

Piedmont Lithium Completes Definitive Feasibility Study of Tennessee Lithium Project

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Study demonstrates robust project economics, positive impacts of the Inflation Reduction Act

- Feasibility indicates results of NPV₈ of \$2.5 billion and post-tax IRR of 32% for the 30-year project
- Average annual steady state EBITDA and after-tax cash flow increase to \$376 and \$317 million, respectively
- Project economics demonstrate positive impact of America's pro-EV policies
- Innovative Metso:Outotec technology to provide improved sustainability profile over conventional conversion
- Development-ready site with infrastructure, workforce, customer proximity, and cooperative government
- Zoned for industrial use, reducing number of permits and approvals required to commence construction
- Availability of low-cost, clean, reliable energy with TVA's net-zero by 2050 aspiration
- Permitting and project financing activities advancing with goal of commencing construction in 2024

[Piedmont Lithium Inc.](#) ("Piedmont" or the "Company") (Nasdaq:PLL; ASX:PLL), a leading global developer of lithium resources, is pleased to report the results of a Definitive Feasibility Study ("DFS" or "Study") of the Company's proposed Tennessee Lithium project in McMinn County, Tennessee. The Study of the 30,000 metric ton per year ("tpy") lithium hydroxide ("LiOH") plant featuring the innovative and waste-reducing Metso:Outotec conversion technology affirms the potential for Piedmont to develop an American-based lithium hydroxide business using spodumene concentrate from market sources, including via existing offtake agreements with Sayona Quebec and Atlantic Lithium.

Study economics for Tennessee Lithium are shown in Table 1 below and are highlighted by an estimated after-tax NPV (8% discount rate) of \$2.5 billion and an after-tax IRR of 32%. The Study assumes fixed prices of \$26,000 per metric ton of lithium hydroxide and \$1,600 per metric ton of spodumene concentrate over the project's 30-year life. The model includes a Section 45X production tax credit of 10% under the Inflation Reduction Act of 2022 and assumes a credit of \$141.7 million against project capital costs based on expected receipt of a U.S. Department of Energy ("DOE") grant. Tennessee Lithium development remains subject to, among other things, receipt of material permits and arrangement of project financing.

Table 1: Project Summary Outcomes	Unit	Tennessee Lithium DFS (March 2023)
Operation life	years	30
Steady state annual LiOH production	tpy	30,000
Total initial capital cost	\$mm	\$809
After-tax Net Present Value @ 8% discount rate	\$mm	\$2,492
After-tax Internal Rate of Return	%	32%
Steady state LiOH conversion all-in sustaining costs	\$/t	\$2,952
Steady state spodumene purchase costs	\$/t LiOH	\$10,721
Average annual steady state EBITDA	\$mm/y	\$376
Average annual steady state after-tax cash flow	\$mm/y	\$317
Payback from start of operations	years	2.8

Piedmont President and Chief Executive Officer Keith Phillips, said he was pleased with the project

economics and the positive impact of the Inflation Reduction Act, which strongly favors domestic battery and critical minerals production. "America's pro-EV and battery manufacturing policies are providing an advantage to Piedmont at a time when many analysts are projecting lithium shortages to continue into the 2030s. Piedmont's selection for a \$141.7 million grant last year by the U.S. Department of Energy exemplifies America's commitment to developing a domestic lithium supply chain."¹

"Tennessee Lithium is positioned to be a key resource for EV and battery manufacturers," Phillips added. "Through long-term supply agreements with our partners, we can source raw material from spodumene that we own or in which we have an economic interest, providing greater control of our feedstock while capturing the economics of integrated production. We can advance development of the operation with revenues anticipated from the restart of North American Lithium and our recent offtake agreements with Tesla and LG Chem. Further, with the Metso:Outotec flowsheet, we believe we can sustainably produce critical lithium materials on a cost-effective basis for a more responsible profile compared to producers utilizing sulfuric acid roasting."

Piedmont is advancing permitting and project financing activities for Tennessee Lithium with the goal of beginning construction in 2024. The Company is focused on first commercial shipments in Q3 from North American Lithium with revenue generation to support activities across Piedmont's global portfolio of projects, including Tennessee Lithium. A DFS is expected mid-2023 for the Ewoyaa Lithium Project in Ghana, which is expected to be the primary feedstock for Tennessee Lithium, while Carolina Lithium continues to advance through permitting and approvals processes.

To view the full release and definitive feasibility study, [click here](#).

About Piedmont Lithium

Piedmont Lithium (Nasdaq:PLL; ASX:PLL) is developing a world-class, multi-asset, integrated lithium business focused on enabling the transition to a net zero world and the creation of a clean energy economy in North America. Our goal is to become one of the largest lithium hydroxide producers in North America by processing spodumene concentrate produced from assets where we hold an economic interest. Our projects include our Carolina Lithium and Tennessee Lithium projects in the United States and partnerships in Quebec with Sayona Mining (ASX:SYA) and in Ghana with Atlantic Lithium (AIM:ALL; ASX:A11). These geographically diversified operations will enable us to play a pivotal role in supporting America's move toward energy independence and the electrification of transportation and energy storage. For more information, follow us on Twitter @PiedmontLithium and visit www.piedmontlithium.com.

¹ The grant will not be final until Piedmont Lithium and the DOE have agreed to specific terms and conditions of the grant. Once terms and conditions are finalized, funding of the grant will remain subject to satisfaction of conditions set forth in those terms.

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