

Updated Scoping Study Improves Project Economics

13.09.2018 | [GlobeNewswire](#)

NEW YORK, Sept. 12, 2018 - [Piedmont Lithium Ltd.](#) ("Piedmont" or "Company") is pleased to report the results of the Company's updated Scoping Study for its vertically-integrated Piedmont Lithium Project ("Project") located within the Carolina Tin-Spodumene Belt in North Carolina, USA ("TSB"). The Project includes a lithium hydroxide chemical plant ("Chemical Plant") supplied with spodumene concentrate from an open pit mine and concentrator ("Mine/Concentrator").

Infographic 1

Infographic 2

The Project has compelling projected economics due to attractive capital and operating costs, significant by-product credits, short transportation distances, minimal royalties and low corporate income taxes.

This updated Scoping Study incorporates the production of by-product quartz, feldspar and mica. The addition of these by-product credits to the Project's economics are made possible by Piedmont's location within the industrial heartland of the mid-Atlantic United States. The benefits which by-product credits convey onto the Project will ensure Piedmont's highly competitive cost position within the growing lithium chemical industry.

EXECUTIVE SUMMARY

Piedmont is pleased to report the results of the updated Scoping Study for its vertically integrated lithium hydroxide chemical project located in the Carolina Tin-Spodumene Belt in North Carolina, USA. The updated Scoping Study includes a 22,700 tonne per year Chemical Plant supported by a Mine/Concentrator producing 170,000 tonnes per year ("tpy") of 6% Li₂O spodumene concentrate. By-products quartz (99,000 tpy), feldspar (125,000 tpy), and mica (15,500 tpy) will provide credits to the cost of lithium production.

A photo accompanying this announcement is available at <http://www.globenewswire.com/NewsRoom/AttachmentNg/f0212fbe-6c31-45fc-967c-30a66531db00>

- Integrated project to produce 22,700 tonnes per year of lithium hydroxide
- Initial 13-year mine life with 2 years of spodumene concentrate sales and 11 years of integrated operations
- Staged development to minimise up-front capital requirements and equity dilution
 - Stage 1 initial capex of US\$109mm for the Mine/Concentrator and by-product circuits (excluding contingency)
 - Stage 2 capex for Chemical Plant funded largely by internal cash flow
- Estimated 1st quartile spodumene concentrate costs of US\$193/t and lithium hydroxide costs of US\$3,112/t, both net of by-product credits and inclusive of royalties
- Conventional technology selection in all project aspects
- Steady-state annual EBITDA of US\$225-245mm and after-tax cash flow of US\$180-190mm
- Estimated NPV8% of US\$888mm and after-tax IRR of 46% with ~2-year payback
- Potential mine and project life extension provide the opportunity for further economic upside

The updated Scoping Study contemplates a staged development approach to minimise start-up risk and up-front capital requirements, with revenue from open-market spodumene concentrate and by-product sales in the Project's initial years helping defray capital requirements for the Chemical Plant.

The Scoping Study demonstrates the compelling economics of the prospective integrated Project, highlighted by low operating costs, high after-tax margins and strong free cash flow.

A photo accompanying this announcement is available at <http://www.globenewswire.com/NewsRoom/AttachmentNg/7851956c-c0ee-47b8-8432-69d2645093e2>

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About Piedmont Lithium

[Piedmont Lithium Ltd.](#) (ASX: PLL; OTC-Nasdaq Intl: PLLLY) holds a 100% interest in the Piedmont Lithium Project (‘Project’) located within the world-class Carolina Tin-Spodumene Belt (‘TSB’) and along trend to the Hallman Beam and Kings Mountain mines, historically providing most of the western world’s lithium between the 1950s and the 1990s. The TSB has been described as one of the largest lithium provinces in the world and is located approximately 25 miles west of Charlotte, North Carolina. It is a premier location to be developing an integrated lithium business based on its favourable geology, proven metallurgy and easy access to infrastructure, power, R&D centres for lithium and battery storage, major high-tech population centres and downstream lithium processing facilities.

The Project was originally explored by [Lithium Corp.](#) of America which eventually was acquired by FMC Corporation (‘FMC’). FMC and Albemarle Corporation (‘Albemarle’) both historically mined the lithium bearing spodumene pegmatites within the TSB and developed and continue to operate the two world-class lithium processing facilities in the region which were the first modern spodumene processing facilities in the western world. The Company is in a unique position to leverage its position as a first mover in restarting exploration in this historic lithium producing region with the aim of developing a strategic, U.S. domestic source of lithium to supply the increasing electric vehicle and battery storage markets.

Piedmont, through its 100% owned U.S. subsidiary, Piedmont Lithium Inc., has entered into exclusive option agreements and land acquisition agreements with local landowners, which upon exercise, allow the Company to purchase (or in some cases long-term lease) approximately 1,199 acres of surface property and the associated mineral rights.

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