

Condensed interim consolidated
financial statements of

Eastern Platinum Limited

For the three and nine months ended
September 30, 2024
(Unaudited)

Eastern Platinum Limited

Condensed interim consolidated financial statements
for the three and nine months ended September 30, 2024

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**with restated comparative information for the nine months ended September 30, 2023.*

Notice of No Auditor Review of Condensed Interim Consolidated Financial Statements

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Professional Chartered Accountants for a review of interim financial statements by an entity's auditor.

Eastern Platinum Limited

Condensed interim consolidated statements of (loss) income

(Unaudited - expressed in thousands of U.S. dollars, except for per share amounts)

	Note	Three months ended September 30,		Nine months ended September 30,	
		2024	2023	2024	2023 (Restated - Note 14)
Revenue	12	\$ 10,976	\$ 21,808	\$ 45,470	\$ 76,480
Production costs		(11,279)	(13,377)	(34,153)	(47,873)
Production costs - depreciation		(732)	(1,433)	(2,631)	(4,814)
Mine operating (loss) income		(1,035)	6,998	8,686	23,793
Expenses					
General and administrative		1,050	933	2,513	2,102
Adjustments for expected credit loss on trade receivables	2(c)	—	—	(232)	—
Site services		2,393	856	5,722	2,538
Care and maintenance		398	1,632	1,114	3,376
Pre-production costs	3(a)	826	—	3,679	—
Operating (loss) income		(5,702)	3,577	(4,110)	15,777
Other income (expense)					
Interest income		287	341	1,116	795
Other income		368	365	915	1,114
Finance costs	6(c)	(129)	(1,319)	(368)	(3,935)
Foreign exchange gain (loss)		1,776	164	1,648	(3,271)
(Loss) income before income taxes		(3,400)	3,128	(799)	10,480
Income tax recovery (expense)		4	(3)	(45)	(52)
Net (loss) income for the period		(3,396)	3,125	(844)	10,428
Net (loss) income attributable to:					
Non-controlling interest		(2)	(2)	(4)	(9)
Equity shareholders of the Company		(3,394)	3,127	(840)	10,437
Net (loss) income for the period		\$ (3,396)	\$ 3,125	\$ (844)	\$ 10,428
(Loss) earnings per share					
Basic and diluted		\$ (0.02)	\$ 0.02	\$ 0.00	\$ 0.06
Weighted average number of common shares outstanding ('000s)					
Basic		202,278	201,902	202,033	171,152
Diluted		202,278	201,902	202,033	171,314

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

"George Dorin"

George Dorin, Director

"Lisa Ng"

Lisa Ng, Director

Eastern Platinum Limited

Condensed interim consolidated statements of comprehensive income
(Unaudited - expressed in thousands of U.S. dollars)

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023 (Restated - Note 14)
Net (loss) income for the period	\$ (3,396)	3,125	(844)	10,428
Other comprehensive income (loss) items that may subsequently be reclassified to profit or loss:				
- Exchange differences on translating foreign operations	5,779	(445)	6,379	(8,347)
- Exchange differences on translating non-controlling interest	(26)	(1)	(29)	43
Comprehensive income for the period	2,357	2,679	5,506	2,124
Comprehensive income (loss) attributable to:				
Equity shareholders of the Company	2,385	2,682	5,539	2,090
Non-controlling interest	(28)	(3)	(33)	34
Comprehensive income for the period	\$ 2,357	2,679	5,506	2,124

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Eastern Platinum Limited

Condensed interim consolidated statements of financial position

(Unaudited - expressed in thousands of U.S. dollars)

Note	As at September 30, 2024	As at December 31, 2023
Assets		
Current assets		
	\$ 8,509	\$ 18,131
	—	3,218
12	22,695	27,657
5	16,862	4,530
Total current assets	48,066	53,536
Non-current assets		
	37	43
3	117,418	100,757
	7,317	6,434
Total assets	\$ 172,838	\$ 160,770
Liabilities		
Current liabilities		
	\$ 9,110	\$ 5,740
10(d)(ii)	385	930
6	11,754	8,967
	18	482
6	53,366	52,921
Total current liabilities	74,633	69,040
Non-current liabilities		
	47	63
	3,643	3,130
	920	872
Total liabilities	\$ 79,243	\$ 73,105
Equity		
4	1,245,997	1,245,951
	773	1,103
	(315,817)	(322,196)
	(836,907)	(836,775)
Total equity attributable to:		
	94,046	88,083
	(451)	(418)
	93,595	87,665
Total liabilities and equity	\$ 172,838	\$ 160,770

Nature of operations and going concern (Note 1)

Contingencies and legal proceedings (Note 11)

Subsequent event (Note 15)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Eastern Platinum Limited

Condensed interim consolidated statements of changes in equity

(Unaudited - expressed in thousands of U.S. dollars)

	Issued capital	Contributed surplus	Accumulated other comprehensive loss	Deficit	Total equity attributed to equity shareholders of the Company	Non-controlling interest	Equity
Balance, December 31, 2022	\$ 1,240,890	980	(317,698)	(850,538)	73,634	(437)	73,197
Net income (loss) (Note 14)	—	—	—	10,437	10,437	(9)	10,428
Other comprehensive (loss) income (restated - Note 14)	—	—	(8,347)	—	(8,347)	43	(8,304)
Total comprehensive (loss) income	—	—	(8,347)	10,437	2,090	34	2,124
Rights offering for 64,080,653 common shares (Note 4)	5,240	—	—	—	5,240	—	5,240
Rights offering - share issuance cost	(179)	—	—	—	(179)	—	(179)
Share-based compensation - warrants	—	3	—	—	3	—	3
Share-based compensation - stock options	—	124	—	—	124	—	124
Transfer equity reserve relating to expired options	—	(4)	—	4	—	—	—
Balance, September 30, 2023 (Restated - Note 14)	\$ 1,245,951	1,103	(326,045)	(840,097)	80,912	(403)	80,509
Balance, December 31, 2023	\$ 1,245,951	1,103	(322,196)	(836,775)	88,083	(418)	87,665
Net loss	—	—	—	(840)	(840)	(4)	(844)
Other comprehensive income (loss)	—	—	6,379	—	6,379	(29)	6,350
Total comprehensive income (loss)	—	—	6,379	(840)	5,539	(33)	5,506
Stock options exercised for 440,000 common shares, net of share issuance cost (Note 4)	46	(13)	—	—	33	—	33
Share-based compensation - stock options	—	391	—	—	391	—	391
Transfer equity reserve relating to expired warrants	—	(663)	—	663	—	—	—
Transfer equity reserve relating to expired options	—	(45)	—	45	—	—	—
Balance, September 30, 2024	\$ 1,245,997	773	(315,817)	(836,907)	94,046	(451)	93,595

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Eastern Platinum Limited

Condensed interim consolidated statements of cash flows

(Unaudited - expressed in thousands of U.S. dollars)

		Nine months ended September 30,	
	Note	2024	2023 (Restated - Note 14)
Operating activities			
Net (loss) income for the period		\$ (844)	\$ 10,428
Adjustments to net (loss) income for non-cash items			
Depreciation and amortization	3	2,706	4,885
Stock-based compensation		391	127
Expected credit loss	2(c)	(232)	—
Interest and other income		(1,116)	(795)
Finance costs		368	3,935
Income tax (recovery) expense		45	52
Foreign exchange (gain) loss		(1,792)	3,271
Net changes in non-cash working capital items			
Trade and other receivables		6,534	(7,486)
Inventories	5	(11,309)	(232)
Trade and other payables		1,978	949
Deferred revenue	6	2,223	(656)
Cash (used by) from operating activities		(1,048)	14,478
Financing activities			
Share issued, net of issuance cost		33	5,061
Repayment of finance facility	10(d)(ii)	(579)	(1,969)
Finance costs paid		(79)	(228)
Lease payments		(468)	(1,086)
Net financing cash flows		(1,093)	1,778
Investing activities			
Purchases of short-term investments		—	(4,116)
Interest income received		1,182	759
Redemption of short-term investments		3,133	—
Release of restricted cash		5	—
Other asset additions		(426)	(334)
Property, plant and equipment additions	3	(12,123)	(1,300)
Net investing cash flows		(8,229)	(4,991)
Effect of exchange rate changes on cash and cash equivalents		748	(460)
(Decrease) increase in cash and cash equivalents		(9,622)	10,805
Cash and cash equivalents, beginning of period		18,131	2,448
Cash and cash equivalents, end of period		\$ 8,509	\$ 13,253

The accompanying notes are an integral part of these interim consolidated financial statements.

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Notes to the condensed interim consolidated financial statements

For the three and nine months ended September 30, 2024

(Unaudited - expressed in thousands of U.S. dollars, except as noted.)

1. Nature of operations and going concern

Eastern Platinum Limited ("Eastplats" or the "Company") was incorporated in Canada with limited liability under the legislation of the Province of British Columbia. The Company's shares are listed on the Toronto Stock Exchange ("TSX") (primary listing) and the Johannesburg Stock Exchange ("JSE") (secondary listing). The head office and principal address of the Company is located at 1080 - 1188 West Georgia Street, Vancouver, British Columbia, Canada.

The Company is a platinum group metals ("PGM") and chrome producing company engaged in underground mining and tailings re-mining at the Crocodile River Mine ("CRM") and the exploration and development of other PGM and chrome properties located in various provinces in South Africa.

The Company's presentation currency is U.S. dollars. All monetary amounts presented in these consolidated financial statements are in thousands of U.S. dollars ("\$"), thousands of Canadian dollars ("Cdn\$") or thousands of South African Rand ("ZAR"), except for per share amounts or otherwise indicated.

These condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations for at least twelve months from September 30, 2024.

As at September 30, 2024, the Company had cash and cash equivalents and short-term investments of \$8,509 (December 31, 2023 - \$21,349) and a working capital deficit of \$26,567 (December 31, 2023 - working capital deficit of \$15,504). For the nine months ended September 30, 2024, the Company used cash by operating activities of \$1,048 (2023 - generated cash of \$14,478). For more information, refer to Financial risk management - liquidity risk (see Note 10(d)(v)).

The Company and its subsidiary, Barplats Mines (Pty) Limited ("Barplats") entered into an agreement (the "Framework Agreement") with Union Goal on March 1, 2018 and subsequently, various transactional agreements including an equipment and chrome plant agreement, loan agreement, escrow agreement and offtake agreement were signed on August 31, 2018 under the Framework Agreement (collectively referred to as the "2018 Retreatment Project Agreements"). On March 10, 2021, the Company, Barplats and Union Goal executed updated Retreatment Project Agreements (the "2021 Updated Retreatment Project Agreements") (see Note 6). All of these agreements are collectively referred to as the Union Goal Contracts and provide for construction, re-mining and processing of the tailings resource, and the subsequent offtake of chrome concentrate from the Barplats Zandfontein UG2 tailings facility (the "Retreatment Project").

Operations from re-mining the tailings material have produced chrome concentrate since December 2018 and have produced PGM concentrates since December 2020.

In August 2013, the Company's underground CRM operations were put on care and maintenance. In October 2023, the Company initiated a soft restart of the Zandfontein underground operations. During the three months ended September 30, 2024, the Company has begun processing run-of-mine ("ROM") UG2 ore from the Zandfontein underground operations at the CRM, and produced concentrates containing PGM 6E metals, as well as metallurgical chrome concentrates as by-product.

The Company's other existing projects, the Kennedy's Vale ("KV"), Spitzkop PGM ("Spitzkop") and Mareesburg PGM ("Mareesburg") projects (together the "Eastern Limb Projects") have been either in care and maintenance or on hold since 2012.

As the Company continues to operate the Retreatment Project and advance underground operations at the CRM, there remains material uncertainty that the Company will be able to achieve sufficient cash inflows to meet its expected financial obligations in the next 12 months and 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. In Fiscal 2022, the Company reclassified its contracts payable to Union Goal

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(Unaudited - expressed in thousands of U.S. dollars, except as noted.)

from a non-current to current liability. This reclassification is based on the Company's best estimate of the timing of the payment due and is the main reason for the decrease in the Company's working capital since the second quarter of 2022. Based on agreed terms in the Framework Agreement with Union Goal, the actual payment amount and the timing of the payment have yet to be determined (also refer to Note 2(c), Note 6 and Note 11 for additional details) and are subject to further negotiations. In the third quarter of 2022, after re-assessing the probability of settlement of outstanding accounts receivable by Union Goal, Eastplats suspended shipments to Union Goal as a result of continuing non-payment and failure of Union Goal to reduce its significantly long outstanding account with the Company. This lack of payment by Union Goal continues to place strain on the overall liquidity of the Company. On February 16, 2024, the Company received a notice of civil claim from Union Goal (see Note 11).

In response to the lack of payment from Union Goal, from the start of the third quarter of 2022, Eastplats began to contract free market sales. These contracts provided transfer of control and revenue recognition as defined by International Financial Reporting Standards ("IFRS") 15 - Revenue from Contracts with Customers ("IFRS 15"), upon completion of the Company's performance obligations which included delivery of the chrome concentrate to off-site venues specified by customers. There can, however, be no assurance that these free market sales levels will be sufficient to alleviate the Company's liquidity concerns.

On May 12, 2023, the Company completed a rights offering to its shareholders to acquire common shares of the Company. Although the Company has been successful in raising equity finance in the past, there can be no assurance as to the amount that will be raised in any future financings.

These factors and material uncertainties may raise significant doubt about the Company's ability to continue as a going concern. These condensed interim consolidated financial statements do not give effect to adjustments to the carrying value and classification of assets and liabilities and related revenue and expenses that would be necessary should the Company be unable to continue as a going concern and such adjustments may be material.

2. Basis of preparation

(a) *Statement of compliance*

These condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards, as applicable to interim financial reports including International Accounting Standard ("IAS") 34 Interim Financial Reporting.

The preparation of these condensed interim consolidated financial statements is based on accounting principles and methods consistent with those used in the preparation of the audited consolidated financial statements as at December 31, 2023. The accompanying condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2023. The Company's interim results are not necessarily indicative of its results for a full year.

These unaudited condensed interim consolidated financial statements were authorized for issue by the Board of Directors on November 7, 2024.

(b) IFRS pronouncements

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

In May 2024, the International Accounting Standards Board ("IASB") issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 Financial Instruments: Disclosures.

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The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance (“ESG”)-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income.

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

IFRS 18 – Presentation and Disclosure in Financial Statements

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

Amendments to IAS 1 – Presentation of Financial Statements

In October 2022, the IASB issued amendments to IAS 1, Presentation of Financial Statements titled Non-current Liabilities with Covenants. These amendments seek to improve the information that an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within 12 months after the reporting period. These amendments to IAS 1 override and incorporate the previous amendments, Classification of Liabilities as Current or Non-current, issued in January 2020, which clarified that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Liabilities should be classified as non-current if a company has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The amendments were effective for annual periods beginning on or after January 1, 2024, and adoption of these amendments did not have an effect on these financial statements.

(c) *Judgments and estimates*

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 these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

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(Unaudited - expressed in thousands of U.S. dollars, except as noted.)

Factors such as the ongoing war in Ukraine, as well as other geopolitical risks and events, inflation and fluctuating interest rates result in continued uncertainty and volatility in global markets and economies.

As discussed in Note 6, the Company signed the 2021 Updated Retreatment Project Agreements on March 10, 2021. The assessment of the accounting effect of the 2021 Updated Retreatment Project Agreements requires significant judgment. As well, significant judgment is required to assess the value of the Company's revenue, deferred revenue, trade receivable and the related contracts payable to Union Goal.

The Company calculated an expected credit loss ("ECL") related to the outstanding trade receivable balance owed by Union Goal to the Company based on the timing of the completion of the plant optimization program. Although the program is still not completed, the Company expects to negotiate the final purchase price of the chrome plant and receive payment of its outstanding receivable based on the same estimated payment date. The credit risk exposure on the Company's trade receivable balance with Union Goal is significantly reduced by way of the 2021 Updated Retreatment Project Agreements with any outstanding receivable balance applied against the contracts payable amount owed to Union Goal in the amount of \$53,366 (also see Notes 6 and 11). The ECL is estimated based on the expected timing of the debt settlement discounted to the current period. As at September 30, 2024, the balance of ECL against Union Goal trade receivable is \$1,699 (ZAR29,164) (December 31, 2023 - \$1,593 (ZAR29,164)).

During the three and nine months ended September 30, 2024, an ECL adjustment of \$nil and (\$232), respectively, was made on the Company's trade receivables balance from a third-party customer, in relation to a chrome concentrate sales contract completed in the prior year. There was \$nil and \$nil ECL adjustment made during the three and nine months ended September 30, 2023.

Other areas of significant judgment and estimates made by management for the three and nine months ended September 30, 2024 in the application of IFRS that have a significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the current and following fiscal years are discussed in Note 4 of the Company's audited consolidated financial statements for the year ended December 31, 2023.

(d) *Prior period comparatives*

In connection with the preparation of the Company's consolidated financial statements for the year ended December 31, 2023, an error was identified in the recognition of revenue related to a chrome concentrate sales transaction in Q4 2022 which impacted the Company's previously filed audited consolidated financial statements for the year ended December 31, 2022 and its unaudited condensed interim consolidated financial statements for the three months ended March 31, 2023. Note 14 provides further detail on the restatement of the comparatives.

Eastern Platinum Limited

Notes to the condensed interim consolidated financial statements

For the three and nine months ended September 30, 2024

(Unaudited - expressed in thousands of U.S. dollars, except as noted.)

3. Property, plant and equipment

Cost	Right-of-use assets \$	Plant and equipment \$	Mineral properties previously depleted \$	Mineral properties not being depleted \$	Properties and land \$	Total \$
Balance as at December 31, 2022	4,711	255,653	59,530	243,556	10,886	574,336
Additions	—	2,486	—	148	—	2,634
Environmental provision, change in estimate	—	(718)	—	(327)	—	(1,045)
Transfers	582	(582)	—	—	—	—
Foreign exchange movement	(808)	(22,297)	(5,960)	(14,076)	(746)	(43,887)
Balance as at December 31, 2023	4,485	234,542	53,570	229,301	10,140	532,038
Additions	—	11,970	—	153	—	12,123
Foreign exchange movement	275	16,309	3,550	15,210	673	36,017
Balance as at September 30, 2024	4,760	262,821	57,120	244,664	10,813	580,178
Accumulated depreciation						
Balance as at December 31, 2022	2,957	189,996	48,916	218,359	1,886	462,114
Depreciation	1,288	4,895	—	—	61	6,244
Foreign exchange movement	(153)	(12,376)	(8,412)	(16,096)	(40)	(37,077)
Balance as at December 31, 2023	4,092	182,515	40,504	202,263	1,907	431,281
Depreciation	324	2,327	—	—	55	2,706
Foreign exchange movement	286	12,271	2,681	13,404	131	28,773
Balance as at September 30, 2024	4,702	197,113	43,185	215,667	2,093	462,760
Carrying amounts						
At December 31, 2022	1,754	65,657	10,614	25,197	9,000	112,222
At December 31, 2023	393	52,027	13,066	27,038	8,233	100,757
At September 30, 2024	58	65,708	13,935	28,997	8,720	117,418

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Notes to the condensed interim consolidated financial statements

For the three and nine months ended September 30, 2024

(Unaudited - expressed in thousands of U.S. dollars, except as noted.)

The following is property, plant and equipment categorized by project:

	Crocodile River Mine	Mareesburg	Kennedy's Vale	Spitzkop	Other property, plant and equipment	Total
Cost	\$	\$	\$	\$	\$	\$
Balance as at December 31, 2022	259,858	14,838	244,172	55,169	299	574,336
Additions	2,482	—	—	148	4	2,634
Environmental provision, change in estimate	(550)	(168)	(168)	(159)	—	(1,045)
Foreign exchange movement	(23,161)	125	(17,079)	(3,780)	8	(43,887)
Balance as at December 31, 2023	238,629	14,795	226,925	51,378	311	532,038
Additions	11,951	—	16	153	3	12,123
Foreign exchange movement	16,585	980	15,041	3,418	(7)	36,017
Balance as at September 30, 2024	267,165	15,775	241,982	54,949	307	580,178
Accumulated depreciation						
Balance as at December 31, 2022	168,806	6,200	235,345	51,564	199	462,114
Depreciation	6,178	—	42	—	24	6,244
Foreign exchange movement	(15,870)	(424)	(16,122)	(4,667)	6	(37,077)
Balance as at December 31, 2023	159,114	5,776	219,265	46,897	229	431,281
Depreciation	2,655	—	31	—	20	2,706
Foreign exchange movement	10,755	382	14,535	3,108	(7)	28,773
Balance as at September 30, 2024	172,524	6,158	233,831	50,005	242	462,760
Carrying amounts						
At December 31, 2022	91,052	8,638	8,827	3,605	100	112,222
At December 31, 2023	79,515	9,019	7,660	4,481	82	100,757
At September 30, 2024	94,641	9,617	8,151	4,944	65	117,418

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Notes to the condensed interim consolidated financial statements

For the three and nine months ended September 30, 2024

(Unaudited - expressed in thousands of U.S. dollars, except as noted.)

(a) *Crocodile River Mine ("CRM")*

The Company holds directly and indirectly a 100% interest in CRM, through Barplats Investments (Pty) Ltd. ("Barplats Investment"), which is located on the eastern portion of the western limb of the Bushveld Complex. The Retreatment Project began providing material from re-mining the Zandfontein UG2 tailings in December 2018. Since December 2020, PGM production began utilizing the re-processed material of the Retreatment Project. The underground operations of the CRM were placed on care and maintenance in 2013; in October 2023, the Company initiated the soft restart of the Zandfontein underground operations; during the three months ended September 30, 2024, the Company started processing ROM UG2 ore from the underground operations at the CRM.

Currently, the Company is working on refurbishing certain underground equipment since the soft restart of the Zandfontein underground operations in October 2023. Related costs incurred have been expensed unless the expenditures are expected to provide additional future economic benefit that would increase mine capacity, in which case capitalization would be applied.

(b) *Mareesburg Project*

The Company holds directly and indirectly a 100% interest in the Mareesburg Project located on the eastern limb of the Bushveld Complex. The Company is currently working on an updated resource estimate and plant location trade-off study. Prior to development and mining, the Company will also need to review and update amongst others, its labour and impact plans, BEE shareholdings and local community impact assessment. The project is in its early stages and has not been in production. Given no development has occurred at Mareesburg and more work is required prior to making an updated development decision, the property is regarded as an exploration and evaluation phase property, which is evaluated under IFRS 6.

(c) *Kennedy's Vale Project ("KV")*

The Company holds directly and indirectly a 100% interest in KV, an early-stage project which is located on the eastern limb of the Bushveld Complex.

(d) *Spitzkop PGM Project ("Spitzkop")*

The Company holds directly and indirectly a 97.7% interest in the Spitzkop PGM Project located on the eastern limb of the Bushveld Complex and next to KV. The early stage Spitzkop PGM Project has had limited further evaluation or development since it was put on hold in 2012.

(e) *Impairment of property, plant and equipment*

The Company assesses the carry values of its mineral properties for indication of impairment at each quarter end. Based on its assessment, the Company concluded that there were no indicators of impairment as at September 30, 2024.

4. Issued capital

(a) *Authorized*

- Unlimited number of preferred redeemable, voting, non-participating shares without nominal or par value; and
- Unlimited number of common shares with no par value.

(b) *Issued and outstanding*

As at September 30, 2024, the Company had 202,341,426 common shares issued and outstanding (December 31, 2023 - 201,901,426).

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For the three and nine months ended September 30, 2024

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During the three and nine months ended September 30, 2024, nil common share equivalents (including stock options and warrants) were dilutive and included in the computation of diluted loss per share as such inclusion would be anti-dilutive.

During the three months ended September 30, 2023, nil common share equivalents (including stock options and warrants) were dilutive and included in the computation of diluted earnings per share. During the nine months ended September 30, 2023, 4,040,000 stock options were dilutive if exercised and would have increased the EPS denominator by 161,727 common shares.

On May 12, 2023, the Company issued an aggregate of 64,080,653 common shares of the Company at a price of Cdn\$0.11 per common share issued in respect of the exercise of rights trading on the TSX and ZAR1.4564 per common share issued in respect of the exercise of rights trading on the JSE. The Company received total gross proceeds of \$5,240 in connection with the rights offering.

(c) Warrants

As at September 30, 2024, the Company had nil warrants outstanding (December 31, 2023 – 5,960,000). On June 26, 2024, 5,960,000 warrants expired; each warrant would have entitled its holder to acquire one common share of the Company at an exercise price of Cdn\$0.24. The Company recorded a share-based compensation expense in relation to warrants of \$nil and \$3 in the nine months ended September 30, 2024 and 2023, respectively.

(d) Share options

The Company has an incentive plan (the "2016 Plan"), approved by the Company's shareholders at its special meeting held on October 12, 2016, under which options to purchase common shares may be granted to its directors, officers, employees and others at the discretion of the Board of Directors. The 2016 Plan was renewed for three years and approved by the Company's shareholders at its annual general meeting held on June 13, 2019; it was again renewed for three years at its annual general meeting held on June 21, 2022.

During the nine months ended September 30, 2024, the Company granted 4,190,000 stock options to its directors, officers and employees to acquire common shares of the Company at an exercise price of Cdn\$0.20 per share expiring in five years from the date of grant. These stock options vested 90 days from the grant date. During the three months ended September 30, 2024, 240,000 stock options were exercised. With the 200,000 stock options that were exercised during the second quarter of 2024, a total of 440,000 stock options were exercised during the nine months ended September 30, 2024 for gross proceeds of \$33. During the nine months ended September 30, 2024, 450,000 share options expired, with a weighted average exercise price of Cdn\$0.21.

During the nine months ended September 30, 2023, the Company granted 4,040,000 stock options to its directors, officers, employees and a consultant to acquire common shares of the Company at an exercise price of Cdn\$0.10 per share expiring in five years from the date of grant. These stock options vested 90 days from the grant date. In the same period, 200,000 stock options expired with a weighted average exercise price of Cdn\$0.31.

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The following is a summary of stock option transactions:

	Number of options	Weighted average exercise price Cdn\$
Balance, December 31, 2022	3,200,000	0.27
Granted	4,040,000	0.10
Expired	(200,000)	0.31
Balance, December 31, 2023	7,040,000	0.17
Granted	4,190,000	0.20
Exercised	(440,000)	0.10
Expired	(450,000)	0.21
Balance, September 30, 2024	10,340,000	0.19

The following table summarizes information concerning outstanding and exercisable options at September 30, 2024:

Number of options outstanding	Number of options exercisable	Exercise price Cdn\$	Remaining contractual life (years)	Expiry date
450,000	450,000	0.37	1.0	October 16, 2025
650,000	650,000	0.34	1.7	June 23, 2026
1,450,000	1,450,000	0.23	2.8	July 6, 2027
3,600,000	3,600,000	0.10	3.7	June 21, 2028
4,190,000	4,190,000	0.20	4.8	July 2, 2029
10,340,000	10,340,000		3.8	

5. Inventories

	September 30, 2024	December 31, 2023
	\$	\$
Chrome inventory	5,710	2,085
PGM inventory (ROM UG2 Ore and Retreatment Project)	7,081	7
Supplies and consumables	4,071	2,438
	16,862	4,530

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6. Union Goal contracts

The continuity of the Union Goal Contracts and related balances are presented below:

	September 30, 2024	December 31, 2023
	\$	\$
Deferred revenue balance (d)		
Balance, beginning	8,568	9,073
Foreign exchange	456	(505)
Balance, end	9,024	8,568
Contracts payable - Chrome Circuit equipment payable		
Carrying value, beginning	46,248	42,245
Accretion (c)	—	4,003
Foreign exchange	3	—
Carrying value, end (a), (b)	46,251	46,248
Contracts payable - Credit Facility		
Carrying value, beginning	6,673	6,549
Accretion (c)	—	569
Foreign exchange	442	(445)
Carrying value, end (a), (b)	7,115	6,673
Contracts payable, carrying value - total	53,366	52,921

- (a) The 2021 Updated Retreatment Project Agreements were signed on March 10, 2021. The 2021 Agreements were an adjustment to and refinement of the 2018 Retreatment Project Agreements based on two-years of operational history. The effect on contracts payable was considered an accounting estimate change and was recognized prospectively. The present value of the Chrome Circuit equipment payable and the Credit Facility was adjusted based on the revised future payments discounted by the estimated market interest rate.
- (b) As at September 30, 2024, the total face value of the Chrome Circuit equipment payable is \$46,251 (December 31, 2023 - \$46,248), while the total value of the Credit Facility is \$7,115 (December 31, 2023 - \$6,673) (see Note 11).
- (c) Included in finance costs, total contract payable accretion was \$nil and \$nil for the three and nine months ended September 30, 2024, respectively (\$1,144 and \$3,362 for the three and nine months ended September 30, 2023, respectively). The contracts were fully accreted based on the previous expected settlement date. Settlement is now expected to occur in due course.
- (d) Pursuant to the offtake agreement, Union Goal agreed to acquire all the chrome concentrate produced by Barplats from the Retreatment Project on the basis of the number of tons of material re-mined from the tailings and made available to the plant at a price equivalent to the aggregate of all the qualifying operating costs in the mining process and the logistics cost, plus other additional amount as agreed in the Framework Agreement. Since the third quarter of 2022, the Company discontinued the recognition of deferred revenue as earned revenue based on quantities re-mined from the tailings, as this method would only be applicable if the chrome concentrate were supplied to Union Goal under the Framework Agreement. Amortization of deferred revenue was expected to re-commence when revenue from chrome production under the Union Goal Contracts was recognized. Additional deferred revenue not included in the table

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above was recorded on receipt of payment from third-parties for chrome sales that have not yet been recognized in revenue. At September 30, 2024, this amounted to \$2,730 (December 31, 2023 - \$399).

7. Commitments

(a) *PGM concentrate offtake agreements*

Since December 2020, the Company derives PGM concentrate revenue from processing the CRM historic tailings material based on an agreement with Impala Platinum Limited ("Impala") dated September 18, 2020 (the "2020 Impala Agreement for Tailings"). This agreement has been subsequently extended by mutual agreement yearly since inception.

The Company's subsidiary, Barplats, has a life-of-mine offtake refining contract with Impala dated April 30, 2004 for the PGM concentrate produced from the Zandfontein underground operations (the "2004 Impala Main Agreement") (collectively, the "PGM Offtake Agreements with Impala"). The original carrying value of the 2004 Impala Main Agreement was fully amortized in prior years.

(b) *Chrome concentrate offtake agreement*

The Company has an offtake agreement with Union Goal for the chrome concentrate produced from the CRM historic tailings. The offtake agreement is one part of the 2018 Retreatment Project Agreements (see Note 6).

The Company is not subject to an offtake agreement for the chrome concentrate produced from the Zandfontein underground operations and is able to sell this concentrate to the market.

(c) *Capital expenditures*

The Company has committed to capital expenditures in South Africa of approximately \$2,381 as at September 30, 2024, all of which are expected to be incurred during the next 12 months.

8. Related party transactions

Related party transactions have been measured at the exchange amount of consideration agreed between the related parties. Related party transactions not disclosed elsewhere in these consolidated financial statements are listed below:

(a) *Related party transactions*

The Company's related parties consist of private companies owned by current executive officers and directors. The Company incurred the following fees and expenses in the normal course of operations:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Director fees	61	74	190	196
Share-based compensation	124	40	124	45
Total	185	114	314	241

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(b) *Compensation of key management personnel*

The Company's key management includes the Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and Vice President ("VP"). The total compensation to key management for the three and nine months ended September 30, 2024 and 2023 was:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Remuneration	164	141	555	480
Share-based compensation	92	36	92	40
Total	256	177	647	520

Key management personnel were not paid post-employment benefits or other long-term benefits during the three and nine months ended September 30, 2024 and 2023.

9. Segmented information

- (a) Operating segments - The Company's operations are primarily directed towards the mining, exploration and development of chrome and PGM in South Africa. The Company has three reportable segments – CRM, Eastern Limb and Corporate. Eastern Limb consists of KV, Spitzkop and Mareesburg projects. Barbados, British Virgin Islands ("BVI") and Canada collectively comprise the Corporate segment.
- (b) Geographic segments - The Company's revenues and expenses by geographic areas for the three and nine months ended September 30, 2024 and 2023, and assets and liabilities by geographic areas as at September 30, 2024 and December 31, 2023, are as follows:

	Three months ended September 30, 2024				
	CRM	Eastern Limb	Total South Africa	Corporate	Total
	\$	\$	\$	\$	\$
Property, plant and equipment additions	6,175	25	6,200	3	6,203
Revenue	10,976	—	10,976	—	10,976
Production costs	(11,279)	—	(11,279)	—	(11,279)
Production costs – depreciation	(732)	—	(732)	—	(732)
Loss before income taxes	(1,895)	(181)	(2,076)	(1,324)	(3,400)
Income tax recovery (expense)	55	(51)	4	—	4
Net loss	(1,840)	(232)	(2,072)	(1,324)	(3,396)

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Nine months ended September 30, 2024

	CRM	Eastern Limb	Total South Africa	Corporate	Total
	\$	\$	\$	\$	\$
Property, plant and equipment additions	11,951	169	12,120	3	12,123
Revenue	45,470	—	45,470	—	45,470
Production costs	(34,153)	—	(34,153)	—	(34,153)
Production costs – depreciation	(2,631)	—	(2,631)	—	(2,631)
Income (loss) before income taxes	2,631	(489)	2,142	(2,941)	(799)
Income tax recovery (expense)	55	(100)	(45)	—	(45)
Net income (loss)	2,686	(589)	2,097	(2,941)	(844)

Three months ended September 30, 2023

	CRM	Eastern Limb	Total South Africa	Corporate	Total
	\$	\$	\$	\$	\$
Property, plant and equipment additions	377	69	446	4	450
Revenue	21,808	—	21,808	—	21,808
Production costs	(13,377)	—	(13,377)	—	(13,377)
Production costs – depreciation	(1,433)	—	(1,433)	—	(1,433)
Income (loss) before income taxes	4,299	(138)	4,161	(1,033)	3,128
Income tax expense	—	(3)	(3)	—	(3)
Net income (loss)	4,299	(141)	4,158	(1,033)	3,125

Nine months ended September 30, 2023 (restated)

	CRM	Eastern Limb	Total South Africa	Corporate	Total
	\$	\$	\$	\$	\$
Property, plant and equipment additions	1,204	92	1,296	4	1,300
Revenue	76,480	—	76,480	—	76,480
Production costs	(47,873)	—	(47,873)	—	(47,873)
Production costs – depreciation	(4,814)	—	(4,814)	—	(4,814)
Income (loss) before income taxes	12,357	(508)	11,849	(1,369)	10,480
Income tax expense	—	(52)	(52)	—	(52)
Net income (loss)	12,357	(560)	11,797	(1,369)	10,428

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As at September 30, 2024					
	CRM	Eastern Limb	Total South Africa	Corporate	Total
	\$	\$	\$	\$	\$
Total assets	148,003	22,941	170,944	1,894	172,838
Total liabilities	68,226	2,250	70,476	8,767	79,243

As at December 31, 2023					
	CRM	Eastern Limb	Total South Africa	Corporate	Total
	\$	\$	\$	\$	\$
Total assets	135,403	21,306	156,709	4,061	160,770
Total liabilities	62,605	2,035	64,640	8,465	73,105

(c) *Revenue*

The Company's revenues are all currently earned at the CRM in South Africa.

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023 (restated)
	%	%	%	%
Chrome	84	99	92	95
PGM	16	1	8	5
Total	100	100	100	100

10. Financial instruments

(a) *Management of capital risk*

There is no change of the capital management during the three and nine months ended September 30, 2024. The capital structure of the Company consists of contracts payable (see Note 6) and equity attributable to common shareholders, comprised of issued capital, equity-settled employee benefits reserve, deficit, and accumulated other comprehensive loss. The Company's objectives when managing capital are to: (i) obtain the best available return investing in mining; (ii) preserve capital; 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 or issue debt instruments.

The Company is not subject to externally imposed capital requirements.

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(b) *Categories of financial instruments*

	September 30, 2024	December 31, 2023
	\$	\$
Financial assets		
FVTPL		
Trade receivables for PGM sales	2,348	1,861
Amortized cost		
Cash and cash equivalents	8,509	18,131
Restricted cash	37	43
Trade and other receivables (excluding taxes receivable)	19,683	25,528
Short-term investments	—	3,218
Other assets (i)	7,317	6,434
	37,894	55,215
Financial liabilities		
Amortized cost		
Trade and other payables	9,110	5,740
Draw on finance facility	385	930
Lease liabilities	65	545
Contracts payable	53,366	52,921
	62,926	60,136

(i) *Other assets are mainly money market fund investments and are measured at amortized cost.*

(c) *Fair value of financial instruments*

(i) *Fair value estimation of financial instruments*

The fair values of cash and cash equivalents, restricted cash, trade and other receivables, other assets, trade and other payables approximate their carrying values due to the short-term to maturities of these financial instruments. As at September 30, 2024, the Company does not have any cash equivalents.

Contracts payable and lease liabilities required assessing the appropriate market interest rates on the liabilities. Financial liabilities are initially recognized at fair value and subsequently measured at amortized cost.

(ii) *Fair value measurements recognized in the 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 the PGM receivables and other financial assets. Other assets are mainly money market fund investments. These are level 1 financial instruments at September 30, 2024 and December 31, 2023. As at September 30, 2024 and 2023, the Company did not have financial liabilities measured at fair value on a recurring basis. There were no

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transfers between levels during the three and nine months ended September 30, 2024, nor the year ended December 31, 2023.

(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 BVI 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. The Company's exposure to currency risk affecting net income is summarized as below:

	September 30, 2024	December 31, 2023
	\$	\$
Financial assets		
Denominated in USD at South African subsidiaries	3,940	10,928
Denominated in Rand at Canadian head office	126	113
Total	4,066	11,041
Financial liabilities		
Contracts payable denominated in Rand at Canadian head office	7,115	6,673
Contracts payable denominated in USD at South African subsidiaries	46,207	46,207
Total	53,322	52,880

As at September 30, 2024, with other variables unchanged, a 10% strengthening (weakening) of the Canadian dollar against the South African Rand would have increased (decreased) net income by approximately \$636 with other variables unchanged, a 10% strengthening (weakening) of the South African Rand against the U.S dollar would have increased (decreased) net income by approximately \$3,843.

(ii) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. On November 10, 2022, the Company announced it had signed a finance facility agreement with Investec Bank Limited ("Investec") providing a secured credit facility of up to \$6,409 (ZAR110,000) with an interest rate set at the Johannesburg Interbank Average Rate ("JIBAR") + margin agreed between the Company and Investec. At September 30, 2024, the Company had a balance owing of \$385 (ZAR6,594) which is shown as Draw on finance facility on the Consolidated Statements of Financial Position. These funds are held in interest bearing accounts and will be utilized to cover future expenses incurred to rehabilitate the mining area upon closure of the mine. Interest rate fluctuations may require the Company to provide additional security for these guarantees. The Company

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has no other material interest bearing contracts and is not subject to significant interest rate risk.

(iii) *Commodity price risk*

The Company's PGM concentrate sales are exposed to commodity price risk with respect to fluctuations in the prices of platinum group metals. Chrome concentrate sales had been structured based on the tonnage processed referenced to the long-term chrome concentrate commodity price according to the Union Goal contract. Since late 2022, the Company began making third-party sales at market prices; the Company is now exposed to commodity price risk with respect to fluctuations in the prices of chrome.

(iv) *Credit and concentration risk*

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

There is both a credit risk and concentration risk associated with the collection of revenue from Union Goal. This risk is mitigated due to the contract structure and the significant outstanding contracts payable due to Union Goal (see Note 6 and Note 12). As at September 30, 2024, the Company is owed approximately \$16 million from Union Goal in gross trade receivables from processing and dispatching chrome concentrate (see Note 12). Management is in the process of evaluating and communicating with Union Goal to determine an agreeable outcome. The continued non-payment from Union Goal could have a significant impact not only on the instrument credit risk adjustments recorded to date but on the Company's liquidity as a whole.

(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's policy is to invest its excess cash in highly liquid, fully guaranteed, bank-sponsored instruments, and aims to ensure 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. See Note 1 – Nature of operations and going concern for additional information on the Company's liquidity risk.

The Company started generating revenue from its Retreatment Project in December 2018, and at consistent expected levels since May 1, 2019. The Retreatment Project is dependent on its operating cash inflows from third-party buyers, in order to fund its current operating activities and eventually fulfil all obligations under the Union Goal Contracts. Despite the Retreatment Project and the forecasted PGM production cash flows from the Zandfontein underground operations at the CRM (which begun in Q3 2024), all other properties and projects are on hold. The Company also generated some income from interest on investments and other income from the sale of non-core properties; although not expected to be significant, some of this income will be recurring for 2024 and future years. The Company also holds a secured finance facility with Investec which can provide financing of up to \$6,409 (ZAR110,000). There remains material uncertainty that the Company will be able to achieve sufficient cash flows to cover the Company's expected obligations for the next 12 months. Additional funding will also be required in the future to advance underground production at CRM, and to develop and bring the Eastern Limb Projects into full scale commercial production.

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As at September 30, 2024, \$6,525 (ZAR112,000) of other assets and certain of the Company's residential properties included in the plant, property and equipment in the amount of \$1,235 (ZAR21,200) has been pledged as security for the guarantee issued to the Department of Mineral Resources and Energy of South Africa ("DMRE") in respect to environmental rehabilitation.

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The following table summarizes the Company's significant commitments (undiscounted) and corresponding maturities as at September 30, 2024. Included below are the contracts payable to Union Goal of \$53,366 which were based on the value of the original equipment received; however, the final amount owing and timing of payment are subject to negotiation as part of the Framework Agreement, including the Company's ability to offset trade receivables owing to it against the payable amount. The Company currently does not have expected payments of obligations and commitments beyond 5 years.

	<1 year	1 – 5 years	Total
	\$	\$	\$
Contracts payable	53,366	—	53,366
Trade and other payables	9,110	—	9,110
Draw on finance facility	385	—	385
Lease liabilities	22	52	74
	62,883	52	62,935

11. Contingencies and legal proceedings

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, it is not possible to predict the outcome and the result of which may be resolved unfavorably to the Company. These include the following matters:

Litigation by Union Goal against the Company

On February 16, 2024, the Company received a notice of civil claim from Union Goal filed in the Supreme Court of British Columbia (the "BC Supreme Court"). In the notice, Union Goal claimed a breach of contract and unjust enrichment with respect to the credit facility provided to Eastern Platinum Ltd. from Union Goal, asserting that the outstanding balance of the credit facility (\$7,115) had become payable. The Company does not believe it is in breach, as the updated framework agreement stated that the credit facility would become payable 210 days after receipt of the plant commissioning certificate related to the Optimization program, which has not been received (see Note 6). The Company has raised a jurisdictional challenge and seeks to stay the claim on that basis. The application on the jurisdictional challenge is scheduled to be heard during December 2024.

Further litigation by 2538520 Ontario Limited against the Company (Civil Claim 1)

On February 7, 2020, 2538520 Ontario Limited ("253") and its CEO, Rong Kai Hong ("Hong"), (together, the "Plaintiffs") filed a further claim regarding various allegations (initiated in 2018), including that the Company was acting to oppress the Plaintiffs' rights among other claims ("Civil Claim 1"). The Plaintiffs seek, among other relief, orders requiring a change to the Company share ownership, election of new Directors, several changes to senior management and damages of \$50,000 (or such greater amount as may be proven at trial) from the Company, certain present and former Directors and Officers, and separately seven other listed defendants. On June 11, 2021, the Plaintiffs filed an amended claim in response to an imminent application from the Company and its directors and officers to dismiss the claim as an abuse of process. The Plaintiffs agreed to a consent dismissal of the claims against the non-executive directors and struck a substantial portion of the contents of their notice of civil claim. Claims against the Company, certain senior management as well as claims against certain other parties remain

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extant. An application with respect to service on other parties was heard in February 2022 and the BC Supreme Court determined on June 30, 2022 that those other parties have been properly served. Counsel for 253 and Hong demanded that certain parties deliver responses to the civil claim by no later than July 31, 2022, failing which 253 and Hong would seek default judgment. No responses have been filed as of the date of these financial statements, and while the Plaintiffs have now applied for default judgment against those other defendants, the application has yet to be heard. On March 13, 2024, the Plaintiffs filed a further amended notice of civil claim, contrary to the Court Rules, which they have since indicated they will agree to strike by consent. The Company intends to apply to dismiss the lawsuit early in the new year. No provision is made in these consolidated financial statements as the Company assessed the allegations have no merit.

Further litigation by 2538520 Ontario Limited against the Company (Civil Claim 2)

In July 2024, 2538520 Ontario Limited filed the claim it made in its further amended notice of civil claim in Civil Claim 1 as a separate civil claim ("Civil Claim 2"). The new claim alleges that the Company and affiliated parties sold chrome concentrate to a certain third-party customer at below market value, and seeks much the same relief as was sought in Civil Claim 1. The Company has filed a response and has applied to strike and dismiss the claim on a summary basis. It intends to set that application at the same time as the application to dismiss Civil Claim 1. No provision is made in these consolidated financial statements as the Company assessed the allegations have no merit.

Litigation by Xiaoling Ren against the Company

In December 2020, the Company received a petition filed with the BC Supreme Court by Xiaoling Ren, a shareholder of the Company, seeking leave from the court to commence a derivative action on behalf of the Company against certain of its current and former directors. The petition is substantially similar to that filed in November 2018 for 253, which was dismissed in 2019, and which decision was upheld on appeal. The Company filed a response to and sought dismissal of Ms. Ren's petition.

In April 2023, the court released its reasons for judgment denying leave to commence a derivative action against certain current and former directors, but granting leave as against the former CEO of the Company. In early May 2023, pursuant to the court's earlier decision granting leave, Ms. Ren filed a derivative notice of civil claim with the BC Supreme Court in the Company's name against the former CEO. The Company is reviewing the May 2023 notice of civil claim with its advisors. In December 2023, the Company commenced an appeal of the April 2023 order granting leave to commence a derivative action. On March 21, 2024, the court denied the appeal. The Company then applied for leave to appeal the decision to the Supreme Court of Canada, but its application was dismissed. It is not possible to provide a further evaluation of the claim as of the date of these consolidated financial statements or make an assessment regarding potential future cash outflow.

Claim dispute regarding Spitzkop

The Company has received a notice from the DMRE on October 25, 2018 of an appeal launched with the DMRE with respect to the Company's mineral license issued in 2012 relating to the Spitzkop property. In addition, the claimant has launched an appeal against a water use license and a related review application in respect thereof in the High Court in South Africa. The Company and the claimant are currently engaging to amicably resolve this matter and it does not expect that it will result in a material cash outflow by the Company in the foreseeable future.

Project Agreement – PGM Circuit H

In July 2020, Barplats entered into an agreement with Advanced Beneficiation Technologies (Pty) Limited ("ABT") in respect of the possible construction of a modular plant to process PGMs from certain tailings at the CRM (the "Circuit H Project"). The agreement is the subject of a dispute and ABT has referred the dispute to arbitration under the agreement. In addition, on June 27, 2023, Barplats received a summons out of the High Court of South Africa (North West Division, Mahikeng) from ABT Toda (Pty) Limited as plaintiff. In both matters, pleadings were exchanged and are now closed, the

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process of the discovery of documents is underway. No provision has been made in these consolidated financial statements for this matter.

12. Revenue contracts with customers

During the three and nine months ended September 30, 2024, 84% (\$9,242) and 92% (\$41,861) of the Company's revenue, respectively, was in relation to the processing of chrome concentrates and was generated through third-party sales. The remaining 16% (\$1,734) and 8% (\$3,609) of the Company's revenue, respectively, was from PGM concentrate sales and was generated under the PGM Offtake Agreements with Impala (see Note 7(a)).

During the three and nine months ended September 30, 2023, 99% (\$21,738) and 95% (\$72,371 restated) of the Company's revenue, respectively, was in relation to the processing of chrome concentrates and was generated through third party sales. The remaining 1% (\$70) and 5% (\$4,109) of the Company's revenue, respectively, was derived from PGM concentrates sales with Impala.

Chrome and PGM concentrate transactions are contracted based on prevailing market prices, adjusted for actual grades and in the case of chrome concentrate, shipping and other logistics costs. PGM concentrate transactions are governed by the Company's PGM Offtake Agreements with Impala; chrome concentrate sales transactions may include certain discounts in exchange for favourable payment or shipping terms.

As at September 30, 2024, 80% of the gross trade receivable balance in the amount of \$16,255 (December 31, 2023 - 58%, \$15,245) was attributed to Union Goal (see Note 10(d)(iv)), and the related ECL was 10% of the trade receivable balance owed by Union Goal, in the amount of \$1,699 (December 31, 2023 - 10%, \$1,593) (see Note 2(c)).

As at September 30, 2024, 23% of the deferred revenue balance, in the amount of \$2,730 (December 31, 2023 - 4%, \$399) was related to chrome sales received from third-parties. The remaining deferred revenue was attributed to the Union Goal contracts.

13. Headline and diluted headline (loss) earnings per share

The Company's shares are also listed on the JSE which requires the Company to present headline and diluted headline (loss) earnings per share. Headline (loss) earnings per share is calculated by dividing headline (loss) earnings attributable to equity shareholders of the Company by the weighted average number of common shares issued and outstanding during the period. Diluted headline (loss) earnings per share is determined by adjusting the headline (loss) earnings attributable to equity shareholders of the Company and the weighted average number of common shares issued and outstanding during the period after taking all potential dilutive effects.

The following table summarizes the adjustments to net (loss) income attributable to equity shareholders of the Company for the purpose of calculating headline (loss) earnings attributable to the equity shareholders of the Company, and the headline and diluted headline (loss) earnings per share.

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	Three months ended September 30,		Nine months ended September 30,	
	2024 \$	2023 \$	2024 \$	2023 (restated) \$
Net (loss) income attributable to equity shareholders of the Company	(3,394)	3,127	(840)	10,437
Headline (loss) earnings attributable to equity shareholders of the Company	(3,394)	3,127	(840)	10,437
Headline and diluted headline (loss) earnings per share	(0.02)	0.02	0.00	0.06

14. Prior period - restatement of comparatives

Certain 2023 comparative numbers in these interim consolidated financial statements and notes thereto have been restated to show the impact of an error that was identified and reported during the 2023 year end process, as discussed below.

In connection with the preparation of the Company's consolidated financial statements for the year ended December 31, 2023, an error was identified in the recognition of revenue related to a chrome concentrate sales transaction in Q4 of 2022 which impacts the Company's previously filed audited consolidated financial statements for the year ended December 31, 2022 and its unaudited condensed interim consolidated financial statements up to and including the three and nine months ended September 30, 2023.

A sales transaction that was included in Deferred revenue at the end of 2022 and recognized as revenue in Q1 2023 should have been recognized in Q4 2022 based on the fact that the Company had met all of its required performance obligations at the time, as supported by the underlying contract and bill of lading. Previously reported revenue for the three months ended March 31, 2023 was overstated by \$4,021, with associated adjustments to Production costs, Accumulated other comprehensive loss and Deficit. These adjustments carried forward into the year-to-date figures reported as comparatives in the Company's quarterly financial statements in 2023.

The following table presents the effects of the restatement on the individual line items within the Company's unaudited Condensed Interim Consolidated Statement of Income, Condensed Interim Statement of Comprehensive Income, Condensed Interim Statement of Financial Position and Condensed Interim Consolidated Statements of Cash Flow.

	Nine months ended September 30, 2023		
	As previously reported \$	Adjustment \$	As restated \$
Revenue	80,501	(4,021)	76,480
Production costs	(50,197)	2,324	(47,873)
Mine operating income	25,490	(1,697)	23,793
Operating income	17,474	(1,697)	15,777
Net income for the period	12,125	(1,697)	10,428
Net income attributable to equity shareholders of the Company	12,134	(1,697)	10,437
Earnings per share, basic and diluted	0.07	(0.01)	0.06
Comprehensive income for the period	3,890	(1,766)	2,124

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	As at September 30, 2023		
	As previously reported	Adjustment	As restated
	\$	\$	\$
Accumulated other comprehensive loss	(326,032)	(13)	(326,045)
Deficit	(840,110)	13	(840,097)

	Nine months ended September 30, 2023		
	As previously reported	Adjustment	As restated
	\$	\$	\$
Net changes in non-cash working capital items			
Inventories	2,092	(2,324)	(232)
Deferred revenue	(4,677)	4,021	(656)

15. Subsequent event

Subsequent to September 30, 2024, 150,000 stock options were exercised for gross proceeds of Cdn\$15 and 230,000 stock options expired.