ANNUAL REPORT 2017

Piedmont Lithium Limited
ABN 50 002 664 4953

CORPORATE DIRECTORY

DIRECTORS:
Mr Ian Middlemas – Chairman
Mr Keith Phillips – President & CEO
Mr Anastasios Arima – Executive Director
Mr Robert Behets – Non-Executive Director
Mr Levi Mochkin – Non-Executive Director
Mr Mark Pearce – Non-Executive Director

COMPANY SECRETARY:
Mr Gregory Swan

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SHARE REGISTER:
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Int: +61 8 9323 2000

STOCK EXCHANGE LISTING:
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Home Branch – Perth Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000 AUSTRALIA

ASX CODE: **PLL** – Fully paid ordinary shares

BANKERS:

United States
The Bank of New York Mellon Corporation
PNC Financial Services Group, Inc.

Australia
Australia and New Zealand Banking Group Ltd

SOLICITORS:

United States
Baker & McKenzie
Johnston, Allison & Hord Attorneys

Australia
DLA Piper Australia

AUDITOR: Deloitte Touche Tohmatsu

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MESSAGE FROM THE CEO

SINCE ACQUIRING THE PIEDMONT LITHIUM PROJECT IN LATE 2016, PIEDMONT HAS SUCCESSFULLY FOCUSED ON PROVING THE PROJECT'S POTENTIAL.

DEAR FELLOW SHAREHOLDERS,

It gives me great pleasure as President & CEO of Piedmont Lithium Limited ("Piedmont") to provide an update on our progress and exciting future ahead.

After more than 30 years working in the resources sector for various Wall Street banks in New York, I recently joined Piedmont as President & CEO. My decision to join, and also invest in, Piedmont was a simple one, given that Piedmont has the key foundations to succeed:

- **High Growth Sector** – lithium is a high growth sect or for both consumer products and investors;
- **Project that "checks all the boxes"** – the world's best located lithium project with strong project fundamentals and ability to rapidly develop the high-grade deposit;
- **Strong Board** – extremely well credentialed Board with a proven history of developing mineral resource projects and delivering shareholder value; and
- **Solid shareholder base** – major shareholders who share the vision for Piedmont to become a new strategic supplier of lithium to the high growth U.S. market.

Since acquiring the Piedmont Lithium Project ("Project") in late 2016, Piedmont has successfully focused on proving the Project's potential. The first drilling program recorded high grade mineralisation in every drill hole, with four primary corridors identified with a cumulative 4+ kilometres strike length. A second, more comprehensive drill program is now underway, with initial drill results demonstrating 8 mineralized trends totaling ~4 kilometers of strike length.

Exploratory drilling to date at the Project has only tested the shallow potential of the Project's pegmatite corridors, with all corridors remaining open along strike and down dip. Given the scale of the mineralization on the property and the drilling required to properly assess the potential, the Company now intends to release an Exploration Target in 2017 and a Maiden Resource early-2018.

Having been involved with the resources sector for over 30 years, I have seen hundreds of resource projects that have many positive characteristics but suffer from one or more 'fatal flaws' (e.g. infrastructure). Experience has taught me that it is only the projects that check all of the boxes that are successfully developed. Given its location, Piedmont's lithium project has a number of inherent advantages:

- **Proximity to downstream markets** – located within 15 miles of the only two large scale lithium processing facilities in the U.S. providing potential cost savings and certainty of supply;
- **Existing infrastructure** – ready access to high quality roads and rail, low cost power and skilled labour force; and
- **Stable and investment friendly jurisdiction** – stable legal regime, established 9 month permitting process for mining operations with low taxes and no state mining royalties.

In addition to a quality resource project, it is also critical that there be tangible demand and ready end users for its product. To this end, the Piedmont Lithium Project is in the right place and at the right time. The high growth in demand for lithium over recent years is well documented. But it is the growth in demand for lithium over the coming years, led by the growth in demand for electric vehicles ("EVs") that will prove to be the real game changer.

Every week there are new announcements by governments and industry that change the dynamics for lithium demand. For example, with a number of major economies now mandating 100% EVs by as early as 2025 for Norway and 2040 for the UK and France, 54% of global car sales are expected to be EVs by 2040. There is a clear impact on ever increasing demand from lithium processing factories for raw materials.

With the Project's strong fundamentals, inherent advantages and high growth market sector, I'm confident that Piedmont will "check all the boxes" as the Project's development progresses, placing Piedmont in prime position to transition from development into mining.

There is no doubt that our results to date have laid a solid foundation for our success, however it's Piedmont's future which I find most exciting. We have a lot of activities already underway or pending over the coming months, including:

- Completion of the key second phase of drilling to build on the success of the first phase;
- Estimation of a lithium Exploration Target in 2017;
- Estimation of a maiden lithium Mineral Resource in early-2018;
- Confirmation of the 'plain vanilla' metallurgy common to the Carolina Tin-Spodumene Belt;
- Completion of a Preliminary Economic Assessment (or Scoping Study) to demonstrate the Project's inherent benefits and economics;
- Marketing and offtake negotiations; and
- Commence trading on OTCQX in the United States.

I look forward to sharing the results of these activities over the coming months which we expect to confirm the Project's substantial potential, and look to build a dynamic company operating in an exciting and high growth sector. I would like to extend my sincere appreciation to shareholders for your support and I look forward to sharing success with you in the year ahead.

Yours faithfully,

Keith D. Phillips

Keith D. Phillips
PRESIDENT & CEO

DIRECTORS' REPORT

The Directors of Piedmont Lithium Limited (formerly WCP Resources Limited) present their report on the Consolidated Entity consisting of Piedmont Lithium Limited ("**Company**" or "**Piedmont**") and the entities it controlled at the end of, or during, the year ended 30 June 2017 ("**Consolidated Entity**" or "**Group**").

DIRECTORS

The names and details of the Group's directors in office at any time during the financial year or since the end of the financial year are:

Mr Ian Middlemas	Chairman
Mr Keith Phillips	Managing Director, President & Chief Executive Officer *(appointed 10 July 2017)*
Mr Anastasios Arima	Executive Director *(appointed 1 October 2016)*
Mr Robert Behets	Non-Executive Director
Mr Levi Mochkin	Non-Executive Director
Mr Mark Pearce	Non-Executive Director

Unless otherwise stated, Directors held their office from 1 July 2016 until the date of this report.

CURRENT DIRECTORS AND OFFICERS

Mr Ian Middlemas *B.Com, CA*
Chairman

Mr Middlemas is a Chartered Accountant, a member of the Financial Services Institute of Australasia and holds a Bachelor of Commerce degree. He worked for a large international Chartered Accounting firm before joining the Normandy Mining Group where he was a senior group executive for approximately 10 years. He has had extensive corporate and management experience, and is currently a director with a number of publicly listed companies in the resources sector.

Mr Middlemas was appointed a Director of the Company on 14 September 2009. During the three year period to the end of the financial year, Mr Middlemas has held directorships in Apollo Minerals Limited (July 2016- present), Cradle Resources Limited (May 2016 – present), Paringa Resources Limited (October 2013 – present), Berkeley Energia Limited (April 2012 – present), Prairie Mining Limited (August 2011 – present), Salt Lake Potash Limited (January 2010 – present), Equatorial Resources Limited (November 2009 – present), Sovereign Metals Limited (July 2006 – present), Odyssey Energy Limited (September 2005 – present), Syntonic Limited (April 2010 – June 2017) and Papillon Resources Limited (May 2011 – October 2014).

Mr Keith Phillips *H.B.Com, MBA*
Managing Director, President & Chief Executive Officer

Mr Phillips is a mining investment banker with a 30-year career on Wall Street during which he has worked on strategic and financing transactions representing over US$100 billion in aggregate value. Mr Phillips was most recently a Senior Advisor with merchant banker Maxit Capital, after leading the mining investment banking teams for Merrill Lynch, Bear Stearns, JPMorgan and Dahlman Rose.

Mr Phillips has worked with numerous mining companies, including many established global leaders, and has dedicated most of the past decade to advising exploration and development-stage companies in achieving their strategic objectives, with a particular focus on obtaining relevance in the United States capital markets. Mr Phillips received his Master of Business Administration from The University of Chicago and a Bachelor of Commerce from Laurentian University in Canada.

Mr Phillips was appointed a Director of the Company on 10 July 2017. During the three year period to the end of the financial year, Mr Phillips has not held any other directorships in listed companies.

Mr Anastasios (Taso) Arima

Executive Director

Mr Arima is a resource company executive with a strong history of identifying company-making resource projects. He has extensive experience in the formation and development of resource projects in North America. Mr Arima was formerly Executive Director of Paringa Resources Ltd which is developing a coal project in the U.S., Executive Director of Coalspur Mines Ltd, which is developing a coal project in Canada, and Executive Director of Prairie Mining Ltd, which is developing a coal project in Poland. Mr Arima was instrumental in the identification and acquisition of Paringa's and Coalspur's projects, as well as the corporate strategy and marketing of the companies. Mr Arima began his career as a resources analyst for a Perth based boutique investment banking firm where he specialised in assessing the technical and financial aspects of resource companies and their projects. He has previously worked in the hydrocarbon division at Worley Parsons Limited. He attended the University of Western Australia where he studied a Bachelor of Commerce and a Bachelor of Engineering.

Mr Arima was appointed a Director of the Company on 1 October 2016. During the three-year period to the end of the financial year, Mr Arima held directorships in Paringa Resources Limited (October 2013 – June 2017) and Prairie Mining Limited (September 2012 – September 2015).

Mr Robert Behets *B.Sc(Hons), FAusIMM, MAIG*

Non-Executive Director

Mr Behets is a geologist with over 28 years' experience in the mineral exploration and mining industry in Australia and internationally. He has had extensive corporate and management experience and has been Director of a number of ASX-listed companies in the resources sector including Mantra Resources Limited ("Mantra"), Papillon Resources Limited, and Berkeley Energia Limited. Mr Behets was instrumental in the founding, growth and development of Mantra, an African-focused uranium company, through to its acquisition by ARMZ for approximately A$1 billion in 2011. Prior to Mantra, he held various senior management positions during a long career with WMC Resources Limited.

Mr Behets has a strong combination of technical, commercial and managerial skills and extensive experience in exploration, mineral resource and ore reserve estimation, feasibility studies and operations across a range of commodities, including uranium, gold and base metals. He is a Fellow of The Australasian Institute of Mining and Metallurgy, a Member of the Australian Institute of Geoscientists and was previously a member of the Australasian Joint Ore Reserve Committee ("JORC").

Mr Behets was appointed a Director of the Company on 25 February 2016. During the three-year period to the end of the financial year, Mr Behets has also held directorships in Berkeley Energia Limited (April 2012 – present), Equatorial Resources Limited (February 2016 – present), Apollo Minerals Limited (October 2016 – present), Cradle Resources Limited (May 2016 – July 2017) and Papillon Resources Limited (May 2012 – October 2014).

Mr Levi Mochkin

Non-Executive Director

Mr Mochkin is executive director and key leader of the Ledger Holdings Pty Ltd Group (the Ledger Group), located in Melbourne, Australia. Mr Mochkin has been in the resources sector for over 28 years advising companies, identifying projects and raising capital of over A$800 million for mining projects.

Mr Mochkin was appointed a Director on 3 April 2006. During the three-year period to the end of the financial year, Mr Mochkin has not held any other directorships in listed companies.

Mr Mark Pearce *B.Bus, CA, FCIS, FFin*

Non-Executive Director

Mr Pearce is a Chartered Accountant and is currently a director of several listed companies that operate in the resources sector. He has had considerable experience in the formation and development of listed resource companies. Mr Pearce is also a Fellow of the Institute of Chartered Secretaries and Administrators and a Fellow of the Financial Services Institute of Australasia.

Mr Pearce was appointed a Director of the Company on 14 September 2009. During the three-year period to the end of the financial year, Mr Pearce has held directorships in Apollo Minerals Limited (July 2016 – present), Prairie Mining Limited (August 2011 – present), Equatorial Resources Limited (November 2009 – present), Sovereign Metals Limited (July 2006 – present), Odyssey Energy Limited (September 2005 – present), Salt Lake Potash Limited (August 2014 – present) and Syntonic Limited (April 2010 – October 2016).

CURRENT DIRECTORS AND OFFICERS (Continued)

Mr Gregory Swan *B.Com, CA, ACIS, AFin*
Company Secretary

Mr Swan is a Chartered Accountant and Chartered Secretary and is currently Company Secretary and Chief Financial Officer for several listed companies that operate in the resources sector. He commenced his career at a large international Chartered Accounting firm and has since been involved with a number of exploration and development companies, including Mantra Resources Limited, Papillon Resources Limited and Paringa Resources Limited.

Mr Swan was appointed Company Secretary of the Company on 31 October 2012.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the year consisted of the identification, acquisition, exploration and development of resource projects. During the year, the Group identified and acquired the Piedmont Lithium Project ("Project") located in the United States and subsequently the Group has focussed on the exploration and appraisal of the Project.

OPERATING AND FINANCIAL REVIEW

Operations

Highlights during and subsequent to the end of the year were as follows:

- Acquired the Piedmont Lithium Project comprising a landholding position of 568 acres in the Carolina Lithium Belt, a historic lithium producing region located in North Carolina, United States.
- The Project is located along trend from the historic Hallman-Beam and Kings Mountain lithium mines which provided a significant portion of the western world's lithium from the 1950s to the 1990s.
- The Project's proximity to infrastructure and nearby lithium processing plants together with the growing U.S. demand for electric vehicle and battery storage markets, places the Company in a unique position to build a strategic U.S. domestic source of lithium production.
- Completed a review of previous drilling at the Project, consisting of 19 core holes, which confirmed thick zones of high grade lithium in multiple spodumene-bearing pegmatites at shallow depths at the Project.
- Completed a maiden Phase 1 drilling program at the Project, consisting of 12 diamond core drill holes, which confirmed four major high-grade lithium corridors that remain open in all directions.
- Commenced a follow-up Phase 2 drilling program at the Project, initially consisting of approximately 9,400 metres of drilling, to test the major high-grade lithium corridors identified on the Project.
- Assay results from the first 26 holes of the Phase 2 program, together with visual analysis of remaining Phase 2 drill holes, has confirmed 8 mineralized trends totalling approximately 4 kilometres of strike length.
- Given the success of the Phase 2 program, the Company will extend the initial 9,400 metre Phase 2 program by a further 3,000 metres to test the known mineralisation both along strike and down dip.
- Due to the scale of mineralization and the additional drilling required to test the potential, the Company aims to release an Exploration Target in December 2017 followed by a maiden Mineral Resource in early-2018.
- Appointed highly respected New York-based mining investment banker Mr Keith D. Phillips as Managing Director, President and Chief Executive Officer of the Company.
- Completed a placement of 56 million shares at A$0.09 per share to institutional and sophisticated investors predominately based in the U.S. to raise gross proceeds of A$5 million.
- Changed its name to 'Piedmont Lithium Limited' and its ASX code to "PLL".

Piedmont Lithium Project

The Piedmont Lithium Project comprises options over an initial landholding of 568 acres within the historic Carolina Lithium Belt, also referred to as the Carolina Tin-Spodumene Belt ("TSB"), a historic lithium producing region located in North Carolina, United States.

The TSB saw lithium exploration as early as the 1950s which resulted in significant lithium discoveries (Hallman-Beam and Kings Mountain mines) that produced until the 1990s.

The Project is focused over an area that has been explored for lithium dating back to the 1950's where it was originally explored by Lithium Corporation of America which was subsequently acquired by FMC Corporation ("FMC"). Most recently, North Arrow Minerals Inc. ("North Arrow") explored the Project in 2009 and 2010, prior to North Arrow changing its focus to gold and base metal opportunities due to the significant fall in lithium price in 2010.

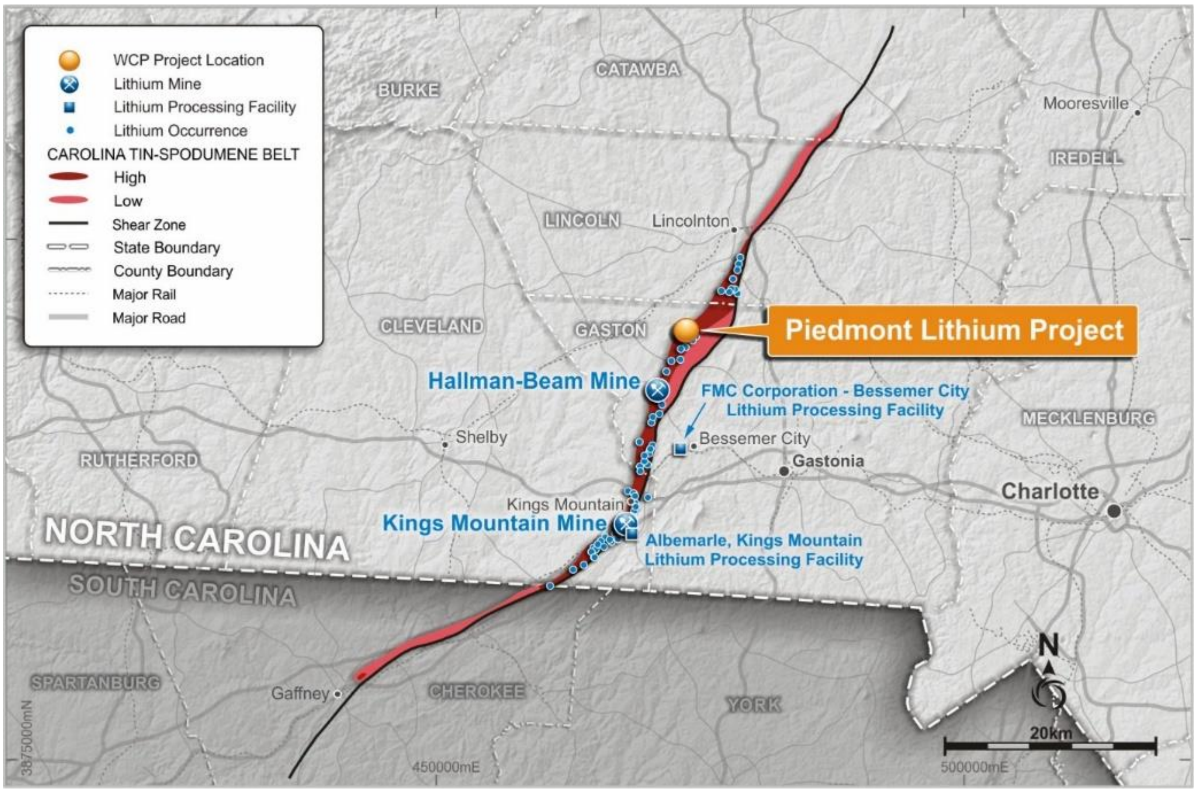

Figure 1: Project Location within the Carolina Tin-Spodumene Belt

Close Proximity to Existing Processing Plants

Albemarle Corporation ("Albemarle") and FMC continue to operate two of the most important lithium processing facilities which are situated on these sites as a result of the rich deposits of lithium contained in the TSB. These facilities are now at the forefront of lithium research and development with FMC maintaining the Center for Lithium Energy Advanced Research ("CLEAR") lab in Bessemer City, proximal to the Project. FMC's Bessemer City lithium processing facility is approximately 14 kilometres from the Project whilst Albemarle's Kings Mountain lithium processing facility is approximately 17 kilometres from the Project.

The region is one of the premier localities in the world to be exploring for lithium pegmatites given its favourable geology and ideal location with easy access to infrastructure, power, R&D centres for lithium and battery storage, major high-tech population centres and downstream lithium processing facilities. 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.

OPERATING AND FINANCIAL REVIEW (Continued)

Piedmont Lithium Project (Continued)

Close Proximity to Existing Processing Plants (Continued)

Figure 2: FMC and Albemarle Lithium Processing Facilities

Phase 1 Drilling Results

During the year, the Company completed its maiden Phase 1 drilling program at the Project, consisting of 12 diamond core drill holes, totalling 1,662 metres. The Phase 1 drilling program encountered thick zones of high grade mineralization at shallow depths, with selected intercepts including:

Hole No.	***Intercept (down hole)***	***From Depth (down hole)***
17-BD-21	**28.9m @ 0.94% Li_2O** incl. **2.0m @ 1.61% Li_2O** incl. **6.0m @ 1.72% Li_2O**	35m 37m 55m
17-BD-22	**11.3m @ 1.10% Li_2O** incl. **2.2m @ 1.70% Li_2O** incl. **4.3m @ 1.55% Li_2O**	62m 63m 67m
17-BD-23	**22.9m @ 1.02% Li_2O** incl. **5.0m @ 1.90% Li_2O**	38m 41m
17-BD-24	**13.6m @ 1.23% Li_2O** incl. **4.0m @ 1.88% Li_2O** incl. **3.9m @ 1.47% Li_2O**	57m 57m 67m
17-BD-25	**7.0m @ 1.11% Li_2O** and **6.2m @ 1.26 % Li_2O** incl. **3.4m @ 1.53% Li_2O**	31m 62m 65m
17-BD-26	**4.9m @ 1.36% Li_2O** incl. **2.4m @ 1.87% Li_2O** and **5.2m @ 1.56% Li_2O** and **2.7m @ 1.74% Li_2O**	64m 66m 87m 102m
17-BD-27	**10.4m @ 1.54% Li_2O**	32m
17-BD-28	**10.82m @ 1.11 % Li_2O** incl. **7.3m @ 1.39% Li_2O**	87m 87m
17-BD-29	**8.0m @ 1.13% Li_2O** incl. **5.0m @ 1.44% Li_2O** and **3.1m @ 1.26% Li_2O**	30m 30m 126m
17-BD-30	**1.8m @ 1.20% Li_2O**	120m
17-BD-31	**8.19m @ 1.11 % Li_2O** incl. **5.0m @ 1.36% Li_2O** and **1.3m @ 2.06% Li_2O** and **4.5m @ 1.46% Li_2O**	96m 96m 145m 151m

Results from the Phase 1 drill program together with the historical exploration highlight the potential for the Company to define a strategic U.S. lithium resource and become a key U.S. based developer of lithium raw material supply into the growing U.S. domestic Electric Vehicle and Battery Storage markets.

Significant, high grade mineralization was intercepted in all core holes with grades ranging from 0.90% to 2.06% Li_2O. Importantly, the completion of the Phase 1 drill program together with the historical drill program and exploration campaigns have allowed the Company to establish the presence of four major, high grade lithium corridors on the Project.

On surface, these corridors are defined by semi continuous zones of outcrop, subcrop, and float blocks of mineralized pegmatite. The corridors total in excess of 4 kilometres of mineralized trend within the Project. Approximately 85% of the 4+ kilometres are unexplored by drilling which is the focus of the Phase 2 drill program. Each corridor has the potential to host high grade, thick mineralization as was seen in the majority of the Phase 1 results.

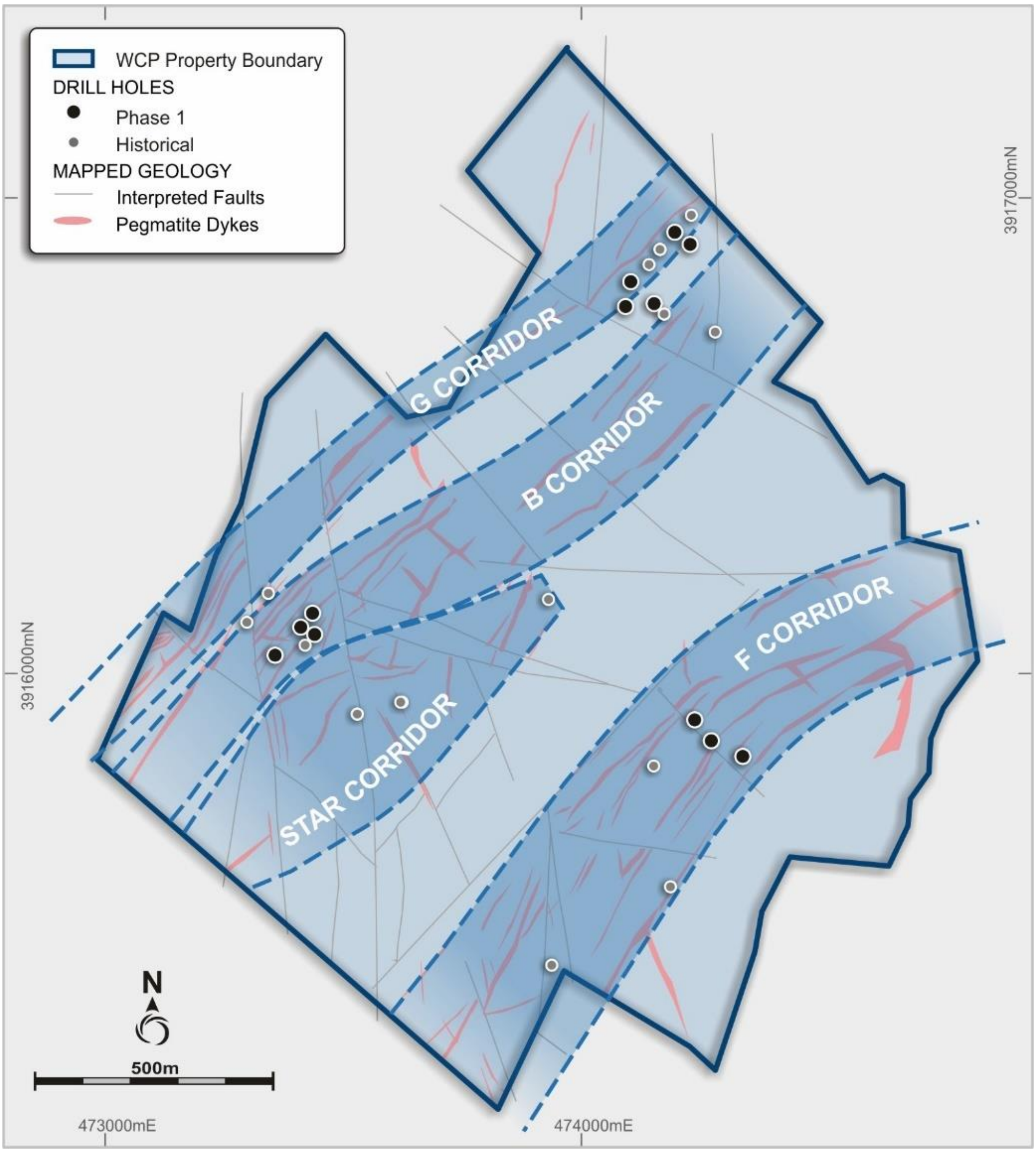

Figure 3: High Grade Lithium Corridors at Piedmont Lithium Project

OPERATING AND FINANCIAL REVIEW (Continued)

Piedmont Lithium Project (Continued)

Phase 2 Drilling Program

During the year, the Company commenced its Phase 2 drilling program at the Project to systematically explore and define mineralization along the four high grade corridors identified on the Piedmont Lithium Project.

Assay results from the first 26 holes of the Phase 2 drill program have now been received which, together with visual analysis of the remaining Phase 2 drilling, has confirmed 8 mineralized trends totalling approximately 4 kilometres of strike length.

The mineralized trends consist of one or more spodumene bearing pegmatite dykes ranging up to 16 meters in drill thickness, with results continuing to show high grade lithium mineralization across significant, mineable widths, with selected intercepts including:

Hole No.	*Intercept (down hole)*	*From Depth (down hole)*
17-BD-41	**3.3m @ 1.82% Li_2O** and **1.5m @ 1.9% Li_2O**	28m 109m
17-BD-48	**3.6m @ 1.63% Li_2O** and **7.3m @ 1.41% Li_2O**	22m 59m
17-BD-49	**3.1m @ 1.45% Li_2O** and **3.7m @ 1.45% Li_2O**	25m 35m
17-BD-50	**2.8m @ 1.35% Li_2O** and **11.3m @ 1.43% Li_2O**	94m 107m
17-BD-52	**1.6m @ 2.12% Li_2O** **1.3m @ 2.45% Li_2O** and **10.8m @ 1.02% Li_2O**	45m 56m 94m
17-BD-53	**10.5m @ 1.06% Li_2O** and **5.5m @ 1.39% Li_2O** and **2.9m @ 1.18% Li_2O**	56m 69m 114m
17-BD-57	**4.5m @ 1.24% Li_2O** and **1.5m @ 1.52% Li_2O** and **6.7m @ 1.32% Li_2O**	87m 101m 151m
17-BD-58	**3.9m @ 1.55% Li_2O** and **2.2m @ 1.50% Li_2O** and **1.1 @ 1.58% Li_2O**	71m 119m 134m
17-BD-62	**16.2m @ 1.72% Li_2O**	109m

The Phase 2 drilling was initially planned to consist of 9,400 metres of drilling, however due to the extremely encouraging results received to-date, the Company will extend the Phase 2 drilling campaign for a further 3,000m to further test the mineralisation along strike (in the Star Corridor) and down dip (in the B and G Corridor).

The initial 9,400 meters of drilling is now complete and was finished on-time and under-budget. The Group anticipates receiving assay results for the remaining ~75 holes of the extended Phase 2 program over the next several weeks.

Given the scale of the mineralization on the property and the additional drilling required to test the potential, the Company now intends to release an Exploration Target in December 2017 followed by a maiden Mineral Resource estimate in early-2018.

The extent of the mineralization demonstrated by the drilling completed to-date, combined with the Project's exceptional location within the cradle of the US lithium sector, underscores the strategic significance of the Piedmont Lithium Project.

Historical Drilling Results

The 2009 and 2010 diamond drilling programs undertaken by North Arrow consisted of 19 holes totalling 2,544 metres. North Arrow collected a total of 543 assay samples from 17 of the 19 holes, no assay samples were collected from two holes. The drill holes were designed to test spodumene-bearing pegmatites identified from surface geological mapping.

Seventeen of the 19 holes intersected significant spodumene-bearing pegmatite, with the individual intercepts ranging in thickness from 1 to 13 metres (down-hole thickness). The pegmatite intercepts typically returned weighted assay results from 0.8% to 1.5% Li_2O.

Commonly multiple spodumene-bearing pegmatites are intersected within the drill holes. As an example, 8 individual mineralised pegmatites were intersected in Hole 10-BD-17. The interpreted cross-section for holes 10-BD-16, 17 and 18 shows the stacked nature and steep to moderate easterly dip of the pegmatites.

Thick zones of high grade mineralization have been recorded at shallow depths, with selected intercepts including:

Hole No.	***Intercept (down hole)***	***From Depth (down hole)***
09-BD-03	**12.0m @ 1.18% Li_2O**	29m
	incl. **5.0m @ 1.49% Li_2O**	36m
	and **4.0m @ 1.26% Li_2O**	57m
09-BD-05	**10.9m @ 1.16% Li_2O**	28m
	incl. **6.0m @ 1.39 % Li_2O**	28m
	and **4.7m @ 1.28% Li_2O**	73m
	and **1.5m @ 2.17% Li_2O**	85m
09-BD-06	**13.0m @ 1.24% Li_2O**	43m
	incl. **5.0m @ 1.36% Li_2O**	43m
	incl. **4.0m @ 1.43% Li_2O**	51m
09-BD-10	**4.7m @ 1.54% Li_2O**	28m
10-BD-14	**6.0m @ 1.31% Li_2O**	81m
	and **5.9m @ 1.15% Li_2O**	152m
	incl. **3.0m @ 1.59% Li_2O**	152m
	and **9.0m @ 1.20% Li_2O**	197m
	incl. **3.0m @ 1.69% Li_2O**	201m
10-BD-15	**9.9m @ 0.98% Li_2O**	89m
	incl. **2.0m @ 1.77% Li_2O**	89m
	incl. **2.0m @ 1.53% Li_2O**	97m
	and **4.6m @ 1.33% Li_2O**	181m
10-BD-17	**16.9m @ 1.02% Li_2O**	57m
	incl. **4.5m @ 1.69% Li_2O**	66m
	incl. **1.9m @ 2.74% Li_2O**	72m
	and **2.1m @ 1.26% Li_2O**	136m
	and **5.2m @ 1.11% Li_2O**	179m
10-BD-18	**19.6m @ 0.91% Li_2O**	44m
	incl. **5.5m @ 1.48% Li_2O**	44m
	incl. **5.4m @ 1.48% Li_2O**	59m

The pegmatites predominantly trend northeast-southwest, and are hosted in an amphibole-biotite gneiss that rarely outcrops due to a deep weathering profile. Generally, the pegmatites intersected in drilling correlate well with the surface exposures observed in the geological mapping.

Spodumene mineralization observed in the drill core ranges from crystals 1 millimetre to 10 centimetres in length. Occasionally crystals up to 30 centimetres in length have been observed in surface outcrop.

OPERATING AND FINANCIAL REVIEW (Continued)

Corporate

In September 2016, the Group secured options over lithium surface and mineral rights, comprising an initial landholding of 415 acres (the "Piedmont Lithium Project") in the Carolina Lithium Belt, a historic lithium producing district in North Carolina, United States. During the year, the Group secured an additional 153 acres of surface and mineral rights, taking the Group's total landholding to 568 acres.

In April 2017, the Company completed a placement of 56 million shares at an issue price of A$0.09 per share to institutional and sophisticated investors predominately based in the United States to raise gross proceeds of A$5 million. Proceeds from the Placement have been used to accelerate the Company's planned exploration and development activities at the Project.

In July 2017, the Group appointed highly respected New York-based mining investment banker Mr Keith D. Phillips as Managing Director, President and Chief Executive Officer of the Company. Mr Phillips' appointment complements the other key appointments made during the year, including Mr Anastasios (Taso) Arima as Executive Director, Mr Lamont Leatherman as Chief Geologist and Dr Vijay Mehta as Strategic Advisor.

In August 2017, the Company changed its name to 'Piedmont Lithium Limited' and changed its ASX code to "PLL".

Results of Operations

The Group's net loss after tax for the year ended 30 June 2017 was A$3,498,248 (2016: A$383,978). This loss is partly attributable to:

(a) exploration and evaluation expense of A$1,501,453 (2016: A$54,793), which is attributable to the Group's accounting policy of expensing exploration and evaluation expenditure (other than expenditures incurred in the acquisition of the rights to explore, including option payments to landowners) incurred by the Group in the period subsequent to the acquisition of the rights to explore and up to the successful completion of definitive feasibility studies for each separate area of interest; and

(b) non-cash share-based payment expense of A$1,142,443 (2016: reversal of prior year expenses of A$99,514) which is attributable to the Group's accounting policy of expensing the value (estimated using an option pricing model) of incentive options granted to key employees, consultants and advisors. The value is measured at grant date and recognised over the period during which the option holders become unconditionally entitled to the options.

Financial Position

At 30 June 2017, the Company had cash reserves of approximately A$4.6 million (2016: A$1.9 million) and no debt, placing the Company in a good position to conduct its current exploration and development activities.

At 30 June 2017, the Company had net assets of approximately A$4.2 million (2016: A$1.9 million), an increase of 129% compared with the previous year. This is largely attributable to the Company's capital raising during the year which raised net proceeds of A$4.7 million, less the Company's net cash used in operating activities of A$1.8 million.

Earnings Per Share

	2017 Cents per share	2016 Cents per share
Basic and diluted loss per share	**(0.85)**	(0.10)

Dividends

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Business Strategies and Prospects for Future Financial Years

The objective of the Group is to create long-term shareholder value through the discovery, development and acquisition of technically and economically viable mineral deposits.

To date, the Group has not commenced production of any minerals, nor has it identified a Mineral Resource in accordance with the JORC Code. To achieve its objective, the Group currently has the following business strategies and prospects over the medium to long term:

- Continue to acquire additional options over landholdings to expand the Group's footprint within the historic Carolina Lithium Belt in North Carolina, United States;
- Complete the current Phase 2 drilling campaign at the Project, which will consist of over 12,000 meters of drilling, to further explore and define mineralization along the four high grade corridors identified at the Project;
- Commence trading in the United States on the OTCQX, an over the counter exchange that will allow investors to trade the Company's securities in U.S. dollars during normal U.S. trading hours;
- Complete a maiden Mineral Resource estimate for the Project in accordance with the JORC Code and NI 43-101; and
- Complete a Preliminary Economic Assessment (or Scoping Study) for the Project in accordance with the JORC Code and NI 43-101.

All of these activities are inherently risky and the Board is unable to provide certainty of the expected results of these activities, or that any or all of these likely developments will be achieved. The material business risks faced by the Group that could have an effect on the Group's future prospects, and how the Group manages these risks, include:

- **The Company's exploration properties may never be brought into production** – The exploration for, and development of, mineral deposits involves a high degree of risk. Few properties which are explored are ultimately developed into producing mines. To mitigate this risk, the Company will undertake systematic and staged exploration and testing programs on its mineral properties and, subject to the results of these exploration programs, the Company will then progressively undertake a number of technical and economic studies with respect to its projects prior to making a decision to mine. However there can be no guarantee that the studies will confirm the technical and economic viability of the Company's mineral properties or that the properties will be successfully brought into production;
- **The Company's activities will require further capital** – The exploration and any development of the Company's exploration properties will require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and any development of the Company's properties or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company;
- **The Company may be adversely affected by fluctuations in lithium prices** – The price of lithium fluctuates widely and is affected by numerous factors beyond the control of the Group. Future production, if any, from the Group's mineral properties will be dependent upon the price of lithium being adequate to make these properties economic. The Group currently does not engage in any hedging or derivative transactions to manage commodity price risk. As the Group's operations change, this policy will be reviewed periodically going forward;
- **The Company may be adversely affected by competition within the lithium industry** – The Group competes with other domestic and international lithium companies, some of whom have larger financial and operating resources. Competition may also arise from alternative materials and the development of new products. Increased competition could lead to higher supply or lower overall pricing. There can be no assurance that the Company will not be materially impacted by increased competition. In addition, the Group is continuing to secure additional surface and mineral rights, however there can be no guarantee that the Group will secure additional surface and mineral rights which could impact on the results of the Group's operations; and
- **Global financial conditions may adversely affect the Company's growth and profitability** – Many industries, including the mineral resource industry, are impacted by these market conditions. Some of the key impacts include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, and foreign exchange markets, and a lack of market liquidity. Due to the current nature of the Group's activities, a slowdown in the financial markets or other economic conditions may adversely affect the Group's growth and ability to finance its activities.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Consolidated Entity's operations are subject to various environmental laws and regulations under the relevant government's legislation. Full compliance with these laws and regulations is regarded as a minimum standard for all operations to achieve. Instances of environmental non-compliance by an operation are identified either by external compliance audits or inspections by relevant government authorities. There have been no known breaches by the Consolidated Entity during the financial year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the Consolidated Entity during the financial year were as follows:

(a) On 27 September 2016, the Company announced that it had secured lithium surface and mineral rights comprising options over an initial core landholding in the Carolina Lithium Belt (the “Piedmont Lithium Project”), a historic lithium producing district in North Carolina, United States;

(b) On 27 September 2016, the Company issued a total of 40,500,000 unlisted options (with varying exercise prices between A$0.05 and A$0.15 and expiring on 31 December 2019) to Mr Anastasios (Taso) Arima, Mr Lamont Leatherman, and other consultants (or their nominees) in consideration for introducing the Piedmont Lithium Project to the Company and as an incentive for future performance;

(c) On 1 October 2016, the Company appointed resource company executive, Mr Anastasios (Taso) Arima, as an Executive Director of the Company, and experienced U.S. geologist, Mr Lamont Leatherman, was appointed as Consulting Geologist;

(d) On 27 February 2017, the Company announced that it had secured an additional 113 acres of surface and mineral rights adjacent to the Company’s Piedmont Lithium Project area;

(e) On 21 April 2017, the Company completed a placement of 56 million shares at an issue price of A$0.09 per share to institutional and sophisticated investors predominately based in the United States to raise gross proceeds of A$5 million (“Placement”); and

(f) On 25 May 2017, the Company announced that it had appointed Dr Vijay Mehta as strategic advisor to the Board to advise on lithium processing and product quality for the Project.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

(a) On 6 July 2017, the Company appointed highly respected New York-based mining investment banker Mr Keith D. Phillips as Managing Director, President and Chief Executive Officer of the Company. The Company also issued 24,000,000 unlisted options (with exercise prices between A$0.10 and A$0.24 and expiring between 10 July 2020 and 10 July 2022) to Mr Phillips as part of his remuneration package;

(b) On 18 August 2017, the Company changed its name to ‘Piedmont Lithium Limited’ following approval by shareholders at a General Meeting of Shareholders held on 18 August 2017; and

(c) On 27 September 2017, the Company announced assay results from the first 26 holes of its Phase 2 drill program at the Piedmont Lithium Project, with results continuing to show high grade lithium mineralisation across significant widths.

Other than as outlined above, as at the date of this report there are no other matters or circumstances which have arisen since 30 June 2017 that have significantly affected or may significantly affect:

- the operations, in financial years subsequent to 30 June 2017, of the Consolidated Entity;
- the results of those operations, in financial years subsequent to 30 June 2017, of the Consolidated Entity; or
- the state of affairs, in financial years subsequent to 30 June 2017, of the Consolidated Entity.

DIRECTORS' INTERESTS

As at the date of this report, the Directors' interests in the securities of the Company are as follows:

	Shares[1]	Options[2]	Rights[3]
Ian Middlemas	20,000,000	-	-
Keith Phillips	555,556	24,000,000	-
Anastasios Arima	-	11,000,000	-
Robert Behets	1,000,000	-	-
Levi Mochkin	52,500,000	-	1,000,000
Mark Pearce	3,500,000	-	600,000

Notes:
[1] 'Shares' means fully paid ordinary shares in the capital of the Company.
[2] 'Options' means an unlisted option to subscribe for one Share in the capital of the Company.
[3] 'Rights' means an unlisted performance right that converts into one Share in the capital of the Company upon the satisfaction of specific performance milestones set by the Company.

SHARE OPTIONS AND PERFORMANCE RIGHTS

At the date of this report the following Incentive Options and Performance Rights have been issued over unissued Ordinary Shares of the Company:

- 19,000,000 Incentive Options exercisable at A$0.05 each expiring on 31 December 2019;
- 1,000,000 Incentive Options exercisable at A$0.08 each expiring on 31 December 2019;
- 16,500,000 Incentive Options exercisable at A$0.10 each expiring on 31 December 2019;
- 16,500,000 Incentive Options exercisable at A$0.15 each expiring on 31 December 2019;
- 1,150,000 Incentive Options exercisable at A$0.15 each expiring on 30 June 2020;
- 1,150,000 Incentive Options exercisable at A$0.20 each expiring on 30 June 2020;
- 1,150,000 Incentive Options exercisable at A$0.25 each expiring on 30 June 2020;
- 6,000,000 Incentive Options exercisable at A$0.10 each expiring on 10 July 2020;
- 6,000,000 Incentive Options exercisable at A$0.12 each expiring on 10 January 2021;
- 6,000,000 Incentive Options exercisable at A$0.16 each expiring on 10 July 2021;
- 6,000,000 Incentive Options exercisable at A$0.24 each expiring on 10 July 2022;
- 1,100,000 Performance Rights subject to the Scoping Study Milestone expiring on 31 December 2017; and
- 1,100,000 Performance Rights subject to the Feasibility Study Milestone expiring on 31 December 2018.

During the year ended 30 June 2017 and up to the date of this report, no ordinary shares have been issued as a result of the exercise of options or performance rights.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

The Constitution of the Company requires the Company, to the extent permitted by law, to indemnify any person who is or has been a director or officer of the Company or Group for any liability caused as such a director or officer and any legal costs incurred by a director or officer in defending an action for any liability caused as such a director or officer.

During or since the end of the financial year, no amounts have been paid by the Company or Group in relation to the above indemnities. During the financial year, an insurance premium of A$12,594 (2016: A$14,125) was paid by the Group to insure against a liability incurred by a person who is or has been a director or officer of the Company or Group.

REMUNERATION REPORT (AUDITED)

This Remuneration Report, which forms part of the Directors' Report, sets out information about the remuneration of Key Management Personnel ("**KMP**") of the Group.

Details of Key Management Personnel

The KMP of the Group during or since the end of the financial year were as follows:

Directors

Mr Ian Middlemas	Chairman
Mr Keith Phillips	Managing Director, President & Chief Executive Officer *(appointed 10 July 2017)*
Mr Anastasios Arima	Executive Director *(appointed 1 October 2016)*
Mr Robert Behets	Non-Executive Director
Mr Levi Mochkin	Non-Executive Director
Mr Mark Pearce	Non-Executive Director

Other KMP

Mr Lamont Leatherman	Chief Geologist *(appointed 1 October 2016)*
Mr Gregory Swan	Company Secretary

Unless otherwise disclosed, the KMP held their position from 1 July 2016 until the date of this report.

Remuneration Policy

The Group's remuneration policy for its KMP has been developed by the Board taking into account the size of the Group, the size of the management team for the Group, the nature and stage of development of the Group's current operations, and market conditions and comparable salary levels for companies of a similar size and operating in similar sectors.

In addition to considering the above general factors, the Board has also placed emphasis on the following specific issues in determining the remuneration policy for KMP:

- the Group is currently focused on identifying and acquiring suitable resource projects and undertaking exploration, appraisal and development activities;
- risks associated with small cap resource companies whilst exploring and developing projects; and
- other than profit which may be generated from asset sales, the Company does not expect to be undertaking profitable operations until sometime after the commencement of commercial production on any of its projects.

Executive Remuneration

The Group's remuneration policy is to provide a fixed remuneration component and a performance based component (short term incentive and long-term incentive). The Board believes that this remuneration policy is appropriate given the considerations discussed in the section above and is appropriate in aligning executives' objectives with shareholder and business objectives.

Fixed Remuneration

Fixed remuneration consists of base salaries, as well as employer contributions to superannuation funds and other non-cash benefits. Non-cash benefits may include provision of motor vehicles. Fixed remuneration is reviewed annually by the Board. The process consists of a review of company and individual performance, relevant comparative remuneration externally and internally and, where appropriate, external advice on policies and practices.

Performance Based Remuneration – Short Term Incentive

Some executives are entitled to an annual cash bonus upon achieving various key performance indicators ("KPI's"), as set by the Board. Having regard to the current size, nature and opportunities of the Company, the Board has determined that these KPI's will include measures such as successful completion of the acquisition of new projects, exploration activities (e.g. completion of exploration programs within budgeted timeframes and costs), development activities (e.g. completion of scoping and/or feasibility studies), corporate activities (e.g. recruitment of key personnel) and business development activities (e.g. project acquisitions and capital raisings). Prior to the end of each financial year, the Board assesses performance against these criteria.

During the 2017 financial year, a total discretionary bonus sum of A$39,012 (2016: nil) was paid to executives after achievement of KPIs set by the Board, which included: (a) completion of successful exploration programs at the Project; (b) securing additional landholdings to expand the Project area; (c) completion of a successful capital raising; and (d) appointment of key management personnel.

Performance Based Remuneration – Long Term Incentive

The Group has a long-term incentive plan ("LTIP") comprising the grant of Performance Rights and/or Incentive Options to reward KMP and key employees and contractors for long-term performance.

To achieve its corporate objectives, the Group needs to attract, incentivise, and retain its key employees and contractors. The Board believes that grants of Performance Rights and/or Incentive Options to KMP will provide a useful tool to underpin the Group's employment and engagement strategy.

(i) Performance Rights

The Group has a Performance Rights Plan ("Plan") that provides for the issuance of unlisted performance share rights ("Performance Rights") which, upon satisfaction of the relevant performance conditions attached to the Performance Rights, will result in the issue of an Ordinary Share for each Performance Right. Performance Rights are issued for no consideration and no amount is payable upon conversion thereof.

The Plan enables the Group to: (a) recruit, incentivise and retain KMP and other key employees and contractors needed to achieve the Group's business objectives; (b) link the reward of key staff with the achievement of strategic goals and the long-term performance of the Group; (c) align the financial interest of participants of the Plan with those of Shareholders; and (d) provide incentives to participants of the Plan to focus on superior performance that creates Shareholder value.

Performance Rights granted under the Plan to eligible participants will be linked to the achievement by the Group of certain performance conditions as determined by the Board from time to time. These performance conditions must be satisfied in order for the Performance Rights to vest. Upon Performance Rights vesting, Ordinary Shares are automatically issued for no consideration. If a performance condition of a Performance Right is not achieved by the expiry date then the Performance Right will lapse.

During the financial year, no Performance Rights were granted to KMP. No Performance Rights vested during the financial year and 1,900,000 Performance Rights previously granted to KMP lapsed during the financial year.

(ii) Incentive Options

The Group has also chosen to grant unlisted incentive options ("Incentive Options") to some KMP and key employees and contractors as part of their remuneration and incentive arrangements in order to attract and retain their services and to provide an incentive linked to the performance of the Group.

The Board's policy is to grant Incentive Options to KMP with exercise prices at or above market share price (at the time of agreement). As such, the Incentive Options granted to KMP are generally only of benefit if the KMP performs to the level whereby the value of the Group increases sufficiently to warrant exercising the Incentive Options granted.

Other than service-based vesting conditions (if any) and the exercise price required to exercise the Incentive Options, there are no additional performance criteria on the Incentive Options granted to KMP, as given the speculative nature of the Group's activities and the small management team responsible for its running, it is considered that the performance of the KMP and the performance and value of the Group are closely related.

The Group prohibits executives from entering into arrangements to limit their exposure to Incentive Options granted as part of their remuneration package.

During the financial year, 29,500,000 Incentive Options were granted to KMP. No Incentive Options were exercised during the financial year and no Incentive Options previously granted to KMP and other key employees and contractors lapsed during the financial year.

REMUNERATION REPORT (AUDITED) (Continued)

Non-Executive Director Remuneration

The Board's policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. Given the current size, nature and risks of the Group, Incentive Options have been used to attract and retain Non-Executive Directors, where deemed appropriate. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at a General Meeting. Director's fees paid to Non-Executive Directors accrue on a daily basis. Fees for Non-Executive Directors are not linked to the performance of the economic entity. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and Non-Executive Directors may in limited circumstances receive Incentive Options and/or Performance Rights in order to secure their services.

The Company prohibits Non-Executive Directors from entering into arrangements to limit their exposure to Incentive Options granted as part of their remuneration package.

Fees for the Chairman are presently A$36,000 (2016: A$36,000). Fees for Non-Executive Directors are presently set at between A$20,000 to A$50,000 per annum (2016: A$20,000 to A$50,000). These fees cover main board activities only.

Non-Executive Directors may receive additional remuneration for other services provided to the Company, including but not limited to, membership of committees.

Relationship between Remuneration of KMP and Shareholder Wealth

During the Company's exploration and development phases of its business, the Board anticipates that the Company will retain earnings (if any) and other cash resources for the exploration and development of its resource projects. Accordingly, the Company does not currently have a policy with respect to the payment of dividends and returns of capital. Therefore, there was no relationship between the Board's policy for determining, or in relation to, the nature and amount of remuneration of KMP and dividends paid and returns of capital by the Company during the current and previous four financial years.

The Board did not determine, and in relation to, the nature and amount of remuneration of the KMP by reference to changes in the price at which shares in the Company traded between the beginning and end of the current and the previous four financial years. Discretionary annual cash bonuses are based upon achieving various non-financial KPI's that are not based on share price or earnings, such as the successful acquisition of new projects, exploration activities (e.g. completion of exploration programs within budgeted timeframes and costs), development activities (e.g. completion of scoping and/or feasibility studies), corporate activities (e.g. recruitment of key personnel) and business development activities (e.g. project acquisitions and capital raisings). However, as noted above, certain KMP are granted Performance Rights and/or Incentive Options which generally will be of greater value to KMP if the value of the Company's shares increases (subject to vesting conditions being met).

Relationship between Remuneration of KMP and Earnings

As discussed above, the Company is currently undertaking exploration and development activities, and does not expect to be undertaking profitable operations (other than by way of material asset sales, none of which is currently planned) until sometime after the successful commercialisation, production and sales of commodities from one or more of its projects. Accordingly, the Board does not consider earnings during the current and previous four financial years when determining, and in relation to, the nature and amount of remuneration of KMP.

Emoluments of KMP

Details of the nature and amount of each element of the emoluments of each KMP of Piedmont Lithium Limited are as follows:

2017	Short-term benefits Salary & fees A$	Short-term benefits Cash bonus A$	Post-employment benefits A$	Share-based payments A$	Total A$	Percentage performance related %
Directors						
Ian Middlemas	**36,000**	**-**	**-**	**-**	**36,000**	**-**
Keith Phillips [1]	**-**	**-**	**-**	**-**	**-**	**-**
Anastasios Arima [2]	**104,449**	**39,012**	**9,293**	**190,351**	**343,105**	**67%**
Robert Behets	**30,000**	**-**	**2,850**	**-**	**32,850**	**-**
Levi Mochkin [3]	**120,000**	**35,000**	**4,750**	**-**	**159,750**	**22%**
Mark Pearce	**20,000**	**-**	**1,900**	**-**	**21,900**	**-**
Other KMP						
Lamont Leatherman [4]	**149,039**	**-**	**-**	**227,251**	**376,290**	**60%**
Gregory Swan [5]	**-**	**-**	**-**	**58,950**	**58,950**	**100%**
	459,488	**74,012**	**18,793**	**476,552**	**1,028,845**	**54%**

Notes:

1 Mr Phillips was appointed after year-end, on 10 July 2017.

2 Mr Arima was appointed on 1 October 2016.

3 During the year Mr Mochkin was paid, or is payable, A$50,000 for directors' fees and Ledger Holdings Pty Ltd (an entity associated with Mr Mochkin) was paid, or is payable, A$105,000 for additional services provided in respect of business development activities.

4 Mr Leatherman was appointed on 1 October 2016.

5 Mr Swan provides services as the Company Secretary through a services agreement with Apollo Group Pty Ltd ('Apollo'). During the year, Apollo was paid or is payable A$180,000 for the provision of serviced office facilities and administrative, accounting and company secretarial services to the Group.

2016	Short-term benefits Salary & fees A$	Short-term benefits Cash bonus A$	Post-employment benefits A$	Share-based payments A$	Termination Payments A$	Total A$	Percentage performance related %
Directors							
Ian Middlemas [1]	24,000	-	2,280	-	-	26,280	-
Robert Behets [2]	10,431	-	991	-	-	11,422	-
Levi Mochkin [3]	120,000	-	4,750	(19,137)	-	105,613	-
Mark Pearce [4]	20,000	-	1,900	(11,482)	-	10,418	-
Simon O'Loughlin [5]	13,333	-	1,267	-	-	14,600	-
Peter Woodman [6]	82,337	-	7,822	(57,412)	8,761	41,508	-
Other KMP							
Gregory Swan [7]	-	-	-	(5,741)	-	(5,741)	-
	270,101	-	19,010	(93,772)	8,761	204,100	-

Notes:

1 Mr Middlemas elected to only receive fees of A$24,000 for the 2016 financial year.

2 Mr Behets was appointed on 25 February 2016.

3 During the year Mr Mochkin was paid, or is payable, A$50,000 for directors' fees and Ledger Holdings Pty Ltd, an entity associated with Mr Mochkin, was paid, or is payable, A$70,000 for additional services provided in respect of business development activities. During the year, any share based payment expense previously recognised under AASB 2 relating to 2,000,000 Performance Rights held by Mr Mochkin has been reversed on the basis that it is considered unlikely that the Performance Rights will ultimately vest.

4 During the year, any share based payment expense previously recognised under AASB 2 relating to 1,200,000 Performance Rights held by Mr Pearce has been reversed on the basis that it is considered unlikely that the Performance Rights will ultimately vest.

5 Mr O'Loughlin resigned effective from 25 February 2016.

6 Mr Woodman resigned effective from 22 January 2016 and forfeited 6,000,000 Performance Rights. Any share based payment expense previously recognised under AASB 2 in respect to these Performance Rights has been reversed.

7 Mr Swan provides services as the Company Secretary through a services agreement with Apollo. During the year, Apollo was paid or is payable A$180,000 for the provision of serviced office facilities and administrative, accounting and company secretarial services to the Group. During the year, any share based payment expense previously recognised under AASB 2 relating to 600,000 Performance Rights held by Mr Swan has been reversed on the basis that it is considered unlikely that the Performance Rights will ultimately vest.

DIRECTORS' REPORT
(Continued)

REMUNERATION REPORT (AUDITED) (Continued)

Loans with Key Management Personnel

No loans were provided to or received from KMP during the year ended 30 June 2017 (2016: Nil).

Other Transactions with Key Management Personnel

Apollo Group Pty Ltd (‘Apollo’), a company associated with Mr Mark Pearce, was paid A$180,000 during the 2017 year for the provision of serviced office facilities and administrative, accounting and company secretarial services (2016: A$180,000), based on a monthly retainer of A$15,000 due and payable in advance with no fixed term. The agreement may be terminated by either party for any reason by giving one month’s notice.

Ledger Holdings Pty Ltd (‘Ledger’), a company associated with Mr Levi Mochkin, was paid A$105,000 during the 2017 year for the provision of services in relation to business development activities (2016: A$70,000). Ledger receives a monthly retainer of A$5,833, with any additional fees agreed between the parties as required from time to time. The agreement may be terminated by either party for any reason by giving two months’ notice.

Options and Performance Rights Granted to Key Management Personnel

Details of the values of Incentive Options and Performance Rights granted, exercised or lapsed for each KMP of the Group during the 2017 financial year are as follows:

2017	Value of Options or Rights Granted during the Year[1] A$	Value of Options or Rights exercised during the year[2] A$	Value of Options or Rights included in remuneration for the year A$	Remuneration for the year that consists of Options or Rights %
Directors				
Mr Anastasios Arima	**327,000**	**-**	**190,351**	**58%**
Mr Levi Mochkin	**-**	**-**	**-**	**-**
Mr Mark Pearce	**-**	**-**	**-**	**-**
Other KMP				
Mr Lamont Leatherman	**425,000**	**-**	**227,251**	**60%**
Mr Gregory Swan	**103,000**	**-**	**58,950**	**100%**
Total	**855,000**	**-**	**476,552**	**47%**

Notes:
1 Determined at the time of grant per AASB 2. For details on the valuation of options and rights, including models and assumptions used, please refer to Note 16 of the financial statements.
2 Determined at the time of exercise or conversion at the intrinsic value.

Details of Incentive Options and Performance Rights granted by the Company to each KMP of the Group during the financial year are as follows:

2017	Options/ Rights	Grant Date	Expiry Date	Exercise Price A$	Grant Date Fair Value[1] A$	Number Granted	Number Vested
Directors							
Mr Anastasios Arima	**Options**	**27-Sep-16**	**31-Dec-19**	**$0.05**	**$0.036**	**5,000,000**	**-**
	Options	**27-Sep-16**	**31-Dec-19**	**$0.10**	**$0.027**	**3,000,000**	**-**
	Options	**27-Sep-16**	**31-Dec-19**	**$0.15**	**$0.022**	**3,000,000**	**-**
Other KMP							
Mr Lamont Leatherman	**Options**	**27-Sep-16**	**31-Dec-19**	**$0.05**	**$0.036**	**5,000,000**	**-**
	Options	**27-Sep-16**	**31-Dec-19**	**$0.10**	**$0.027**	**5,000,000**	**-**
	Options	**27-Sep-16**	**31-Dec-19**	**$0.15**	**$0.022**	**5,000,000**	**-**
Mr Gregory Swan	**Options**	**27-Sep-16**	**31-Dec-19**	**$0.05**	**$0.036**	**1,500,000**	**-**
	Options	**27-Sep-16**	**31-Dec-19**	**$0.10**	**$0.027**	**1,000,000**	**-**
	Options	**27-Sep-16**	**31-Dec-19**	**$0.15**	**$0.022**	**1,000,000**	**-**
Total						**29,500,000**	**-**

Notes:
1 For details on the valuation of Incentive Options and Performance Rights, including models and assumptions used, please refer to Note 16 of the financial statements.

Option and Performance Right holdings of Key Management Personnel

2017	Held at 1 July 2016	Granted as Remuner-ation	Options or Rights Exercised	Options or Rights Lapsed	Held at 30 June 2017	Vested and exercisable at 30 June 2017
Directors						
Ian Middlemas	-	-	-	-	-	-
Keith Phillips	-	-	-	-	-	-
Anastasios Arima	11,000,000 [1]	-	-	-	11,000,000	-
Robert Behets	-	-	-	-	-	-
Levi Mochkin	2,000,000	-	-	(1,000,000)	1,000,000	-
Mark Pearce	1,200,000	-	-	(600,000)	600,000	-
Other KMP						
Lamont Leatherman	15,000,000 [1]	-	-	-	15,000,000	-
Gregory Swan	600,000	3,500,000	-	(300,000)	3,800,000	-
	29,800,000	3,500,000	-	(1,900,000)	31,400,000	-

Notes:
[1] As at date of appointment.

Ordinary Shareholdings of Key Management Personnel

2017	Held at 1 July 2016	Options Exercised/ Rights Converted	Net Change Other	Held at 30 June 2017
Directors				
Ian Middlemas	20,000,000	-	-	20,000,000
Keith Phillips	-	-	-	-
Anastasios Arima	- [1]	-	-	-
Robert Behets	1,000,000	-	-	1,000,000
Levi Mochkin	52,500,000	-	-	52,500,000
Mark Pearce	3,500,000	-	-	3,500,000
Other KMP				
Lamont Leatherman	- [1]	-	-	-
Gregory Swan	1,000,000	-	-	1,000,000
	78,000,000	-	-	78,000,000

Notes:
[1] As at date of appointment.

Employment Contracts with KMP

Mr Phillips, President & CEO, has an employment agreement with the Group which may be terminated for any reason at any time. No amount is payable in the event of termination by the Group for cause. In the event of termination by the Group without cause, Mr Phillips is entitled to receive a payment equal to 6 months' salary and continuing benefits for a period of 6 months. Mr Phillips receives a fixed remuneration component of US$250,000 per annum and a discretionary annual bonus of up to US$100,000 to be paid upon the successful completion of KPIs as determined by the Board.

Mr Arima, Executive Director, is an employee of the Group. The arrangement may be terminated by either party at any time for any or no reason. No amount is payable in the event of termination by the Company. Effective from 1 July 2017, Mr Arima receives a fixed remuneration component of US$160,000 per annum and a discretionary annual bonus of up to US$40,000 to be paid upon the successful completion of KPIs as determined by the Board.

Mr Leatherman, Chief Geologist, is a contractor of the Group. The arrangement may be terminated by either party at any time for any or no reason upon at least 2 months prior written notice of termination to the other, or payment in lieu thereof. Mr Leatherman receives remuneration of US$600 per day.

End of Remuneration Report.

DIRECTORS' REPORT
(Continued)

DIRECTORS' MEETINGS

The number of meetings of directors held during the year and the number of meetings attended by each director were as follows:

	Board Meetings	
	Number eligible to attend	Number attended
Ian Middlemas	2	2
Keith Phillips	-	-
Anastasios Arima	1	1
Robert Behets	2	2
Levi Mochkin	2	2
Mark Pearce	2	2

There were no Board committees during the financial year.

NON-AUDIT SERVICES

There were no non-audit services provided by the auditor (or by another person or firm on the auditor's behalf) during the financial year.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2017 has been received and can be found on page 20 of the Directors' Report.

Signed in accordance with a resolution of the directors.

Keith D. Phillips

KEITH PHILLIPS
President & CEO

28 September 2017

AUDITOR'S INDEPENDENCE DECLARATION

Deloitte.

Deloitte Touche Tohmatsu
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The Board of Directors
Piedmont Lithium Limited
Level 9, 28 The Esplanade
PERTH WA 6000

28 September 2017

Dear Board Members

Piedmont Lithium Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Piedmont Lithium Limited.

As lead audit partner for the audit of the financial statements of Piedmont Lithium Limited for the financial year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

DNewman

David Newman
Partner
Chartered Accountants

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEAR ENDED 30 JUNE 2017

	Notes	2017 A$	2016 A$
Continuing operations			
Interest revenue		**44,978**	53,556
Exploration and evaluation expenses		**(1,501,453)**	(54,793)
Corporate and administrative expenses		**(588,983)**	(386,950)
Business development expenses		**(309,527)**	(191,016)
Share based payments	16	**(1,142,443)**	99,514
Other income and expenses	2	**(820)**	95,711
Loss before income tax		**(3,498,248)**	(383,978)
Income tax expense	3	**-**	-
Loss for the year		**(3,498,248)**	(383,978)
Loss attributable to members of Piedmont Lithium Limited		**(3,498,248)**	(383,978)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(2,807)**	-
Other comprehensive loss for the year, net of tax		**(2,807)**	-
Total comprehensive loss for the year		**(3,501,055)**	(383,978)
Total comprehensive loss attributable to members of Piedmont Lithium Limited		**(3,501,055)**	(383,978)
Basic loss per share (cents per share)	13	**(0.85)**	(0.10)
Diluted loss per share (cents per share)	13	**(0.85)**	(0.10)

The above Consolidated Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2017

	Notes	2017 A$	2016 A$
ASSETS			
Current Assets			
Cash and cash equivalents	5	**4,597,397**	1,855,095
Trade and other receivables	6	**44,172**	13,811
Total Current Assets		**4,641,569**	1,868,906
Non-Current Assets			
Exploration and evaluation assets	7	**231,149**	52,022
Property, plant and equipment	8	**5,064**	1,289
Total Non-Current Assets		**236,213**	53,311
TOTAL ASSETS		**4,877,782**	1,922,217
LIABILITIES			
Current Liabilities			
Trade and other payables	9	**628,480**	63,322
Total Current Liabilities		**628,480**	63,322
TOTAL LIABILITIES		**628,480**	63,322
NET ASSETS		**4,249,302**	1,858,895
EQUITY			
Contributed equity	10	**35,202,197**	30,453,178
Reserves	11	**1,139,636**	-
Accumulated losses	12	**(32,092,531)**	(28,594,283)
TOTAL EQUITY		**4,249,302**	1,858,895

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 30 JUNE 2017

	Ordinary Shares	Share Based Payments Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	A$	A$	A$	A$	A$
Balance at 1 July 2016	**30,453,178**	**-**	**-**	**(28,594,283)**	**1,858,895**
Net loss for the year	**-**	**-**	**-**	**(3,498,248)**	**(3,498,248)**
Exchange differences arising on translation of foreign operations	**-**	**-**	**(2,807)**	**-**	**(2,807)**
Total comprehensive loss for the year	**-**	**-**	**(2,807)**	**(3,498,248)**	**(3,501,055)**
Issue of shares	**5,060,000**	**-**	**-**	**-**	**5,060,000**
Share issue costs	**(310,981)**	**-**	**-**	**-**	**(310,981)**
Share based payments	**-**	**1,142,443**	**-**	**-**	**1,142,443**
Balance at 30 June 2017	**35,202,197**	**1,142,443**	**(2,807)**	**(32,092,531)**	**4,249,302**
Balance at 1 July 2015	30,453,178	99,514	-	(28,210,305)	2,342,387
Net loss for the year	-	-	-	(383,978)	(383,978)
Total comprehensive loss for the year	-	-	-	(383,978)	(383,978)
Share based payments	-	(99,514)	-	-	(99,514)
Balance at 30 June 2016	30,453,178	-	-	(28,594,283)	1,858,895

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2017

	Notes	2017 A$	2016 A$
Operating activities			
Payments to suppliers and employees		**(1,800,463)**	(612,686)
Interest received		**35,594**	59,325
Net cash flows used in operating activities	5	**(1,764,869)**	(553,361)
Investing activities			
Purchase of exploration and evaluation assets		**(235,653)**	-
Purchase of property, plant and equipment		**(5,375)**	-
Proceeds from sale of available-for-sale investments		**-**	106,962
Net cash flows (used in)/from investing activities		**(241,028)**	106,962
Financing activities			
Proceeds from issue of shares		**5,060,000**	-
Share issue costs		**(310,981)**	-
Net cash flows from financing activities		**4,749,019**	-
Net increase/(decrease) in cash and cash equivalents		**2,743,122**	(446,399)
Net foreign exchange differences		**(820)**	-
Cash and cash equivalents at beginning of year		**1,855,095**	2,301,494
Cash and cash equivalents at the end of the year	5	**4,597,397**	1,855,095

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in preparing the financial report of Piedmont Lithium Limited ("Piedmont" or "Company") and its consolidated entities ("Consolidated Entity" or "Group") for the year ended 30 June 2017 are stated to assist in a general understanding of the financial report.

Piedmont is a Company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

The financial report of the Group for the year ended 30 June 2017 was authorised for issue in accordance with a resolution of the Directors on 26 September 2017.

(a) Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with Australian Accounting Standards ("AASBs") adopted by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001*.

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

The financial report has also been prepared on a historical cost basis, except for available-for-sale investments and other financial assets, which have been measured at fair value. The financial report is presented in Australian dollars.

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. New and revised standards and amendments thereof and interpretations effective for the current reporting period that are relevant to the Group include:

- AASB 2014-4 *Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation* which clarify the principle in AASB 116 *Property, Plant and Equipment* and AASB 138 *Intangible Assets* that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset;
- AASB 2015-1 *Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012–2014 Cycle* which clarify certain requirements in AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*, AASB 7 *Financial Instruments: Disclosures*, AASB 119 Employee Benefits, and AASB 134 *Interim Financial Reporting*; and
- AASB 2015-2 *Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101* which amends AASB 101 *Presentation of Financial Statements* to clarify existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying the Standard in determining what information to disclose, where and in what order information is presented in their financial statements.

The adoption of these new and revised standards has not resulted in any significant changes to the Group's accounting policies or to the amounts reported for the current or prior periods.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Group for the annual reporting period ended 30 June 2017. Those which may be relevant to the Group are set out in the table below, but these are not expected to have any significant impact on the Group's financial statements:

Standard/Interpretation	Application Date of Standard	Application Date for Group
AASB 2016-2 *Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 107*	1 January 2017	1 July 2017
AASB 9 *Financial Instruments*, and relevant amending standards	1 January 2018	1 July 2018
AASB 15 *Revenue from Contracts with Customers*, and relevant amending standards	1 January 2018	1 July 2018
AASB 2016-5 *Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions*	1 January 2018	1 July 2018
AASB Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018	1 July 2018
AASB 16 Leases	1 January 2019	1 July 2020

(c) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 30 June 2017 and the results of all subsidiaries for the year then ended.

Control is achieved when the Company has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power.

Subsidiaries are all those entities (including special purpose entities) over which the Company has the power to govern the financial and operating policies, so as to obtain benefits from its activities, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

Intercompany transactions and balances, income and expenses and profits and losses between Group companies, are eliminated. Investments in subsidiaries are accounted for at cost in the Statement of Financial Position of the Company.

(d) Foreign Currencies

(i) Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the income statement.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Foreign Currencies (Continued)

(iii) Group companies

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in equity. These differences are recognised in profit or loss in the period in which the operation is disposed.

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

(f) Trade and Other Receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectable debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

Receivables from related parties are recognised and carried at the nominal amount due and are interest free.

(g) Investments and Other Financial Assets

(i) Classification

Financial assets in the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are classified as either financial assets at fair value though profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. When financial assets are recognised initially they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than twelve months after the reporting date which are classified as non-current assets. Loans and receivables are included in receivables in the Statement of Financial Position.

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity.

Investments intended to be held for an undefined period are not included in this classification. Investments that are indeed to be held-to-maturity, such as bonds, are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within twelve months of the reporting date.

(ii) *Recognition and derecognition*

Purchases and sales of investments are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) *Subsequent measurement*

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest rate method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the profit or loss in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity in the investments available for sale reserve. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments previously reported in equity are included in the income statement as gains and losses on disposal or impairment of investment securities.

(iv) *Impairment*

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss – is transferred from equity to the income statement. Impairment losses recognised in the income statement on equity instruments classified as held for sale are not reversed through the income statement.

(h) Property, Plant and Equipment

(i) *Cost and valuation*

All classes of property, plant and equipment are measured at cost.

Where assets have been revalued, the potential effect of the capital gains tax on disposal has not been taken into account in the determination of the revalued carrying amount. Where it is expected that a liability for capital gains tax will arise, this expected amount is disclosed by way of note.

(ii) *Depreciation*

Depreciation is provided on a straight-line basis on all property, plant and equipment.

	2017	2016
Major depreciation periods are:		
Plant and equipment:	**5 years**	5 years

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Exploration and Development Expenditure

Expenditure on exploration and evaluation is accounted for in accordance with the 'area of interest' method and with AASB 6 *Exploration for and Evaluation of Mineral Resources*, which is the Australian equivalent of IFRS 6.

Exploration and evaluation expenditure encompasses expenditures incurred by the Group in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

For each area of interest, expenditure incurred in the acquisition of rights to explore is capitalised and recognised as an exploration and evaluation asset. This includes option payments made to landowners under the Group's option agreements with local landowners which are considered part of the acquisition costs. Exploration and evaluation assets are measured at cost at recognition and are recorded as an asset if:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

- the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and

- exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

All other exploration and evaluation expenditures are expensed as incurred.

Once the technical feasibility and commercial viability of a program or project has been demonstrated with a bankable feasibility study, the carrying amount of the exploration and evaluation expenditure in respect of the area of interest is reclassified as a "mine development property" and future expenditures incurred in the development of that area of interest is accounted for in accordance with the Group's policy for Property, Plant & Equipment, as described in note 1(h).

Impairment

Capitalised exploration costs are reviewed each reporting date to establish whether an indication of impairment exists. If any such indication exists, the recoverable amount of the capitalised exploration costs is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development, accumulated expenditure is tested for impairment and transferred to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced. Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(j) Payables

Liabilities are recognised for amounts to be paid in the future for goods and services received. Trade accounts payable are normally settled within 60 days.

(k) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(l) Revenue Recognition

Revenues are recognised at the fair value of the consideration received net of the amount of goods and services tax (GST) payable to the taxation authority.

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

(m) Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose on goodwill or in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against tax liabilities and the deferred tax liabilities relate to the same taxable entity and the same taxation authority.

(n) Employee Entitlements

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled wholly within 12 months have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than 12 months have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(o) Earnings per Share

Basic earnings per share (“EPS”) is calculated by dividing the net profit attributable to members of the Company for the reporting period, after excluding any costs of servicing equity, by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.

Diluted EPS is calculated by dividing the basic EPS earnings, adjusted by the after tax effect of financing costs associated with dilutive potential Ordinary Shares and the effect on revenues and expenses of conversion to Ordinary Shares associated with dilutive potential Ordinary Shares, by the weighted average number of Ordinary Shares and dilutive Ordinary Shares adjusted for any bonus issue.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(q) Use and Revision of Accounting Estimates

The preparation of the financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(r) Operating Segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the board of directors.

The group aggregates two or more operating segments when they have similar economic characteristics, and the segments are similar in each of the following respects:

- Nature of the products and services,
- Nature of the production processes,
- Type or class of customer for the products and services,
- Methods used to distribute the products or provide the services, and if applicable,
- Nature of the regulatory environment.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

Information about other business activities and operating segments that are below the quantitative criteria are combined and disclosed in a separate category for “all other segments”.

(s) Business Combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant Standards. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under AASB 3(2008) are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with AASB 112 *Income Taxes* and AASB 119 *Employee Benefits* respectively*;*
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with AASB 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with AASB 5 *Noncurrent Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date – and is subject to a maximum of one year.

(t) Impairment of Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the reporting date.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

(v) Issued and Unissued Capital

Ordinary Shares and Performance Shares are classified as equity. Issued and paid up capital is recognised at the fair value of the consideration received by the Company.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(w) Dividends

Provision is made for the amount of any dividend declared on or before the end of the year but not distributed at balance date.

(x) Share-Based Payments

Equity-settled share-based payments are provided to officers, employees, consultants and other advisors. These share-based payments are measured at the fair value of the equity instrument at the grant date. Fair value is determined using the Black Scholes option pricing model.

The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At each reporting date, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with a corresponding adjustment to the share based payments reserve.

Equity-settled share-based payments may also be provided as consideration for the acquisition of assets. Where ordinary shares are issued, the transaction is recorded at fair value based on the quoted price of the ordinary shares at the date of issue. The acquisition is then recorded as an asset or expensed in accordance with accounting standards.

2. OTHER INCOME AND EXPENSES

		2017 A$	2016 A$
Other income			
Net gain on sale of available-for sale investments		**-**	95,711
Other expenses			
Net foreign exchange loss		**(820)**	-
Depreciation, amortisation and impairment included in profit or loss			
Depreciation of plant and equipment	8	**(1,501)**	(7,451)
Impairment of exploration and evaluation asset	7	**(52,022)**	-
		(53,523)	(7,451)
Employee benefits expense included in profit or loss			
Wages, salaries and fees		**(398,409)**	(255,142)
Defined contribution plans		**(18,793)**	(19,010)
Termination payments		**-**	(8,761)
Share based payments	16	**(1,142,443)**	99,514
		(1,559,645)	(183,398)

3. INCOME TAX

	2017 A$	2016 A$
Recognised in profit or loss		
Current income tax:		
Current income tax benefit in respect of the current year	-	-
Deferred income tax:		
Relating to origination and reversal of temporary differences	**(373,277)**	(11,596)
Adjustments in respect of deferred income tax of previous years	**(116,000)**	(124,689)
Deferred tax assets not brought to account	**489,277**	136,285
Income tax expense reported in profit or loss	-	-
Reconciliation between tax expense and accounting loss before income tax		
Accounting loss before income tax	**(3,498,248)**	(383,978)
At the Australian income tax rate of 27.5% (2016: 30%)	**(962,018)**	(115,194)
Expenditure not allowable for income tax purposes	**399,292**	103,598
Effect of decrease in Australian income tax rate [1]	**287,386**	-
Effect of higher tax rates in the United States	**(107,527)**	-
Exchange differences on translation of foreign operations	**9,590**	-
Adjustments in respect of deferred income tax of previous years	**(116,000)**	(124,689)
Effect of deferred tax assets not brought to account	**489,277**	136,285
Income tax expense reported in profit or loss	-	-

3. INCOME TAX (Continued)

	2017 A$	2016 A$
Deferred Tax Assets and Liabilities		
Deferred Tax Liabilities:		
Exploration and evaluation assets	**-**	15,607
Accrued interest	**3,757**	1,283
Deferred tax assets used to offset deferred tax liabilities	**(3,757)**	(16,890)
	-	-
Deferred Tax Assets:		
Accrued expenditure	**8,800**	7,980
Tax losses available to offset against future taxable income	**3,816,870**	3,341,545
Deferred tax assets used to offset deferred tax liabilities	**(3,757)**	(16,890)
Deferred tax assets not brought to account [2]	**(3,821,913)**	(3,332,635)
	-	-

Notes:

1. During the year, the Australian corporate tax rate was reduced to 27.5% for the 2016-17 income year for small business entities with an aggregated turnover of less than A$10 million.
2. The benefit of deferred tax assets not brought to account will only be brought to account if: (a) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised; (b) the conditions for deductibility imposed by tax legislation continue to be complied with; and (c) no changes in tax legislation adversely affect the Group in realising the benefit.
3. The Company and its wholly-owned Australian resident entities have formed a tax consolidated group from 1 July 2008 and are therefore taxed as a single entity from that date. The head entity within the tax consolidated group is Piedmont Lithium Limited.

4. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

No dividends have been paid or proposed for the year ended 30 June 2017 (2016: Nil).

5. CASH AND CASH EQUIVALENTS

	2017 A$	2016 A$
Cash at bank and on hand	**1,097,397**	4,465
Short term deposits	**3,500,000**	1,850,630
	4,597,397	1,855,095
Reconciliation of loss before income tax to net cash flows from operations		
Loss for the year	**(3,498,248)**	(383,978)
Adjustment for non-cash income and expense items		
Depreciation and impairment	**53,523**	7,451
Net gain on sale of available-for sale investments	**-**	(95,712)
Share-based payments	**1,142,443**	(99,514)
Exchange differences	**(6,826)**	-
Change in assets and liabilities		
(Increase)/decrease in trade and other receivables	**(30,361)**	11,328
Increase in trade and other payables	**574,600**	22,019
Decrease in provisions	**-**	(14,955)
Net cash outflow from operating activities	**(1,764,869)**	(553,361)

6. TRADE AND OTHER RECEIVABLES

	2017 A$	2016 A$
Accrued interest receivable	**13,661**	4,277
GST receivable	**30,511**	9,534
	44,172	13,811

7. EXPLORATION AND EVALUATION ASSETS

	2017 A$	2016 A$
Areas of interest		
Piedmont Lithium Project [1]	**231,149**	-
Yalgoo Gold Project [2]	**-**	52,022
Carrying amount at 30 June	**231,149**	52,022
Reconciliation		
Carrying amount at 1 July	**52,022**	52,022
Additions	**235,653**	-
Impairment [2]	**(52,022)**	-
Exchange differences	**(4,504)**	-
Carrying amount at 30 June [3]	**231,149**	52,022

Notes:

[1] During the year, the Group entered into exclusive option agreements with local landowners, which upon exercise, allows the Group to purchase (or in some cases long term lease) approximately 568 acres of surface property and the associated mineral rights from the local landowners (the "Piedmont Lithium Project"). During the year, the Group made option payments totalling A$231,149 to the landowners which have been treated as acquisition costs and capitalised as 'exploration and evaluation assets'. No liability has been recorded for the consideration payable to landowners if the Group chooses to exercise the options (refer to Note 20 for further details of contingent liabilities).

[2] During the year, the Group surrendered its Yalgoo gold tenement located in in Western Australia following a review of exploration results received to-date. Accordingly, the decision was taken to write-off all capitalised exploration costs associated with this tenement, being a total of A$52,022.

[3] The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective areas of interest.

8. PROPERTY, PLANT AND EQUIPMENT

	2017 A$	2016 A$
Plant and equipment		
At cost	**39,061**	100,220
Accumulated depreciation and impairment	**(33,997)**	(98,931)
Carrying amount at 30 June	**5,064**	1,289
Reconciliation		
Carrying amount at 1 July	**1,289**	8,740
Additions	**5,375**	-
Depreciation	**(1,501)**	(7,451)
Exchange differences	**(99)**	-
Carrying amount at 30 June	**5,064**	1,289

9. TRADE AND OTHER PAYABLES

	2017 A$	2016 A$
Trade creditors	**456,060**	36,722
Accrued expenses	**172,420**	26,600
	628,480	63,322

10. CONTRIBUTED EQUITY

	Note	2017 A$	2016 A$
Issued capital			
454,030,352 fully paid ordinary shares (2016: 397,808,129)	10(a)	**35,202,197**	30,453,178

(a) Movements in issued capital during the past two years

Date	Details	Number of Ordinary Shares	Issue Price	A$
1 Jul 2016	Opening balance	**397,808,129**	**-**	**30,453,178**
13 – 21 Apr 2017	Share placement	**56,222,223**	**$0.09**	**5,060,000**
	Share issue costs	**-**	**-**	**(310,981)**
30 Jun 2017	Closing balance	**454,030,352**	**-**	**35,202,197**
1 Jul 2015	Opening balance	397,808,129	-	30,453,178
30 Jun 2016	Closing balance	397,808,129	-	30,453,178

(b) Rights attaching to ordinary shares

The rights attaching to fully paid ordinary shares ("Shares") arise from a combination of the Company's Constitution, statute and general law. Shares issued following the exercise of Options or conversion of Performance Rights in accordance with notes 11(c) and 11(d) will rank equally in all respects with the Company's existing Shares.

(i) Shares

The issue of shares in the capital of the Company and options over unissued shares by the Company is under the control of the directors, subject to the Corporations Act 2001, ASX Listing Rules and any rights attached to any special class of shares.

(ii) Meetings of Members

Directors may call a meeting of members whenever they think fit. Members may call a meeting as provided by the Corporations Act 2001. The Constitution contains provisions prescribing the content requirements of notices of meetings of members and all members are entitled to a notice of meeting. A meeting may be held in two or more places linked together by audio-visual communication devices. A quorum for a meeting of members is 2 shareholders. The Company holds annual general meetings in accordance with the Corporations Act 2001 and the Listing Rules.

(iii) Voting

Subject to any rights or restrictions at the time being attached to any shares or class of shares of the Company, each member of the Company is entitled to receive notice of, attend and vote at a general meeting. Resolutions of members will be decided by a show of hands unless a poll is demanded. On a show of hands each eligible voter present has one vote. However, where a person present at a general meeting represents personally or by proxy, attorney or representative more than one member, on a show of hands the person is entitled to one vote only despite the number of members the person represents. On a poll each eligible member has one vote for each fully paid share held and a fraction of a vote for each partly paid share determined by the amount paid up on that share.

(iv) Changes to the Constitution

The Company's Constitution can only be amended by a special resolution passed by at least three quarters of the members present and voting at a general meeting of the Company. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

(v) Listing Rules

Provided the Company remains admitted to the Official List, then despite anything in its Constitution, no act may be done that is prohibited by the Listing Rules, and authority is given for acts required to be done by the Listing Rules. The Company's Constitution will be deemed to comply with the Listing Rules as amended from time to time.

11. RESERVES

	Note	2017 A$	2016 A$
Share-based payments reserve	11(b)	**1,142,443**	-
Foreign currency translation reserve	11(e)	**(2,807)**	-
		1,139,636	-

(a) Nature and purpose of reserves

(i) Share-based payments reserve

The share-based payments reserve is used to record the fair value of Incentive Options and Performance Rights issued by the Group.

(ii) Foreign currency translation reserve

Exchange differences arising on translation of foreign controlled entities are taken to the foreign currency translation reserve, as described in Note 1(d). The reserve is recognised in profit or loss when the net investment is disposed of.

11. RESERVES (Continued)

(b) Movements in share-based payments reserve during the past two years

Date	Details	Number of Incentive Options	Number of Performance Rights	A$
1 Jul 2016	Opening balance	**-**	**4,400,000**	**-**
27 Sep 2016	Grant of Incentive Options	**45,000,000**	**-**	**-**
9 Dec 2016	Grant of Incentive Options	**8,000,000**	**-**	**-**
31 Dec 2016	Lapse of Performance Rights	**-**	**(1,100,000)**	**-**
1 May 2017	Grant of Incentive Options[1]	**3,450,000**	**-**	**-**
30 Jun 2017	Lapse of Performance Rights	**-**	**(1,100,000)**	**-**
30 Jun 2017	Share-based payment expense	**-**	**-**	**1,142,443**
30 Jun 2017	Closing balance	**56,450,000**	**2,200,000**	**1,142,443**
1 Jul 2015	Opening balance	-	10,400,000	99,514
22 Jan 2016	Lapse of Performance Rights	-	(6,000,000)	-
30 Jun 2016	Share-based payment expense	-	-	(99,514)
30 Jun 2016	Closing balance	-	4,400,000	-

Notes:

1 During the year, the Group agreed to grant 3,450,000 Incentive Options however these options were not issued until after the end of the financial year on 6 July 2017. In accordance with AASB 2, these options are deemed to have been granted during the financial year.

2 For details on the valuation of Incentive Options and Performance Rights, including models and assumptions used, please refer to Note 16 of the financial statements.

(c) Terms and conditions of Incentive Options

The Incentive Options are granted based upon the following terms and conditions:

- Each Incentive Option entitles the holder to the right to subscribe for one Share upon the exercise of each Incentive Option;
- The Incentive Options granted as share based payments at the end of the financial year have the following exercise prices and expiry dates:
  - 19,000,000 Incentive Options exercisable at A$0.05 each expiring on 31 December 2019;
  - 1,000,000 Incentive Options exercisable at A$0.08 each expiring on 31 December 2019;
  - 16,500,000 Incentive Options exercisable at A$0.10 each expiring on 31 December 2019;
  - 16,500,000 Incentive Options exercisable at A$0.15 each expiring on 31 December 2019;
  - 1,150,000 Incentive Options exercisable at A$0.15 each expiring on 30 June 2020;
  - 1,150,000 Incentive Options exercisable at A$0.20 each expiring on 30 June 2020; and
  - 1,150,000 Incentive Options exercisable at A$0.25 each expiring on 30 June 2020;
- The Incentive Options are exercisable at any time prior to the Expiry Date, subject to vesting conditions being satisfied (if applicable);
- Shares issued on exercise of the Incentive Options rank equally with the then Shares of the Company;
- Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Incentive Options;
- If there is any reconstruction of the issued share capital of the Company, the rights of the Incentive Option holders may be varied to comply with the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction; and
- No application for quotation of the Incentive Options will be made by the Company.

(d) Terms and conditions of Performance Rights

The Performance Rights are granted based upon the following terms and conditions:

- Each Performance Right automatically converts into one Share upon vesting of the Performance Right;
- Each Performance Right is subject to performance conditions (as determined by the Board from time to time) which must be satisfied in order for the Performance Right to vest;
- The Performance Rights outstanding at the end of the financial year have the following performance conditions and expiry dates:
  - 1,100,000 Performance Rights subject to the Scoping Study Milestone expiring on 31 December 2017; and
  - 1,100,000 Performance Rights subject to the Feasibility Study Milestone expiring on 31 December 2018;
- Shares issued on conversion of the Performance Rights rank equally with the then Shares of the Company;
- Application will be made by the Company to ASX for official quotation of the Shares issued upon conversion of the Performance Rights;
- If there is any reconstruction of the issued share capital of the Company, the rights of the Performance Right holders may be varied to comply with the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction;
- No application for quotation of the Performance Rights will be made by the Company; and
- Without approval of the Board, Performance Rights may not be transferred, assigned or novated, except, upon death, a participant's legal personal representative may elect to be registered as the new holder of such Performance Rights and exercise any rights in respect of them.

(e) Movements in foreign currency translation reserve during the past two years

	2017 A$	2016 A$
Balance at 1 July	**-**	-
Exchange differences arising on translation of foreign operations	**(2,807)**	-
Balance at 30 June	**(2,807)**	-

12. ACCUMULATED LOSSES

	2017 A$	2016 A$
Balance at 1 July	**(28,594,283)**	(28,210,305)
Net loss for the year	**(3,498,248)**	(383,978)
Balance at 30 June	**(32,092,531)**	(28,594,283)

13. EARNINGS PER SHARE

	2017 A$ cents	2016 A$ cents
Basic loss per share	**(0.85)**	(0.10)
Diluted loss per share	**(0.85)**	(0.10)

	2017 A$	2016 A$
The following reflects the income and share data used in the calculations of basic earnings per share:		
Net loss	**(3,498,248)**	(383,978)
Earnings used in calculating basic and dilutive earnings per share	**(3,498,248)**	(383,978)

	Number of Ordinary Shares 2017	Number of Ordinary Shares 2016
Weighted average number of Ordinary Shares used in calculating basic and dilutive earnings per share	**409,976,775**	397,808,129

(a) Non-Dilutive Securities

As at balance date, 56,450,000 Incentive Options and 2,200,000 Performance Rights, which together represent 58,650,000 potential Ordinary Shares, were considered non-dilutive as they would decrease the loss per share.

(b) Conversions, Calls, Subscriptions or Issues after 30 June 2017

Subsequent to year-end, on 6 July 2017, the Company issued 27,450,000 Incentive Options as follows:

- 6,000,000 Incentive Options exercisable at A$0.10 each expiring on 10 July 2020;
- 6,000,000 Incentive Options exercisable at A$0.12 each expiring on 10 January 2021;
- 6,000,000 Incentive Options exercisable at A$0.16 each expiring on 10 July 2021;
- 6,000,000 Incentive Options exercisable at A$0.24 each expiring on 10 July 2022;
- 1,150,000 Incentive Options exercisable at A$0.15 each expiring on 30 June 2020;
- 1,150,000 Incentive Options exercisable at A$0.20 each expiring on 30 June 2020; and
- 1,150,000 Incentive Options exercisable at A$0.25 each expiring on 30 June 2020.

Other than as outlined above, there have been no conversions to, calls of, or subscriptions for Ordinary Shares or issues of potential Ordinary Shares since the reporting date and before the completion of this financial report.

14. RELATED PARTIES

	Country of Incorporation	Equity Interest 2017 %	Equity Interest 2016 %
(a) Subsidiaries			
Piedmont Lithium, Inc. [1]	United States	**100**	-
WCP Gold Pty Ltd	Australia	**100**	100
WCP Copper Pty Ltd	Australia	**100**	100
Mt Phillips Exploration Pty Ltd	Australia	**100**	100
WCP Energy Pty Ltd	Australia	**100**	100
WCP Phosphate Pty Ltd	Australia	**100**	100

Notes:
[1] Piedmont Lithium, Inc. was incorporated by the Group on 18 July 2016.

(b) Ultimate Parent

Piedmont Lithium Limited is the ultimate parent of the Group.

(c) Transactions with Related Parties

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

(d) Transactions with Key Management Personnel

Apollo Group Pty Ltd ('Apollo'), a company associated with Mr Mark Pearce, was paid $180,000 during the 2017 year for the provision of serviced office facilities and administration services (2016: $180,000), based on a monthly retainer of $15,000 due and payable in advance with no fixed term. The agreement may be terminated by either party for any reason by giving one month's notice.

Ledger Holdings Pty Ltd ('Ledger'), a company associated with Mr Levi Mochkin, was paid $105,000 during the 2017 year for the provision of services in relation to business development activities (2016: $70,000). Ledger receives a monthly retainer of $5,833, with any additional fees agreed between the parties as required from time to time. The agreement may be terminated by either party for any reason by giving two months' notice.

Further details relating to Key Management Personnel, including remuneration details and equity holdings, are included in the Remuneration Report.

15. PARENT ENTITY DISCLOSURES

	Notes	2017 A$	2016 A$
(a) Financial Position			
Assets			
Current Assets		**4,640,172**	1,868,904
Non-Current Assets		**-**	53,311
Total Assets		**4,640,172**	1,922,215
Liabilities			
Current Liabilities		**143,833**	63,322
Total Liabilities		**143,833**	63,322
Equity			
Contributed equity		**35,202,197**	30,453,177
Reserves		**1,142,443**	-
Accumulated losses		**(31,848,301)**	(28,594,284)
Total Equity		**4,496,339**	1,858,893
(b) Financial Performance			
Loss for the year		**(3,254,017)**	(383,978)
Other comprehensive income/(loss)		**-**	-
Total comprehensive income/(loss)		**(3,254,017)**	(383,978)

(c) Other

No guarantees have been entered into by the parent entity in relation to its subsidiaries.

Refer to note 20 for details of contingent assets and liabilities.

16. SHARE-BASED PAYMENTS

(a) Recognised share-based payment expense

From time to time, the Group provides Incentive Options and Performance Rights to officers, employees, consultants and other key advisors as part of remuneration and incentive arrangements. The number of options or rights granted, and the terms of the options or rights granted are determined by the Board. Shareholder approval is sought where required.

During the past two years, the following equity-settled share-based payments have been recognised:

	2017 A$	2016 A$
Expense arising from equity-settled share-based payment transactions	**(1,142,443)**	**99,514**

(b) Summary of Incentive Options and Performance Rights granted as share-based payments

The following table illustrates the number and weighted average exercise prices ("WAEP") of Incentive options and Performance Rights granted as share-based payments at the beginning and end of the financial year:

	2017 Number	2017 WAEP	2016 Number	2016 WAEP
Outstanding at beginning of year	**4,400,000**	**-**	10,400,000	-
Lapsed during the year	**(2,200,000)**	**-**	(6,000,000)	-
Granted during the year	**56,450,000**	**$0.10**	-	-
Outstanding at end of year	**58,650,000**	**$0.10**	4,400,000	-

The following Incentive Options and Performance Rights were granted as share-based payments during the past two years:

Series	Security Type	Number	Grant Date	Expiry Date	Exercise Price A$	Fair Value A$
Series 1	Options	19,000,000	27-Sep-16	31-Dec-19	$0.05	$0.0360
Series 2	Options	13,000,000	27-Sep-16	31-Dec-19	$0.10	$0.0270
Series 3	Options	13,000,000	27-Sep-16	31-Dec-19	$0.15	$0.0220
Series 4	Options	1,000,000	9-Dec-16	31-Dec-19	$0.08	$0.0410
Series 5	Options	3,500,000	9-Dec-16	31-Dec-19	$0.10	$0.0370
Series 6	Options	3,500,000	9-Dec-16	31-Dec-19	$0.15	$0.0300
Series 7	Options	1,150,000	1-May-17	30-Jun-20	$0.15	$0.0400
Series 8	Options	1,150,000	1-May-17	30-Jun-20	$0.20	$0.0340
Series 9	Options	1,150,000	1-May-17	30-Jun-20	$0.25	$0.0300

(c) Weighted Average Remaining Contractual Life

At 30 June 2017, the weighted average remaining contractual life of Incentive Options and Performance Rights on issue that had been granted as share-based payments was 2.5 years (2016: 1.4 years).

(d) Range of Exercise Prices

At 30 June 2017, the range of exercise prices of Incentive Options on issue that had been granted as share-based payments was A$0.05 to A$0.25 (2016: nil).

(e) Weighted Average Fair Value

The weighted average fair value of Incentive Options and Performance Rights granted as share-based payments by the Group during the year ended 30 June 2017 was A$0.03 (2016: nil).

(f) Option and Rights Pricing Models

The fair value of Incentive Options granted is estimated as at the date of grant using the Black Scholes option valuation model taking into account the terms and conditions upon which the Incentive Options were granted. The fair value of Performance Rights granted is estimated as at the date of grant based on the underlying share price (being the seven-day volume weighted average share price prior to issuance).

The table below lists the inputs to the valuation model used for share options granted by the Group during the last two years:

Inputs	Series 1	Series 2	Series 3	Series 4	Series 5
Exercise price	A$0.05	A$0.10	A$0.15	A$0.08	A$0.10
Grant date share price	A$0.06	A$0.06	A$0.06	A$0.076	A$0.076
Dividend yield[1]	-	-	-	-	-
Volatility[2]	85%	85%	85%	85%	85%
Risk-free interest rate	1.62%	1.62%	1.62%	1.92%	1.92%
Grant date	27-Sep-16	27-Sep-16	27-Sep-16	9-Dec-16	9-Dec-16
Issue date	27-Sep-16	27-Sep-16	27-Sep-16	9-Dec-16	9-Dec-16
Expiry date	31-Dec-19	31-Dec-19	31-Dec-19	31-Dec-19	31-Dec-19
Expected life of option[3]	3.26 years	3.26 years	3.26 years	3.06 years	3.06 years
Fair value at grant date	A$0.036	A$0.027	A$0.022	A$0.041	A$0.037

Inputs	Series 6	Series 7	Series 8	Series 9
Exercise price	A$0.15	A$0.15	A$0.20	A$0.25
Grant date share price	A$0.076	A$0.09	A$0.09	A$0.09
Dividend yield[1]	-	-	-	-
Volatility[2]	85%	85%	85%	85%
Risk-free interest rate	1.92%	1.81%	1.81%	1.81%
Grant date	9-Dec-16	1-May-17	1-May-17	1-May-17
Issue date	9-Dec-16	6-Jul-17	6-Jul-17	6-Jul-17
Expiry date	31-Dec-19	30-Jun-20	30-Jun-20	30-Jun-20
Expected life of option[3]	3.06 years	3.17 years	3.17 years	3.17 years
Fair value at grant date	A$0.030	A$0.040	A$0.034	A$0.030

Notes:

1. The dividend yield reflects the assumption that the current dividend payout will remain unchanged.
2. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.
3. The expected life of the options is based on the expiry date of the options.

17. AUDITORS' REMUNERATION

	2017 A$	2016 A$
Amounts received or due and receivable by Deloitte Touche Tohmatsu for an audit or review of the financial report of the Group	**24,500**	22,140
	24,500	22,140

18. SEGMENT INFORMATION

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Consolidated Entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Consolidated Entity operates in one segment, being mineral exploration in the Unites States of America.

(a) Reconciliation of non-current assets by geographical location

	2017 A$	2016 A$
United States of America	**236,213**	-
Australia	**-**	53,311
	236,213	53,311

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Overview

The Group's principal financial instruments comprise receivables, payables, cash, and short-term deposits. The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk.

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital. Other than as disclosed, there have been no significant changes since the previous financial year to the exposure to or management of these risks.

The Group manages its exposure to key financial risks in accordance with the Group's financial risk management policy. Key risks are monitored and reviewed as circumstances change (e.g. acquisition of a new project) and policies are revised as required. The overall objective of the Group's financial risk management policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

Given the nature and size of the business and uncertainty as to the timing and amount of cash inflows and outflows, the Group does not enter into derivative transactions to mitigate the financial risks. In addition, the Group's policy is that no trading in financial instruments shall be undertaken for the purposes of making speculative gains. As the Group's operations change, the Directors will review this policy periodically going forward.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing the Group's financial risks as summarised below.

(b) **Credit Risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This arises principally from cash and cash equivalents and trade and other receivables.

There are no significant concentrations of credit risk within the Group. The carrying amount of the Group's financial assets represents the maximum credit risk exposure, as represented below:

	Note	2017 A$	2016 A$
Cash and cash equivalents	5	**4,597,397**	1,855,095
Trade and other receivables	6	**44,172**	13,811
		4,641,569	1,868,906

The Group does not have any significant customers and accordingly does not have any significant exposure to bad or doubtful debts.

Trade and other receivables comprise primarily accrued interest revenue and GST refunds due. Where possible the Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. At 30 June 2017 none (2016: none) of the Group's receivables are past due. No impairment losses on receivables have been recognised.

With respect to credit risk arising from cash and cash equivalents, the Group's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

(c) **Liquidity Risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Board's approach to managing liquidity is to ensure, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when due. At 30 June 2016 and 2017, the Group had sufficient liquid assets to meet its financial obligations.

The contractual maturities of financial liabilities, including estimated interest payments, are provided below. There are no netting arrangements in respect of financial liabilities.

2017	≤6 Months A$	6-12 Months A$	1-5 Years A$	≥5 Years A$	Total A$
Group					
Financial Assets					
Cash and cash equivalents	**4,597,397**	**-**	**-**	**-**	**4,597,397**
Trade and other receivables	**44,172**	**-**	**-**	**-**	**44,172**
	4,641,569	**-**	**-**	**-**	**4,641,569**
Financial Liabilities					
Trade and other payables	**628,480**	**-**	**-**	**-**	**628,480**
	628,480	**-**	**-**	**-**	**628,480**

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Interest Rate Risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the cash and short-term deposits with a floating interest rate.

These financial assets with variable rates expose the Group to cash flow interest rate risk. All other financial assets and liabilities, in the form of receivables and payables are non-interest bearing.

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was:

	Note	2017 A$	2016 A$
Interest-bearing financial instruments			
Cash at bank and on hand	5	**1,097,397**	4,465
Short term deposits	5	**3,500,000**	1,850,630
		4,597,397	1,855,095

The Group's cash at bank and on hand and short-term deposits had a weighted average floating interest rate at year end of 2.33% (2016: 1.98%).

The Group currently does not engage in any hedging or derivative transactions to manage interest rate risk.

Interest rate sensitivity

A sensitivity of 1% (100 basis points) has been selected as this is considered reasonable given the current level of both short term and long-term interest rates. A 1% (100 basis points) movement in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2016.

	Profit or loss		Equity	
	+1% A$	-1% A$	+1% A$	-1% A$
2017				
Group				
Cash and cash equivalents	**45,463**	**(45,395)**	**45,463**	**(45,395)**
2016				
Group				
Cash and cash equivalents	18,551	(18,509)	18,551	(18,509)

(e) Foreign Currency Risk

As a result of the Group’s acquisition during the year of the Piedmont Lithium Project located in the United States, the Group's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income can be affected by movements in exchange rates. The Group also has transactional currency exposures. Such exposure arises from transactions denominated in currencies other than the functional currency of the entity.

The Group’s exposure to foreign currency risk throughout the current year primarily arose from controlled entities of the Company whose functional currency is U.S. Dollars (“US$”). Foreign currency risk arises on translation of the net assets of a controlled entity to Australian dollars (“A$”). In the Group accounts, the foreign currency gains or losses arising from this risk are recorded through the foreign currency translation reserve.

It is the Group's policy not to enter into any hedging or derivative transactions to manage foreign currency risk.

At the reporting date, the Group's exposure to financial instruments denominated in foreign currencies was:

US$ denominated financial assets and liabilities	2017 US$ exposure (A$ Equivalent)	2016 US$ exposure (A$ Equivalent)
Financial assets		
Cash and cash equivalents	**51,879**	-
Financial liabilities		
Trade and other payables	**(519,628)**	-
Net exposure	**(467,749)**	-

Foreign exchange rate sensitivity

At the reporting date, had the Australian Dollar appreciated or depreciated against the US$, as illustrated in the table below, profit or loss and equity would have been affected by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss		Other Comprehensive Income	
	10% Increase A$	10% Decrease A$	10% Increase A$	10% Decrease A$
2017				
Group				
A$ to US$	**41,139**	**(45,253)**	**41,139**	**(45,253)**
2016				
Group				
A$ to US$	-	-	-	-

(f) Commodity Price Risk

The Group is exposed to commodity price risk. These commodity prices can be volatile and are influenced by factors beyond the Group's control. As the Group is currently engaged in exploration and development activities, no sales of commodities are forecast for the next 12 months, and accordingly, no hedging or derivative transactions have been used to manage commodity price risk.

(g) Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Given the stage of development of the Group, the Board's objective is to minimise debt and to raise funds as required through the issue of new shares. The Group is not subject to externally imposed capital requirements.

There were no changes in the Group's approach to capital management during the year.

(h) Fair Value

The net fair value of financial assets and financial liabilities approximates their carrying value. The methods for estimating fair value are outlined in the relevant notes to the financial statements. The available for sale financial assets are classified as level 1 fair value measurements as those derived from quoted prices.

20. CONTINGENT ASSETS AND LIABILITIES

During the year, the Group entered into option agreements with local landowners in North Carolina, United States, in relation to its Piedmont Lithium Project, which upon exercise, allows the Group to purchase (or long-term lease) approximately 568 acres of surface property and the associated mineral rights from the local landowners. Upon exercise, in the case of a purchase, the Group will pay cash consideration approximating the fair market value of the surface property at the time of exercise (excluding the value of any minerals) plus 50%. Upon exercise, in the case of a long-term lease, the Group will pay annual advanced royalty payments per acre. The landowners will also retain a production royalty payable on production of ore from the property, between US$0.50 to US$2.00 per tonne of ore produced.

21. EVENTS SUBSEQUENT TO BALANCE DATE

(a) On 6 July 2017, the Company appointed highly respected New York-based mining investment banker Mr Keith D. Phillips as Managing Director, President and Chief Executive Officer of the Company. The Company also issued 24,000,000 unlisted options (with exercise prices between A$0.10 and A$0.24 and expiring between 10 July 2020 and 10 July 2022) to Mr Phillips as part of his remuneration package; and

(b) On 18 August 2017, the Company changed its name to 'Piedmont Lithium Limited' following approval by shareholders at a General Meeting of Shareholders held on 18 August 2017; and

(c) On 27 September 2017, the Company announced assay results from the first 26 holes of its Phase 2 drill program at the Piedmont Lithium Project, with results continuing to show high grade lithium mineralisation across significant widths.

Other than as outlined above, as at the date of this report there are no other matters or circumstances which have arisen since 30 June 2017 that have significantly affected or may significantly affect:

- the operations, in financial years subsequent to 30 June 2017, of the Consolidated Entity;
- the results of those operations, in financial years subsequent to 30 June 2017, of the Consolidated Entity; or
- the state of affairs, in financial years subsequent to 30 June 2017, of the Consolidated Entity.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Piedmont Lithium Limited:

1. In the opinion of the directors:

   (a) the attached financial statements, notes and the additional disclosures included in the directors' report designated as audited, are in accordance with the Corporations Act 2001, including:

      (i) compliance with accounting standards and Corporations Regulations 2001; and

      (ii) gives a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the Group; and

   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. The attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statements.

3. The Directors have been given a declaration required by section 295A of the Corporations Act 2001 for the financial year ended 30 June 2017.

On behalf of the Board

Keith D. Phillips

KEITH PHILLIPS
President & CEO

28 September 2017

Deloitte.

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Independent Auditor's Report to the members of Piedmont Lithium Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Piedmont Lithium Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Carrying value of Exploration and Evaluation Assets	
As at 30 June 2017 the Group has $231,149 of capitalised exploration and evaluation expenditure as disclosed in Note 7. Assessment of the carrying value of exploration and evaluation assets requires significant judgement, including the Group's intention and ability to proceed with a future work programme to realise value from the prospective resource, the likelihood of licence renewal or extension, and the expected or actual success of resource evaluation and analysis.	Our procedures included, but were not limited to: • Obtaining a scheduled of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Holding discussions with management as to the status of ongoing exploration programmes in the respective areas of interest; • Evaluating whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; and • Assessing whether any facts or circumstances existed to suggest impairment testing was required. We also assessed the appropriateness of the related disclosures to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 19 of the Directors' Report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of Piedmont Lithium Limited, for the year ended 30 June 2017, complies with section 300A of the *Corporations Act 2001*.

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Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

DNewman

David Newman
Partner
Chartered Accountants
Perth, 28 September 2017

CORPORATE GOVERNANCE

Piedmont Lithium Limited (**Piedmont** or **Company**) and the entities it controls believe corporate governance is important for the Company in conducting its business activities.

The Board of Piedmont has adopted a suite of charters and key corporate governance documents which articulate the policies and procedures followed by the Company.

These documents are available in the Corporate Governance section of the Company's website, www.piedmontlithium.com. These documents are reviewed at least annually to address any changes in governance practices and the law.

The Company's Corporate Governance Statement 2017, which explains how Piedmont complies with the ASX Corporate Governance Council's 'Corporate Governance Principles and Recommendations – 3rd Edition' in relation to the year ended 30 June 2017, is available in the Corporate Governance section of the Company's website, www.piedmontlithium.com and will be lodged with ASX together with an Appendix 4G at the same time that this Annual Report is lodged with ASX.

In addition to the ASX Corporate Governance Council's 'Corporate Governance Principles and Recommendations – 3rd Edition' the Board has taken into account a number of important factors in determining its corporate governance policies and procedures, including the:

- relatively simple operations of the Company, which currently only undertakes mineral exploration and development activities;
- cost verses benefit of additional corporate governance requirements or processes;
- size of the Board;
- Board's experience in the resources sector;
- organisational reporting structure and number of reporting functions, operational divisions and employees;
- relatively simple financial affairs with limited complexity and quantum;
- relatively small market capitalisation and economic value of the entity; and
- direct shareholder feedback.

ASX ADDITIONAL INFORMATION

The shareholder information set out below was applicable as at 31 August 2017.

1. TWENTY LARGEST HOLDERS OF LISTED SECURITIES

The names of the twenty largest holders of listed securities are listed below:

Name	No of Ordinary Shares Held	Percentage of Issued Shares
Nasdaq Securities Australia Pty Ltd <Nasdaq Securities Aust A/C>	52,500,000	11.56
Arredo Pty Ltd	20,000,000	4.40
HSBC Custody Nominees (Australia) Limited	14,766,894	3.25
Citicorp Nominees Pty Limited	10,679,972	2.35
Sapphire Chip Pty Ltd	10,350,000	2.28
Mr Gregory John Howe + Ms Tracie Lee Vella <Tag Super Fund A/C>	10,170,000	2.24
Mrs Susan Maree Whiting	10,000,000	2.20
Greenslade Holdings Pty Ltd	9,033,202	1.99
Annlew Investments Pty Ltd <Annlew Investments PL SF A/C>	9,000,000	1.98
Pershing Australia Nominees Pty Ltd <Patersons Securities A/C>	8,300,000	1.83
Foreign Dimensions Pty Ltd	6,250,000	1.38
Corporate Property Services Pty Ltd <K W Share A/C>	4,844,881	1.07
Mr Vicenco Alac	4,486,000	0.99
Octifil Pty Ltd	4,479,250	0.99
Ms Lucille O'Loughlin <Lucille O'Loughlin Inves A/C>	4,025,000	0.89
Mr Michael Andrew Whiting + Mrs Tracey Anne Whiting <Whiting Family S/F A/C>	3,600,000	0.79
GP Securities Pty Ltd	3,500,000	0.77
Mr Mark Pearce + Mrs Natasha Pearce <NMLP Family A/C>	3,500,000	0.77
Mr Angus William Johnson + Mrs Lindy Johnson <Dena Super Fund A/C>	3,295,818	0.73
Aegean Capital Pty Ltd <The Spartacus A/C>	3,050,000	0.67
Total Top 20	**195,831,017**	**43.13**
Others	258,199,335	56.87
Total Ordinary Shares on Issue	**454,030,352**	**100.00**

2. DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of holders by size of holding:

Distribution	Number of Shareholders	Number of Shares
1 – 1,000	193	71,326
1,001 – 5,000	151	404,753
5,001 – 10,000	145	1,279,842
10,001 – 100,000	498	23,775,613
More than 100,000	411	428,498,818
Totals	**1,398**	**454,030,352**

There were 345 holders of less than a marketable parcel of ordinary shares.

ASX ADDITIONAL INFORMATION (Continued)

3. VOTING RIGHTS

See Note 10(b) of the Notes to the Financial Statements.

4. SUBSTANTIAL SHAREHOLDERS

Substantial Shareholder notices have been received from the following:

Substantial Shareholder	Number of Shares
Nasdaq Securities Australia Pty Limited	52,500,000

5. ON-MARKET BUY BACK

There is currently no on-market buyback program for any of Piedmont Lithium Limited's listed securities.

6. UNQUOTED SECURITIES

The names of the security holders holding 20% or more of an unlisted class of security at 31 August 2017, other than those securities issued or acquired under an employee incentive scheme, are listed below:

Holder	$0.05 Options Expiring 31-Dec-19	$0.08 Options Expiring 31-Dec-19	$0.10 Options Expiring 31-Dec-19	$0.15 Options Expiring 31-Dec-19	$0.15 Options Expiring 30-Jun-20	$0.20 Options Expiring 30-Jun-20	$0.25 Options Expiring 30-Jun-20	$0.10 Options Expiring 10-Jul-20	$0.12 Options Expiring 10-Jan-21	$0.16 Options Expiring 10-Jul-21	$0.24 Options Expiring 10-Jul-22
Mr Keith D Phillips	-	-	-	-	-	-	-	6,000,000	6,000,000	6,000,000	6,000,000
Moshos Family Investments Pty Ltd	5,000,000	-	3,000,000	3,000,000	-	-	-	-	-	-	-
Mr Lamont Leatherman	5,000,000	-	5,000,000	5,000,000	-	-	-	-	-	-	-
Mr Nathan Lee Ainsworth	5,000,000	-	3,000,000	3,000,000	-	-	-	-	-	-	-
Mr Vijay Mehta	-	-	-	-	400,000	400,000	400,000	-	-	-	-
Global Lithium LLC	-	-	-	-	750,000	750,000	750,000	-	-	-	-
RK Equity Advisors LLC	-	1,000,000	3,500,000	3,500,000	-	-	-	-	-	-	-
Others (less than 20%)	4,000,000	-	2,000,000	2,000,000	-	-	-	-	-	-	-
Total	**19,000,000**	**1,000,000**	**16,500,000**	**16,500,000**	**1,150,000**	**1,150,000**	**1,150,000**	**6,000,000**	**6,000,000**	**6,000,000**	**6,000,000**
Total holders	*5*	*1*	*6*	*6*	*2*	*2*	*2*	*1*	*1*	*1*	*1*

7. MINERAL RESOURCES STATEMENT

To date, the Company has not reported any Mineral Resources or Ore Reserves for its exploration projects.

8. EXPLORATION INTERESTS

As at 30 June 2017, the Group had exclusive option agreements with private landowners in North Carolina, United States, which upon exercise, allows the Company to purchase (or long-term lease) approximately 568 acres of surface property and the associated mineral rights from the private landowners.

9. FORWARD LOOKING STATEMENTS

This report may include forward-looking statements. These forward-looking statements are based on Piedmont'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 Piedmont, which could cause actual results to differ materially from such statements. Piedmont 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.

10. COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results, is extracted from the Company's ASX announcements dated 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 included 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.

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