as at March 31, 2018. There were no impairment charges in Q1 2018 or 2017.

Interest Income

Interest income decreased $34 (excluding of foreign currency translation impact of $30) to $280 in Q1 2018 compared to $284 for the same period in 2017 due to slightly lower 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 $97 (excluding of foreign currency translation impact of $48) to $595 in Q1 2018 compared to $450 for the same period in 2017 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 decreased $59 (excluding of foreign currency translation impact of $21) to $156 in Q1 2018 compared to $194 for the same period in 2017 as a result of decreased accretion. Finance costs include interest accretion on the provision for environmental rehabilitation and miscellaneous interest charges.

<u>*Income Tax*</u>

The Company recorded a net income tax recovery of $227 in Q1 2018 compared to a net income tax expense of $23 in Q1 2017.

The income tax expense /recovery 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.

5. Liquidity and Capital Resources

As at March 31, 2018, the Company had working capital of $25,598 (December 31, 2017 – $26,153) and a Cash Position of $21,298 (December 31, 2017 – $25,544).

The Company's Cash Position decreased by $4,246 in Q1 2018 compared to the balance as at December 31, 2017. If excluding the foreign currency translation loss impact of $303, the actual decrease of Cash Position is $3,943. The decrease results from: (i) cash incurred approximately $1,338 in operations, including G&A and care and maintenance of the CRM and the Eastern Limb Projects; (ii) payment of VAT on imported Chrome Circuit equipment of $4,218 (ZAR49,759) (see below *); (iii) an increase in other assets in the amount of $158; and (iv) a net acquisition of property, plant and equipment of $2,373, offset with the cash received of (i) $3,802 received from Union Goal in accordance with the UG Agreement; and (ii) interest received of $342.

* During April 2018, the Company received a VAT refund of $2,617 (ZAR31,262) or approximately 52% of VAT outstanding at Q1 2018.

In March 2018 the UG Agreement was signed and the construction phase began with operations expected in Q3 2018. The remaining CRM underground and all other properties and projects are at an earlier stage of development or on hold. The Company did not generate income in Q1 2018 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 all approved capital projects. However, additional funding will be required for any other projects if they are considered, 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 $12,712 in capital funding for the remaining nine months of 2018, which include the feasibility studies and construction for the Retreatment Project. The corporate objectives discussed in Section 5.1 are funded from these capital budgets. Funding is from existing working capital.

With the UG Agreement the Company has committed to purchasing the Chrome Circuit, subject to a Put Option if the agreed operating performance and outputs are not as agreed. This liability, along with the provision for environmental rehabilitation relating to the CRM and Eastern Limb Projects and the deferred income tax liabilities are the non-current liabilities.

5.1 Outlook

Construction of the Retreatment Project has been the primary focus of Eastplats since the UG Agreement was signed. Appropriate resources have been authorized and allocated and management is very pleased with early progress and remains optimistic of delivery on the agreed construction timetable for the chrome operations with the expectation of revenue-producing operations during Q3 2018.

The completion of the updated PGM feasibility studies during the next few months could provide an additional opportunity which the Company will assess.

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 and the Eastern Limb Projects but is actively looking at opportunities for other areas and all of its other assets including continuing to assess other options to utilize these assets.

Following start-up of the Retreatment Project, the Company will review its other operations 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.

Subject to the restart and completion of an economic feasibility study, development of the Mareesburg open cast mine may also begin again once market and operating conditions support such recommencement, subject to capital requirements and the availability of financing.

Additional funding may also be required to bring other 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 three months ended March 31, 2018. During the three months ended March 31, 2018, the Company granted 100,000 stock options to a director of the Company to acquire common shares of the Company at an exercise price of Cdn$0.37 per share expiring in five years from the grant date. These options vest 90 days from the grant date. During the three months ended March 31, 2018, a total of $93 (three months ended March 31, 2017 – $12) was recorded as share-based compensation expense relating to G&A.

Subsequent to the three months ended March 31, 2018, the Company granted 100,000 stock options to a director of the Company to acquire common shares of the Company at an exercise price of Cdn$0.39 per share expiring in five years from the grant date. Subsequent to the three months ended March 31, 2018, 200,000 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 3

Options outstanding	Options exercisable	Exercise price Cdn$	Remaining Contractual Life (Years)	Expiry date
200,000	200,000	1.05	3.15	July 4, 2021
300,000	300,000	1.05	3.27	August 14, 2021
100,000	100,000	1.05	3.37	September 20, 2021
200,000	200,000	0.40	3.80	Febuary 24, 2022
600,000	600,000	0.32	4.50	November 9, 2022
575,000	575,000	0.33	4.58	December 7, 2022
100,000	—	0.37	4.88	March 27, 2023
100,000	—	0.39	4.96	April 26, 2023
2,175,000	1,975,000		4.15	

5.3 Contractual Obligations, Commitments and Contingencies

The Company's major contractual obligations and commitments as at March 31, 2018 were as follows:

Table 4

(in thousands of U.S. dollars)	Total	Less than 1 year	1 - 5 years	More than 5 years
	$	$	$	$
Provision for environmental rehabilitation	6,772	—	—	6,772
Operating lease	31	21	10	—
Capital expenditure and purchase commitments contracted at March 31, 2018 but not recognized on the consolidated statement of financial position	6,177	6,177	—	—
	12,980	6,198	10	6,772

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 $2,599 (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 ($2,599) 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 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, now terminated, sale of CRM, former management purportedly caused the Company to enter into certain buyout agreement with Serina and Ingwenya (the "BEE Buyout Agreements"). Those BEE Buyout Agreements contemplated payment by Eastplats of $13,367 upon any change of control of the Company in exchange for the acquisition/cancellation of the BEE Shareholders. Following a change of control at the 2016 AGM, former management caused the funds to be paid (see News Release of July 4, 2016).

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.

The Company notes that the BEE Buyout Transactions have not been completed. 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 and could lead to the Minister cancelling or modifying the mining rights under the MPRDA. The Company remains committed to working with the DMR to ensure ongoing compliance (also see Section 2.1 – New Mining Charter in South African – Update).

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 in Q1 2018 and 2017:

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 March 31**	
	2018	2017
	$	$
Trading transactions		
Director fees	**34**	36
Management fees	**55**	109
Share-based payments	**77**	12
Total	**166**	157
Compensation of key management personnel		
Remuneration	**243**	194
Share-based payments	**51**	12
Total compensation of key management personnel	**294**	206

The Company had transactions with the following related parties in Q1 2018 and 2017:

The Company has agreed to pay $18 (Cdn$23) per month to Oriental Fortune Consulting Services Limited (“Oriental Fortune), an entity controlled by the Company’s chief operating officer (“COO”), for the management consulting services rendered.

At March 31, 2018, the Company held a loan receivable from Gubevu in the amount of $75,748 (ZAR897,492) (December 31, 2017 – $70,987 (ZAR877,468)). 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 in Q1 2018.

Accounts receivable as at March 31, 2018 included $39 (December 31, 2017 - $40) due from Remington representing the reimbursement receivable for certain general and administrative expenses incurred by the Company on behalf of Remington. The Company’s former management are the principal shareholders of Remington. Amount due from the related party is unsecured and due on demand.

In Q1 2018 and 2017, the Company’s key management includes the Chief Executive Officer (the “CEO”), Chief Financial Officer (“CFO”), COO, and vice president of South African Operations. As stated in table 6, the total remuneration to the key management in Q1 2018 was $294 (Q1 2017 - $206). In Q1 2018, the key management received share-based payments of $51 (Q1 2017– $12).

Key management personnel were not paid post-employment benefits or other long-term in Q1 2018 and 2017.

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.

Areas of significant judgment and estimates made by management for the three months ended March 31, 2018 in the application of IFRS that have significant effect on the financial statements and estimates with a significant risk of material judgement in the current and following years are discussed in Notes 4(u) and (v) of the Company’s audited consolidated financial statements for the year ended December 31, 2017.

8. Financial Instruments and Other Instruments

(a) Management of capital risk

The capital structure of the Company historically 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. During the period the Company expanded its sources of capital to include Contract payable in the amount of $31,319.

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

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, trade, other payables and contract payables approximate their carrying.

(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.

As at March 31, 2018 and December 31, 2017, the Company did not have financial liabilities measured at fair value on a recurring basis. There were no transfers between levels in Q1 2018.

(c) Financial risk management

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

At March 31, 2018, the Chrome equipment portion of the Contract payable is a US$ based deferred payment term for the Chrome Circuit for 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.

(i) Currency risk

The Contract Payable is based in US$ for the Chrome Circuit, which is not the Company's functional currency and therefore it is exposed to foreign exchange risk.

The Company has not entered into any derivative financial instruments to manage its exposures to this currency fluctuations as a result of the Barplats put option. As at March 31, 2018, the Company's exposure to currency risk affecting net income from the Contract Payable in US$ is $27,517 held at Barplats whose functional currency is the South African Rand. As at March 31, 2018, with other variables unchanged, a 10% strengthening (weakening) of U.S dollars against the South African Rand would have decreased (increased) net income by approximately $2,501.

9. Application of New and Revised IFRS

9.1 Newly adopted Accounting Standards

Effective January 1, 2018, the Company adopted IFRS 9 – Financial Instrument (“IFRS 9”) using the modified retrospective approach. IFRS 9 did not impact the Company’s classification and measurement of financial assets and liabilities. The standard did not have an impact on the carrying amounts of the Company’s financial instruments at the transition date.

IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value. The classification and measurement of financial assets is based on the Company's business models for managing its financial assets and whether the contractual cash flows represent solely payments for principal and interest. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9.

9.2 Accounting standards issued but not yet effective

A number of new standards, amendments to standards and interpretations, are not yet effective as at March 31, 2018, 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 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 March 31, 2018. The Company is currently assessing the impact that this standard will have on its consolidated financial statements.

10. Off-Balance Sheet Arrangements

As at March 31, 2018, 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

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.

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 Company's ICFR are designed based on the *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

The scope of the Company's design of the DCP and the ICFR excluded Gubevu Consortium Investment Holdings (Pty) Ltd., 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.