

Piedmont Lithium Ltd

13:49 28 Sep 2020

Piedmont Lithium soars 90% on signing Tesla spodumene agreement

Piedmont Lithium Ltd (ASX:PLL) (NASDAQ:PLL) has soared to a new 13-year high after forging a binding agreement with Tesla Inc (NASDAQ:TSLA) for the supply of spodumene concentrate from the company's North Carolina deposit.

The agreement is for an initial five-year term on a fixed price binding purchase commitment from the delivery of first product and covers a fixed commitment representing around 33% of the company's planned annual spodumene production of 160,000 tonnes.

This arrangement may also be extended by mutual agreement for a second five-year term.

Shares have been as much as 90% higher to A\$0.285 intra-day on the ASX, a new 13-year high for the company, on strong volume of more than 111 million.

"First US domestic lithium supply chain"

PLL president and CEO Keith D Philips said: "We are excited to be working with Tesla, which represents the start of the first US domestic lithium supply chain and a disruption to the current value chain.

"The agreement highlights the strategic importance of Piedmont's unique American spodumene deposit and confirms the trend toward spodumene as the preferred feedstock for the lithium hydroxide required in high-nickel batteries.

"Piedmont will now accelerate our mine and concentrator development to support Tesla's plans, work to further expand our mineral resources and potentially increase our planned annual spodumene concentrate production capacity.

"We will simultaneously be advancing our plans to produce lithium hydroxide in North Carolina using a combination of internally produced spodumene concentrate as well as material sourced from other producers around the world."

The agreement is conditional upon Tesla and Piedmont agreeing to a start date for spodumene concentrate deliveries between July 2022 and July 2023 based on the development schedules of both parties

Discussions are ongoing with respect to other lithium and by-product sales arrangements.

In world-class belt

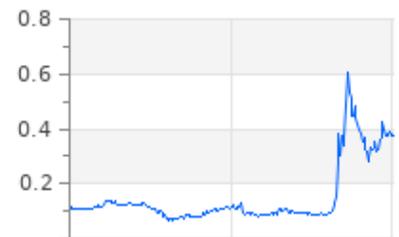
The Piedmont Lithium project is in the world-class Carolina Tin-Spodumene Belt in North Carolina, one of the world's premier regions for lithium exploration, given its favourable geology and ideal location with easy access to infrastructure, power, R&D centres for lithium and battery storage and major high-tech population centres.

From the 1950s to 1990s, two major lithium mines operated in this region while two significant lithium processing

Price: 0.375

Market Cap: \$519.49 m

1 Year Share Price Graph



November 2019 May 2020 November 20

Share Information

Code: PLL

Listing: ASX

52 week High Low
0.66 0.062

Sector: Battery Metals

Website: www.piedmontlithium.com

Company Synopsis:

Piedmont Lithium Ltd (ASX:PLL) is an emerging lithium company focused on the development of its 100%-owned Piedmont Lithium Project in North Carolina.

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facilities continue to supply lithium products to US and international customers today and are within 20 kilometres of the project.

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