

DECEMBER 2017 QUARTERLY REPORT

Piedmont Lithium Limited (ASX: PLL; OTC Nasdaq Intl: PLLY) ("Piedmont" or "Company") is pleased to present its December 2017 quarterly report.

Highlights during and subsequent to the quarter were:

- Completed a 12,000-meter drilling program at the Piedmont Lithium Project ("Project"), with assay results confirming 8 mineralized trends totaling approximately 4 kilometers of strike;
- The mineralized trends consist of one or more spodumene bearing pegmatite dykes, with assay results continuing to confirm high grade lithium mineralization including:
 - **18.0m @ 1.01% Li₂O** and **2.0m @ 1.28% Li₂O** (Hole 17-BD-87)
 - **14.0m @ 1.34% Li₂O** and **2.9m @ 1.41% Li₂O** (Hole 17-BD-95)
 - **11.6m @ 1.29% Li₂O** and **6.0m @ 1.14% Li₂O** (Hole 17-BD-77)
 - **11.1m @ 1.27% Li₂O** and **3.4m @ 1.20% Li₂O** (Hole 17-BD-90)
 - **10.6m @ 1.46% Li₂O** (Hole 17-BD-102)
 - **10.4m @ 1.53% Li₂O** (Hole 17-BD-72)
 - **9.7m @ 1.31% Li₂O** and **5.7m @ 1.36% Li₂O** (Hole 17-BD-98)
 - **8.9m @ 1.72% Li₂O** and **8.0m @ 1.02% Li₂O** (Hole 17-BD-80)
 - **6.7m @ 1.59% Li₂O** and **2.7m @ 1.58% Li₂O** (Hole 17-BD-75)
 - **6.3m @ 1.39% Li₂O**, **4.2m @ 1.83% Li₂O**, **2.3m @ 1.52% Li₂O** and **1.7m @ 1.83% Li₂O** (Hole 17-BD-64)
- Commenced a new 20,000-meter drill program at the Project, focused on infill drilling for a maiden Mineral Resource and testing extensions of the pegmatites along strike and down dip;
- Increased the Project's lithium mineral rights to 905 acres within the Carolina Tin-Spodumene Belt, through additional land option and acquisition agreements signed with local landowners;
- Admitted to Nasdaq International Designation and commenced trading in the United States, via a sponsored Level 1 ADR program with The Bank of New York Mellon as depositary;
- Appointed Mr. Patrick Brindle as VP & Project Manager, Mr. David Buckley as VP & Chief Process Engineer and Mr. Bruce Czachor as VP & General Counsel of the Company;
- Completed a private placement of 100 million shares at an issue price of A\$0.16 per share to institutional and sophisticated investors to raise A\$16 million; and
- The extent of the mineralization demonstrated by the drilling completed to-date, combined with the Project's exceptional location within the cradle of the U.S. lithium sector, underscores the strategic significance of the Piedmont Lithium Project.

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Executive Director

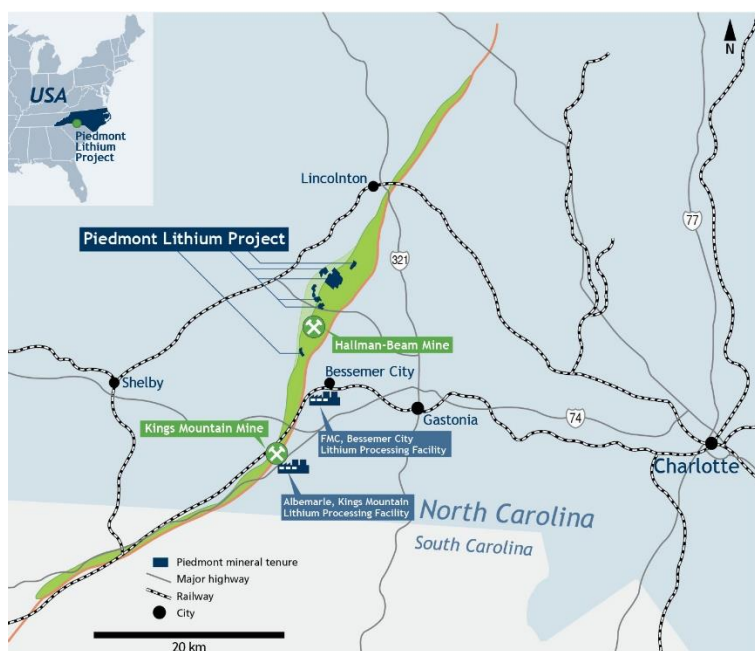
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Piedmont Lithium Project

Piedmont Lithium Limited (ASX: PLL; OTC-Nasdaq: PLLY) 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 1950 and 1990. The TSB has been described as one of the largest lithium provinces in the world and is located approximately 40 kilometres west of Charlotte, North Carolina. It is a premier location to be developing and 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.



Piedmont Lithium Location and Bessemer City Lithium Processing Plant (FMC, Top Right) and Kings Mountain Lithium Processing Facility (Albemarle, Bottom Right)

The Project was originally explored by Lithium Corporation 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 operated the two 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.

Phase 2 Drilling Results

The Phase 2 drill holes reported during the quarter highlight the initial high-grade intercepts with significant cumulative thickness within the Star Corridor and further defined the mineralization in the B, F & G corridors. Significant intercepts within the B, F & G corridors continued to display similar high-grade results as have been previously reported. The entire Pegmatite system remains open at depth and along strike. The final batch of drill results for Phase 2 should be released in the March quarter of 2017.

In addition, geological modelling began on the results from the Phase 2 drill campaign with initial results indicating the presence of 38 pegmatite bodies across the 4+ kilometres of strike length on the Project (refer Figure 1). Importantly, the vast majority of the dykes have been intersected at shallow depths of less than 100 metres vertically. These initial results give the Company confidence in being able to define a shallow, open-pitabile deposit which is strategically located within the historical lithium mining and processing region of the USA.



Figure 1: Piedmont Lithium Phase 2 Drilling with Mineralized Trends

Significant intercepts from the B Corridor include:

- **7.92m @ 1.56% Li₂O** and **2.66m @ 1.50% Li₂O** in Hole 17-BD-84
- **10.84m @ 1.23% Li₂O**, **1.48m @ 1.48% Li₂O** and **1.66m @ 1.43% Li₂O** in Hole 17-BD-66

Significant intercepts from the F Corridor include:

- **5.40m @ 1.46% Li₂O**, **2.65m @ 1.24% Li₂O** and **2.00m @ 1.43% Li₂O** in Hole 17-BD-73
- **8.86m @ 1.72% Li₂O** and **8.04m @ 1.02% Li₂O** in Hole 17-BD-80
- **6.27m @ 1.39% Li₂O**, **4.21m @ 1.83% Li₂O**, **2.26m @ 1.52% Li₂O** and **1.68m @ 1.83% Li₂O** in Hole 17-BD-64

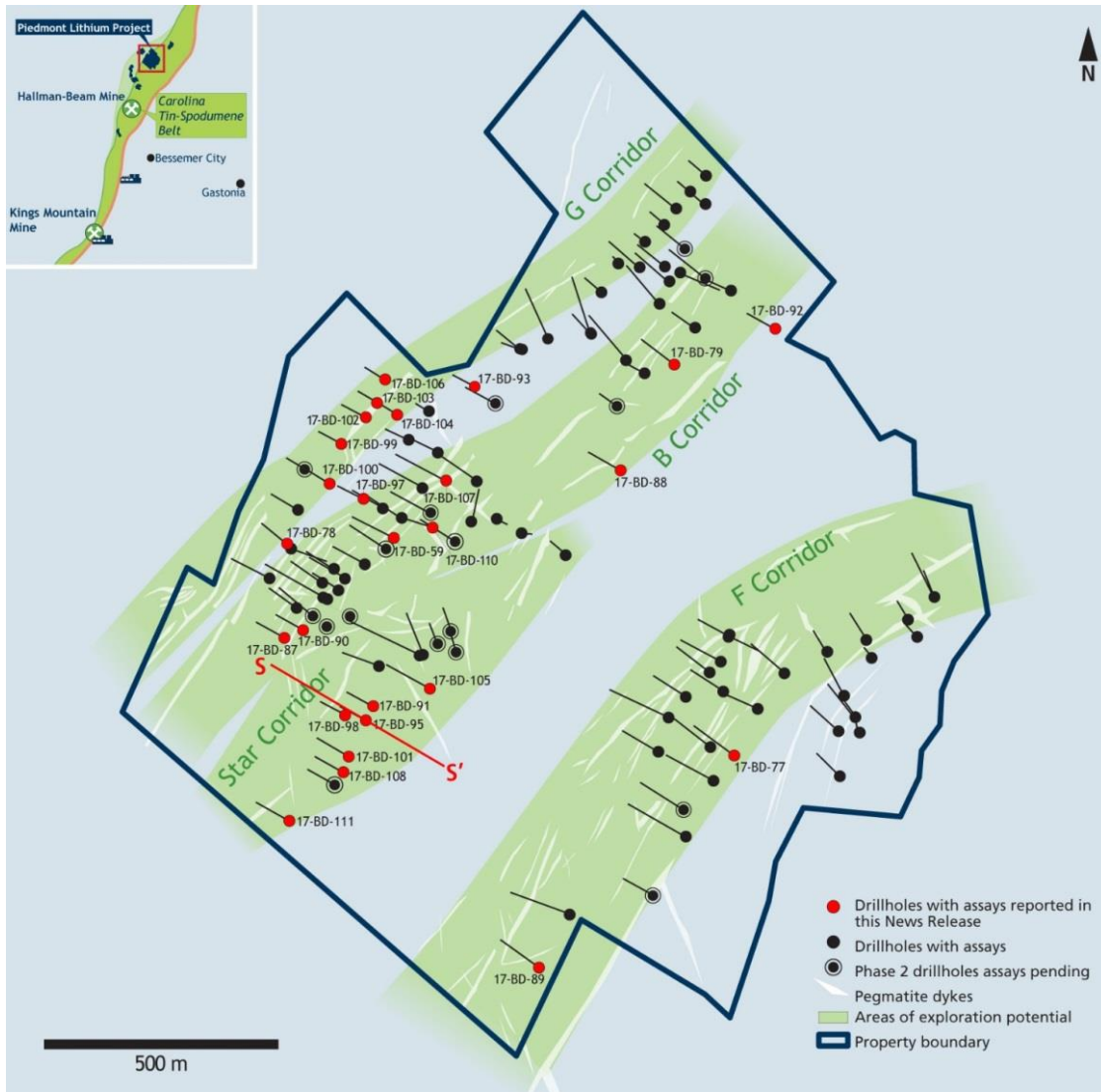


Figure 3: Piedmont Lithium Project - Mineralized Trends and Drill Hole Locations

Significant intercepts from the G Corridor include:

- **6.66m @ 1.59% Li₂O** and **2.68m @ 1.58% Li₂O** in Hole 17-BD-75
- **5.03m @ 1.98% Li₂O** and **2.04m @ 1.52% Li₂O** in Hole 17-BD-70
- **10.36m @ 1.53% Li₂O** in Hole 17-BD-72

Significant intercepts from the Star Corridor include:

- **9.74m @ 1.31% Li₂O** and **5.73m @ 1.36% Li₂O** in Hole 17-BD-98
- **13.95m @ 1.34% Li₂O** and **2.93m @ 1.41% Li₂O** in Hole 17-BD-95
- **4.23m @ 1.20% Li₂O** and **4.52m @ 1.31% Li₂O** in Hole 17-BD-91
- **5.35m @ 1.23% Li₂O** and **4.00m @ 1.12% Li₂O** in Hole 17-BD-101

Exploration Target

As announced during the quarter, an Exploration Target of between 10 to 15 million tonnes at a grade of between 1.00% and 1.25% Li_2O has been approximated for the Piedmont Lithium Project deposit. The potential quantity and grade of this Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

This Exploration Target is based on the actual results of Piedmont's 2017 drill programs. To further develop this deposit and move towards estimating a Mineral Resource, the Company will complete additional drilling to establish geological and grade continuity within the main pegmatite zones aiming for a drill spacing of 40 x 40 meters.

Any additional dykes discovered during future wide spaced drilling, as well as extensions to known dykes along strike or down dip of the current wireframe model extents, represent additional exploration potential that may expand the Exploration Target or potential Mineral Resource.

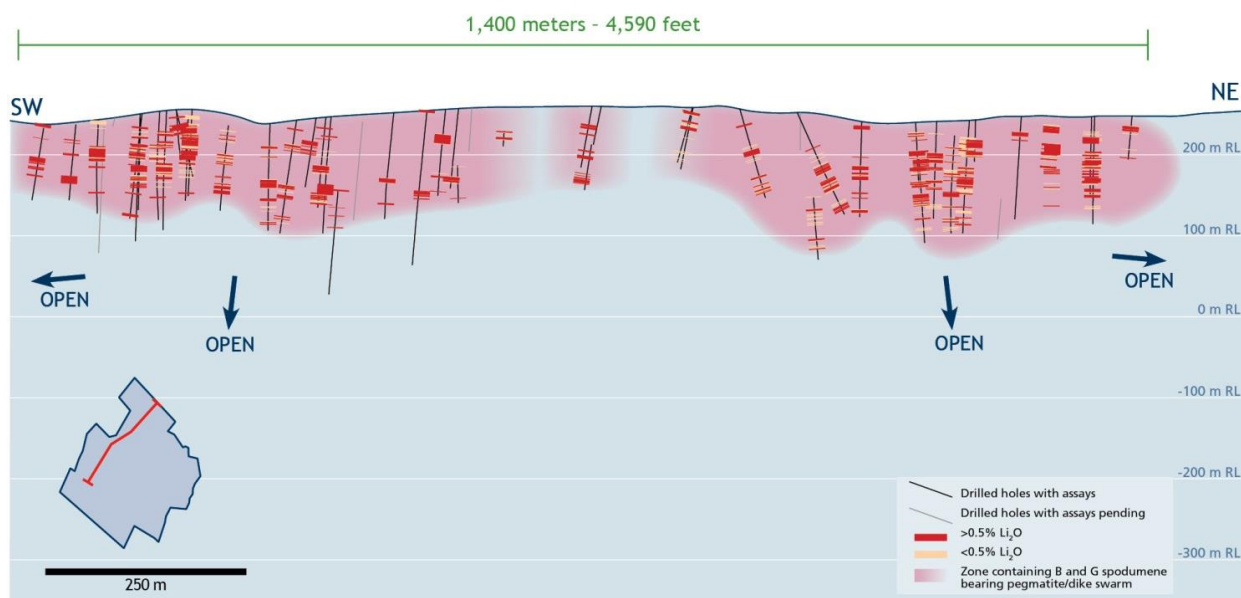


Figure 4: Schematic long section for the western portion of the Project

New Drill Program

A new comprehensive Phase 3 20,000-meter drill program has commenced on the Project. The drilling program has two objectives.

1. Develop a maiden Mineral Resource for the Project in accordance with the JORC Code. Approximately 13,000 of the 20,000 meters will focus on portions of the B, G, F and Star Corridors where infill drilling will be completed on a 40 x 40-meter grid down to a vertical depth of approximately 125 meters. This drill density will yield data sufficient to support a maiden Resource with a substantial Indicated component.
2. Wide spaced drilling for 7,000 of the 20,000 meters in other high priority areas of the Project, including follow-up drilling in the promising F Corridor.

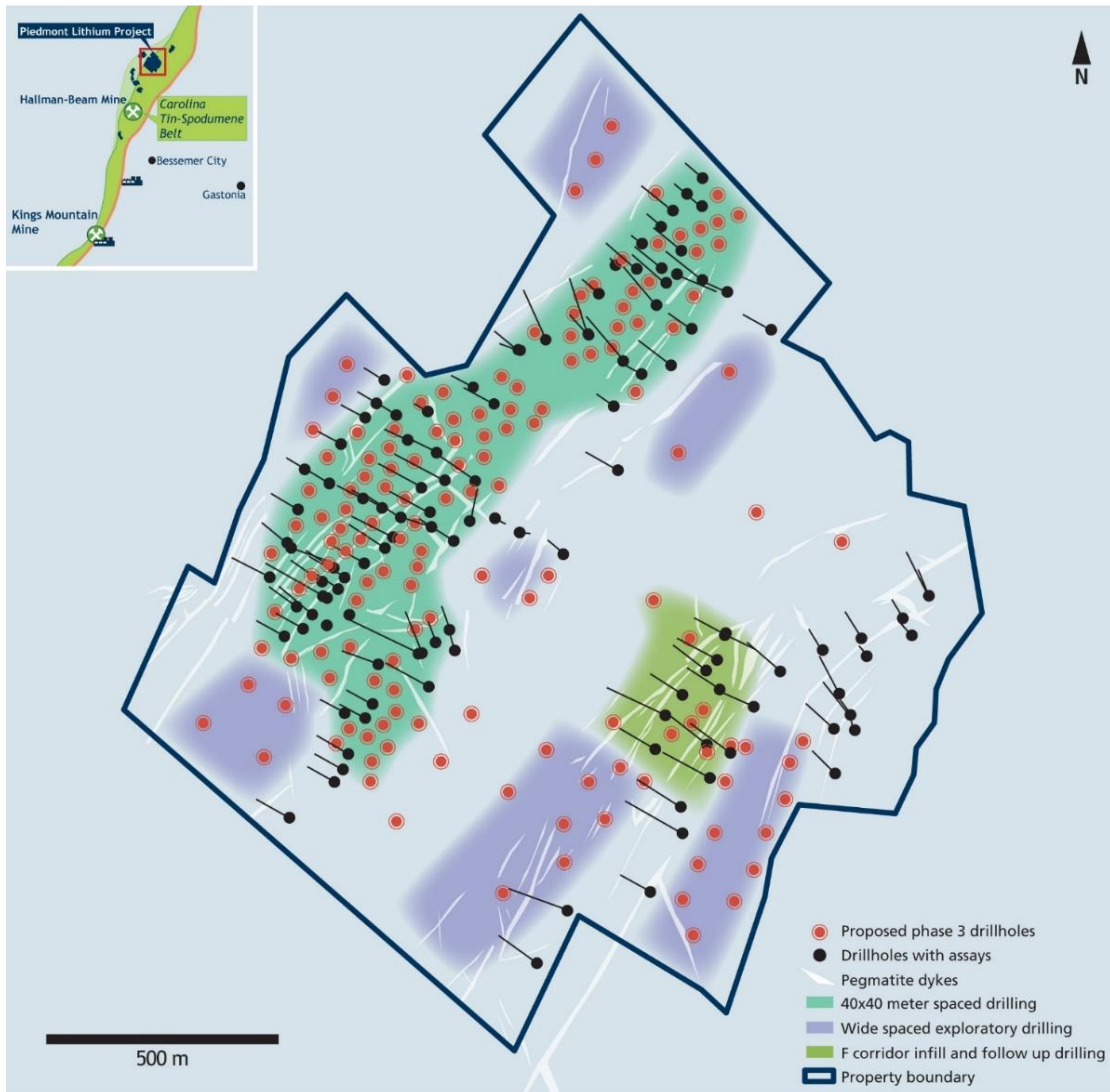


Figure 5: Piedmont Lithium Proposed Drill Program Target Areas

Results of the Phase 3 drilling program should be progressively released during the first and second quarters of 2018.

Exploration Interests

As at 31 December 2017, the Company 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 905 acres of surface property and the associated mineral rights from the private landowners.

During the quarter, the Company entered into exclusive option agreements and land acquisition agreements with local landowners for an additional 190 acres of surface property and the associated mineral rights from the private landowners.

Corporate

Commenced Trading in the United States

During the quarter, the Company was admitted to Nasdaq International Designation and its American Depositary Receipts ("ADRs") commenced trading in the United States, via a sponsored Level 1 ADR program with The Bank of New York Mellon as depository.

Piedmont's ADRs will trade on the OTC Market as a member of the Nasdaq International Designation under the ticker symbol "PLLY", with each ADR representing 100 ordinary shares of the Company.

The Nasdaq International Designation and Level 1 ADR program in the United States will enable new and existing U.S. investors to trade Piedmont's ADRs in U.S. dollars and during normal U.S. trading hours. Piedmont's ordinary shares will continue to trade on the ASX under the symbol "PLL".

Senior U.S. Executive Appointments

Subsequent to the end of the quarter, the Company appointed Mr. Patrick Brindle, Mr. David Buckley and Mr. Bruce Czachor as senior officers of the Company.

Mr. Brindle is joining Piedmont as Vice President – Project Management. He has over 18 years of experience in the development of US and global mining operations, minerals processing plants and materials handling projects, and has expertise in all phases of project development from concept design, pre-feasibility and feasibility study, detailed design engineering, construction and commissioning, including EPC projects in North and South Carolina. He most recently worked as Vice President of Engineering for DRA Taggart in Pittsburgh, Pennsylvania, and has a BS in Environmental Science and a BS in Civil Engineering from Virginia Tech.

Mr. Buckley is joining Piedmont as Vice President – Chief Process Engineer. He is a 25-year veteran of the lithium business, having worked most recently as Chief Process Engineer of Quebec-based Critical Elements Corporation after senior positions with FMC's Lithium Division and Albemarle (former Rockwood Lithium). Mr. Buckley has extensive experience in lithium extraction from both hard rock resources and lithium bearing brines. He also brings experience in converting the extracted lithium into lithium carbonate, lithium hydroxide and other downstream lithium chemicals. He has a BS in Chemical Engineering from Virginia Tech.

Mr. Czachor is joining Piedmont as Vice President – General Counsel. He is a former partner of major international law firm Shearman & Sterling, and brings almost 30 years of experience in corporate governance, securities, M&A and commercial transactions. Mr. Czachor has represented a range of clients from start-ups to Fortune 500 companies, and he has extensive experience in the mining industry and with initial US listings. He earned his BA from Binghamton University and his Juris Doctor from New York Law School.

Institutional Placement to Raise A\$16 Million

During the quarter, the Company completed a placement of 100 million shares at an issue price of A\$0.16 per share to institutional and sophisticated investors in Australia and the United States to raise gross proceeds of A\$16 million.

Proceeds from the Placement will be used to expedite development of Project, including completion of additional drilling and completion of technical studies for the Project.

Foster Stockbroking acted as Lead Manager to the Placement.

Forward Looking Statements

This announcement may include forward-looking statements. These forward-looking statements are based on the Company's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company, which could cause actual results to differ materially from such statements. The Company makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.

Competent Persons Statement

The information in this report that relates to Exploration Results, is extracted from the Company's ASX announcements dated 1 December 2017 entitled 'Further High-Grade Assays Continue to Extend Mineralization', 2 November 2017 entitled 'Drilling Confirms Further High-Grade Lithium Assay Results', 27 September 2017 entitled 'Four Kilometers of Mineralization Confirmed at the Piedmont Lithium Project', 23 May 2017 entitled 'Phase 1 Drilling Confirms Four Major High Grade Lithium Corridors at the Piedmont Lithium Project', 3 April 2017 entitled 'New Drilling Results Confirm Further High Grade Lithium Mineralisation at Piedmont Lithium Project', and 18 October 2016 entitled 'Previous Drilling Confirms High Grade Lithium Mineralisation' which are available to view on the Company's website at www.piedmontlithium.com.

The information in the original ASX announcements that related to Exploration Results was based on, and fairly represents, information compiled by Mr Lamont Leatherman, a Competent Person who is a Registered Member of the 'Society for Mining, Metallurgy and Exploration', a 'Recognised Professional Organisation' (RPO). Mr Leatherman is a consultant to the Company. Mr Leatherman has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The Company confirms that it is not aware of any new information or data that materially affects the information including in the original ASX announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX announcements.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Piedmont Lithium Limited

ABN

50 002 664 495

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,726)	(2,538)
(b) development	-	-
(c) production	-	-
(d) staff costs	(400)	(813)
(e) administration and corporate costs	(197)	(261)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	30	59
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material):		
(a) business development	(253)	(346)
1.9 Net cash from / (used in) operating activities	(2,546)	(3,899)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	(242)	(448)
(c) investments	-	-

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Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(242)	(448)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	16,000	16,000
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(899)	(899)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	15,101	15,101

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,038	4,597
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,546)	(3,899)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(242)	(448)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	15,101	15,101

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(382)	(382)
4.6	Cash and cash equivalents at end of period	14,969	14,969

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,429	1,038
5.2	Call deposits	11,540	2,000
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	14,969	3,038

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	224
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payments include directors' fees, superannuation, executive remuneration, company secretarial services and provision of a fully serviced office.

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Not applicable.

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Not applicable.

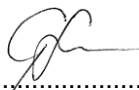
9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	(3,000)
9.2 Development	-
9.3 Production	-
9.4 Staff costs	(400)
9.5 Administration and corporate costs	(150)
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	(3,550)

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	Piedmont Lithium Project located in North Carolina, United States	Options to purchase or lease surface property and associated mineral rights from private landowners	100% (905 acres)	100% (715 acres)

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:


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(Director/Company secretary)

Date: 31 January 2017

Print name: Gregory Swan

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.