

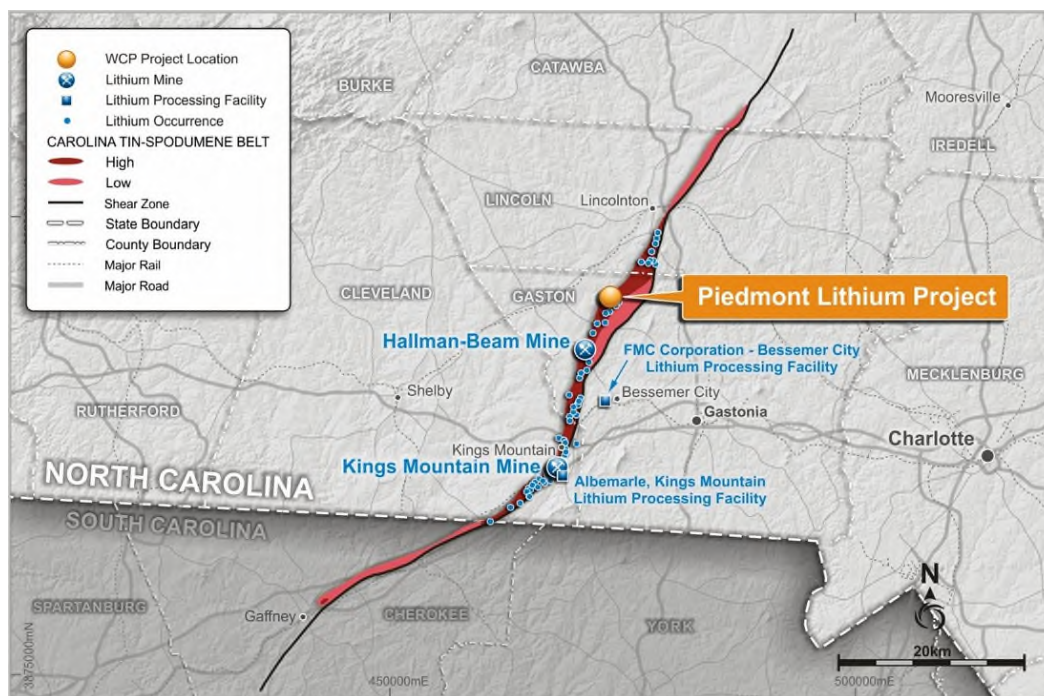
THE National Investor

March, 2020

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Company Profile

COMPANY PROFILE: PIEDMONT LITHIUM (NASD-PLL; ASX-PLL)



*Piedmont Lithium has quickly grown a substantial (and still growing!) **lithium resource** in the historic Tin-Spodumene Belt in south-central North Carolina.

* Advanced development work is on tap for 2020 together with further exploration and improvement of this key resource; *and in an area where lithium processing is seeing an increase in activity.*

* Given the strategic importance of lithium and other minerals *based in the U.S.* to America's mineral security—a stance championed by the Trump Administration—Piedmont has a compelling asset as manufacturers expand their footprint in the U.S.A. **And they'll all need lithium!**



From the desk of Chris Temple, Editor & Publisher

The National Investor

First, I would like to thank you, on my behalf as well as on behalf of the management of Piedmont Lithium, for your interest in this Special Issue of *The National Investor*. As you'll read, this "story stock" I added to my recommended list for Members back in October truly is a unique story in its space; and it compels attention given not only the future of its industry and its individual fundamentals, **but additionally due to its lithium resource being located in the good old U.S. of A.!**

Whether in bull or bear markets, long-term success for individual investors has always primarily come from **discovering and buying good companies when they are cheap**. Sometimes it's a household name or some other large company that for a time is "unloved" for whatever reason on Wall Street. Many a time, we have picked off such companies at a low level and done quite well.

The *real* fun, though, is when we can find **a company that almost nobody knows about**. Further still, when there are so many "disruptive" stories in our world today—for present purposes, the move toward "green" energy generally and electric vehicles specifically—it especially pays to get out in front of these trends by researching and buying the most compelling stories out there.

As I teach in a FREE tutorial on stock picking/research (easily accessible on my web site) and related content there, sometimes great investment ideas are right under our noses one way or another as we go about our everyday lives. When you find the right combination of management, support, market need and the rest in a young company, the rewards can be *astounding*!

EVEN UNDER MY NOSE!

Piedmont was first brought to my attention going on three years ago by my old friend Jim Paterson, C.E.O. of **ValOre Metals** and a successful entrepreneur and financier of resource companies as part of Canada's Discovery Group (among other things.) Due to his knowing some of the key people *and* living in fairly close proximity to Piedmont's main asset in south-central North Carolina, he was excited about the prospects back when we first spoke of the company.

There's even more reason to be excited now.

Most Americans except those who live near **the historic Carolina Tin-Spodumene belt**—one of the three most prolific sources of lithium, historically, *in the world*—could be forgiven for not even realizing such a thing *exists* in the lower 48 states. As has been the case with other metals/materials (**uranium** being another acute example), the U.S. has in recent years shunned *domestic* development and production in favor of foreign supplies. **But as we are hearing ever more, that is going to change.** The U.S. is in the process under the Trump Administration of reinvigorating domestic production and supply chains of a variety of materials; especially those deemed by the government as "strategic."

LITHIUM IS ON THAT LIST.

WHY LITHIUM?—AND WHY AMERICAN LITHIUM?



The somewhat eccentric and occasionally controversial entrepreneur Elon Musk (left) has become the face of the emerging EV (Electric Vehicle) industry. Some believe him a snake oil salesman piloting a *vastly* overpriced company of late; at a recent \$800+ per share, Tesla (NASDAQ-TSLA) sported a market cap that dwarfs every other auto maker on the planet. *Some point, though, to that (and more) and consider Musk the Thomas Edison of our time.*

Whatever your view, the fact is that the globe's energy and transportation industries are facing *major* change for a host of reasons.

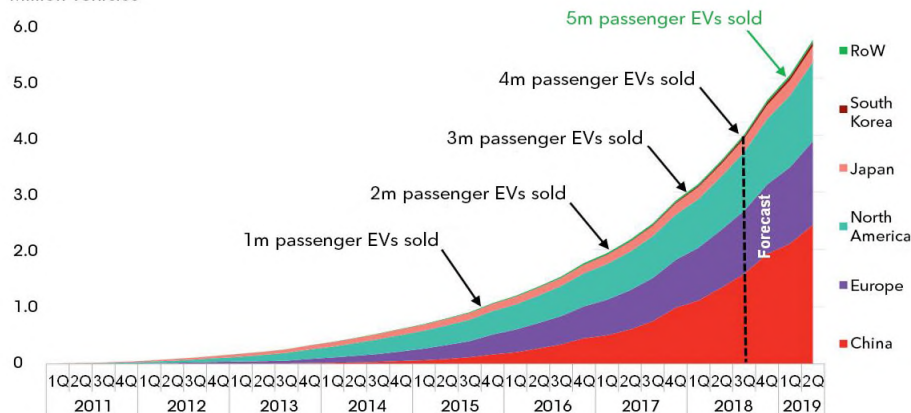
Even for those who feel that the whole “climate change” debate is exaggerated, the unmistakable FACT is that pollution that you and I (and other of the citizens of various nations) deal with each day is REAL. In the developing world in recent years especially, growth has occurred at such a fast pace that the energy consumption required to fuel it has literally been choking the inhabitants of such countries as India and—as you see nearby—China.



Lithium is a material that will increasingly be used for both EV manufacturing (the batteries used, of course) and as public energy grids become more “green” as well. Where *private* transportation is concerned, China to date has been the global leader in EV sales, as the world's total now is on track to hit 10 million within the next 18-24 months or so. As I will describe shortly, the greater investment worldwide (including in the U.S.) in manufacturing facilities, supply chains *and all the raw materials including lithium* suggest that—by 2040, according to some published reports—**EV's will account for *half* of all new vehicle sales globally.**

Figure 3: Cumulative global passenger EV sales, current and forecast

Million vehicles



Source: Bloomberg NEF

Last but not least, also keep in mind that larger and more sophisticated storage batteries using lithium are increasingly being used *globally* by public utilities. These, of course, are needed to store the power generated by solar and wind-generated electricity.

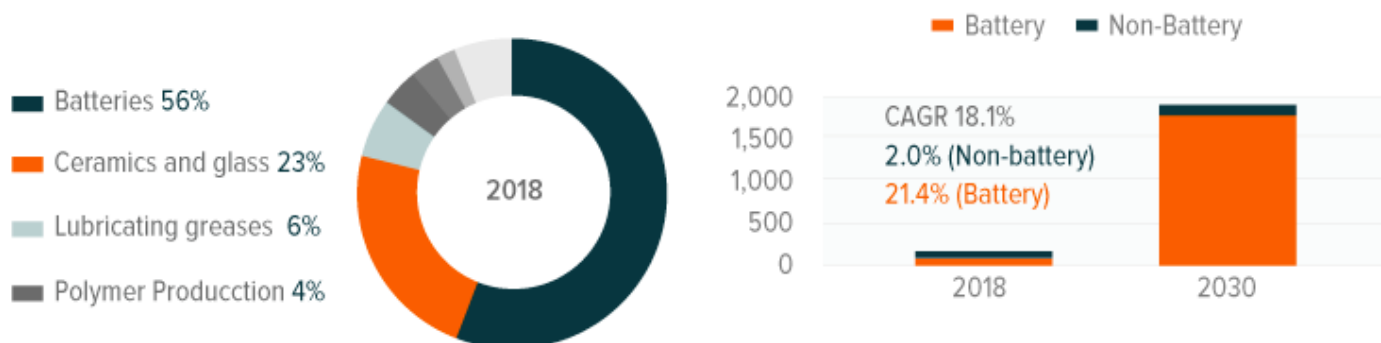
So what are lithium's unique properties for, specifically, the swiftly-growing battery markets for both EV's and storage? Quoting from a recent report put out by Global X Research:

Lithium, the world's lightest metal, has been dubbed "white petroleum" due to its color and common usage in state-of-the-art batteries powering a range of devices and vehicles...lithium-ion is generally lighter, more efficient, and more durable than competing battery chemistries. This makes it a desirable choice for energy storage, particularly in vehicles and consumer electronics where weight and heavy usage are significant considerations. These applications can include electric and hybrid vehicles, scooters, smart phones, laptops, power tools and cameras, among other things.

I have followed (and perhaps you have as well) sometimes excited "research" suggesting that materials such as nickel and cobalt will, over time, be used further as well, as their unique properties might make batteries more efficient, etc. But lithium will remain a common denominator; a "core ingredient," if you will.

CURRENT AND EXPECTED LITHIUM DEMAND (LCE BASIS) 2018-2030 (IN 000S).

Source: Global X Research, Benchmark Mineral Intelligence, US Department of the Interior US Geological Survey.
Note: Lithium Carbonate Equivalent (LCE) 2018 demand = 270,000 mt; 2030 expected demand = >1,800,000 mt.



It's important to know here that *overall lithium demand* in the recent past has been only about 50% accounted for by battery demand. The rest of the demand equation is comprised of various technical and industrial uses for lithium (where it is available in a higher or "commercial" grade.) Some of these, as you see in the chart above, are for ceramics, glass (think, among other things, of your smart phone or tablet screen!) polymers, lubricants and the like.

But over the next decade, growth in demand—predicted to be nearly 20% annually for lithium—will be accounted for almost entirely from growth in the battery/storage markets.

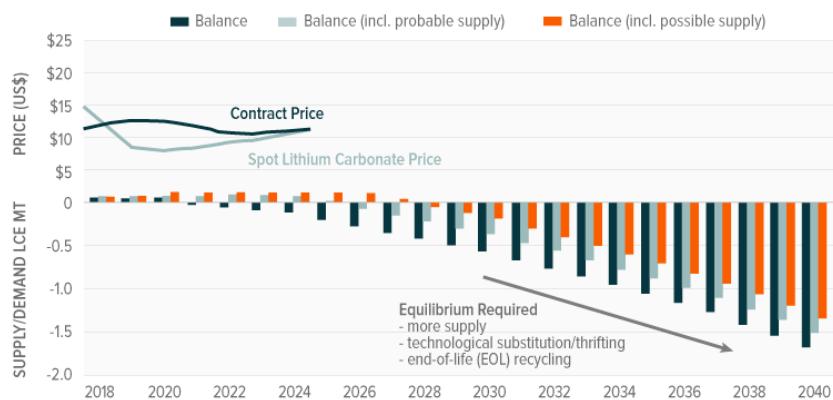
And *that* is what has bulls in the lithium/EV space licking their chops these days, especially with the price of lithium—and those of virtually every explorer and producer in the space—in the doldrums. While virtually nobody argues with the idea that, *longer-term*, lithium will be in ever-greater demand

and—with other materials needed for the future “Green Economy”—enjoy perhaps *generational* bull markets, **the story for the price of this key material over the last couple years hasn’t been pretty.**

As with *anything*, when you have more supply than demand, the price of your product gets weaker. And that has happened with lithium over the last couple years, as new capacity from mine

LITHIUM SUPPLY & DEMAND BALANCE

Source: Global X Research, Neometals, 2019



development came ready at a faster pace than the EV and related markets could absorb it. Especially following a bearish report by Morgan Stanley in early 2018 highlighting this imbalance, share prices of companies in this space followed the lithium price *down*.

Most believe we are now about to swing in the other direction. As the chart at left illustrates, the *general* oversupply of lithium is in the process of flattening out and *we are not far from a notable*

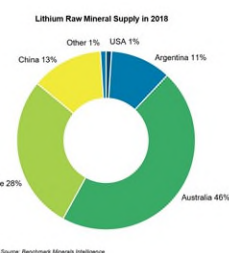
and what is expected to be a growing supply deficit not too many years hence. To be sure, this bullish scenario for lithium could be delayed/affected somewhat if the current “hit” to the economies of the world from the Covid-19 epidemic worsens, let alone leads to a broader global recession. Yet the coming bull markets for lithium and other “battery metals” and the like seems clearly a question of “when.” Not “if.”

This still-tenuous “macro” environment is why Piedmont Lithium is but one of *only two* lithium-related companies on my recommended list. As you are about to learn specifically, its individual story in this space is sufficiently compelling so as to take positions *now* when things are cheap. Such is the nature of its resource and more.

Really putting me over the top, though, as I pulled the trigger on Piedmont for my Members back in October is its location: right here in America. A potential multi-decade lithium resource the company has been growing sits smack-dab in the middle of a host of new/proposed EV and battery production facilities in the Southeast U.S. particularly. While Piedmont has no customer(s)—yet—for its lithium (and other minerals) *you* figure out who one or more might be!

...in the Heart of ‘Auto Alley’

Location drives lower costs and more sustainable supply chain



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And if anything, all of the economic headaches and supply chain troubles from the new Coronavirus *even more* are moving companies to re-examine everything about their supply chains...*and move what they can back closer to home*. As you see in that graphic on the previous page, **the U.S. recently accounted for a pathetic one per cent of total global lithium mine supply** even as manufacturing facilities that will use it spring up almost *everywhere*. And even before this “Black Swan” event of early 2020 called foreign supplies of most *everything* into question, moves were already underway to bolster U.S.-based supplies of a host of minerals—including lithium—deemed by the U.S. Government to be “strategic.”

Further, the Trump Administration together with the Canadian government announced back on January 9 that they had finalized the Canada–U.S. *Joint Action Plan on Critical Minerals Collaboration*, which, one official announcement put it, “...advance(es) our mutual interest in securing supply chains for the critical minerals needed for important manufacturing sectors, including communication technology, aerospace and defence, and clean technology.” **Those of us who follow all of this expect—among other things—a tighter North American cooperation especially when it comes to every part of the EV supply chain.**

Especially with the increasing attention being given to all kinds of critical materials that the U.S.'s own supply chains are vulnerable on, this is going to be a BIG and growing investment theme for the foreseeable future. *And there is not a company more in the cat bird seat here where lithium is concerned, in my opinion, than Piedmont Lithium.*

PIEDMONT’S IMPRESSIVE—AND GROWING— RESOURCE



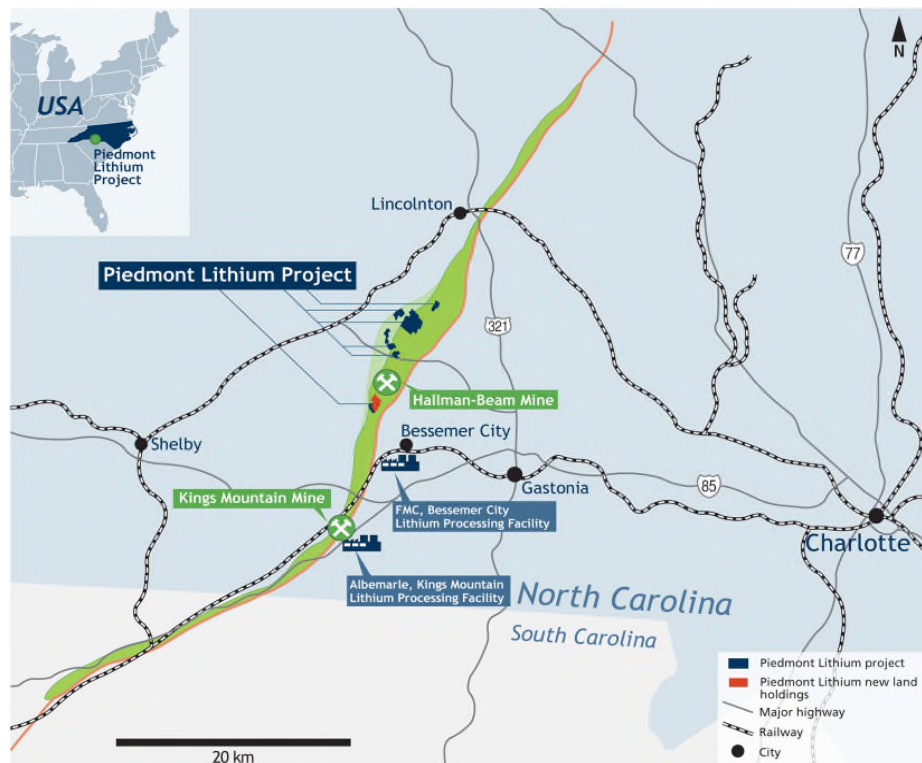
Especially when it comes to emerging, “story” companies, part of my own due diligence in looking into them often includes *physically visiting* the company and its management if possible. I’ve had the ability to do that with Piedmont late last year around the time of my recommending the company.

At left, I met in Piedmont’s field office with the company’s Principal Geologist Lamont Leatherman (behind me in the nearby photo, wearing cap) and Vice President—Project Manager Patrick Brindle (right). I had already had a chance previously to meet Leatherman and spend some time with him—and Piedmont’s C.E.O. Keith

Phillips—at the New Orleans Investment Conference just prior to my above visit.

I had never fully realized the extent to which this area of south-central North Carolina has for decades been a significant mining center for lithium (and some other industrial metals) as well as a key technology and research center for the industry. For those who did not know or have

forgotten, industry giant Albemarle (NYSE-ALB) has its global headquarters in Charlotte; its North American-specific HQ is to the West in Kings Mountain, site of one of the legacy mines in the area. Albemarle continues to process lithium *imported from Chile* at a plant there.



The Carolina Tin-Spodumene belt is over 60km in length with historic operations and exploration located between Kings Mountain, NC and Lincolnton, NC

Albemarle and FMC Lithium still maintain major downstream processing facilities and research centers in the region.

Charlotte, NC (~40km away) is a major center for finance and other high technology companies including:



The Piedmont Lithium Project is smack-dab in the middle of the country's elite lithium-centric mining/industrial belt: one which has already started a new growth spurt. For more background, check out <https://www.piedmontlithium.com/operations>

Even more active in the area is Livent Corp. (NYSE-LTHM), which was “spun out” of FMC Corp. (NYSE-FMC) early last year as a stand-alone company focusing on lithium. Notably—though the company’s C.E.O. Paul Graves recently opined that he sees a “difficult environment” continuing—the **company is expanding its own North Carolina operations**. In its ground breaking ceremony last fall (which will increase capacity some 50%; see <https://ir.livent.com/news/news-details/2019/Livent-Hosts-Groundbreaking-Ceremony-for-Construction-of-Additional-Lithium-Hydroxide-Production-Facilities-in-Bessemer-City-North-Carolina/default.aspx>) Graves said, “We are grateful for the continued support and collaboration of the local and state government in North Carolina for helping make this expansion possible. Livent is proud to invest in creating new jobs and economic activity in the U.S., and specifically in Bessemer City, which has been a valued partner to us for decades. Bessemer City is one of the cornerstones of Livent’s business and is becoming increasingly more important to many of our customers who want the flexibility of sourcing their lithium products from the Western hemisphere.”

In Livent’s case, its presently-processed “raw” lithium originates chiefly from Argentina and the State of Nevada. Clearly, though, it sees a reason to augment its capacity to produce usable end products **in America**, whether for car batteries or other applications.

Of particular note—among other things, indicating that a more complete supply chain from raw lithium to finished battery and EV products will increasingly be more “localized” in coming years—is **news out of Volkswagen recently as well**. That company is spending \$800 million to expand a factory

in Chattanooga, Tennessee; reportedly the world's first LEED certified “green” auto production facility, partly powered by a huge solar installation adjoining the award-winning factory. *Separately*, Volkswagen is also building a NEW 198,000-square-foot plant—also in Chattanooga—to build the battery packs that will power new electric vehicles in coming years.

It goes without saying that a viable, economic and large-enough lithium resource in the U.S.—not to mention that Southeast U.S. neighborhood—could be VERY meaningful!

Piedmont took a BIG step forward last August, when it announced an updated scoping study following additional resource discovery which **anticipates at least a 25-year production life span**. (See <https://d1io3yog0oux5.cloudfront.net/69ff24c7dc08c930612a923a256563bb/piedmontlithium/db/336/2557/pdf/1955951.pdf> for details.) Not only does this move Piedmont's asset up the ladder as one starting to get large enough for one or more potential future customers, but the ongoing metallurgy and related work is also identifying *several* opportunities for added sales of by-products.



during my visit, above) ceramics, joint compounds and more.

Indeed, the company announced on October 23 (at <https://d1io3yog0oux5.cloudfront.net/69ff24c7dc08c930612a923a256563bb/piedmontlithium/db/336/2566/pdf/1988759.pdf>) that it had signed a Letter of Intent with Ion Carbon and Minerals, LLC to market mica (this area is also well-known as a mica producer, *even presently*), quartz and feldspar. Applications could include solar glass (due, in part, to the “clean” nature of the spodumene ore, as Leatherman was expounding on

Another BIG milestone came Nov. 26th, when Piedmont announced the receipt of its permit (see <https://d1io3yog0oux5.cloudfront.net/69ff24c7dc08c930612a923a256563bb/piedmontlithium/db/336/2572/pdf/2003420.pdf>) from the U.S. Army Corps of Engineers. The Section 404 Permit comes almost a year after the Corps of Engineers, together with several other state and federal agencies, performed an Environmental Assessment of Piedmont's project.

Commenting on the grant of *the only federal permit needed* still prior to development, C.E.O. Phillips said, “Securing a Section 404 Individual Permit is a major milestone for any natural resource project in the United States, and we are very pleased to have received this authorization. I want to thank our team members and advisors who have worked so diligently and cooperatively throughout this rigorous process, and also express our thanks to the Army Corps of Engineers for the highly professional manner in which they have approached this Project from day one. *We will now move forward with the permitting of our chemical plant operations during 2020.* Our project is unique in being the only spodumene-to-hydroxide project in the United States, *and now also stands out as the most advanced American lithium project from a permitting perspective.* We are very excited about the important

milestones ahead of us as we look to deliver a DFS for a fully permitted integrated project by the end of 2020.” (*Emphasis added.*)

GROWING INTO A *DISTRICT-LEVEL* STORY!

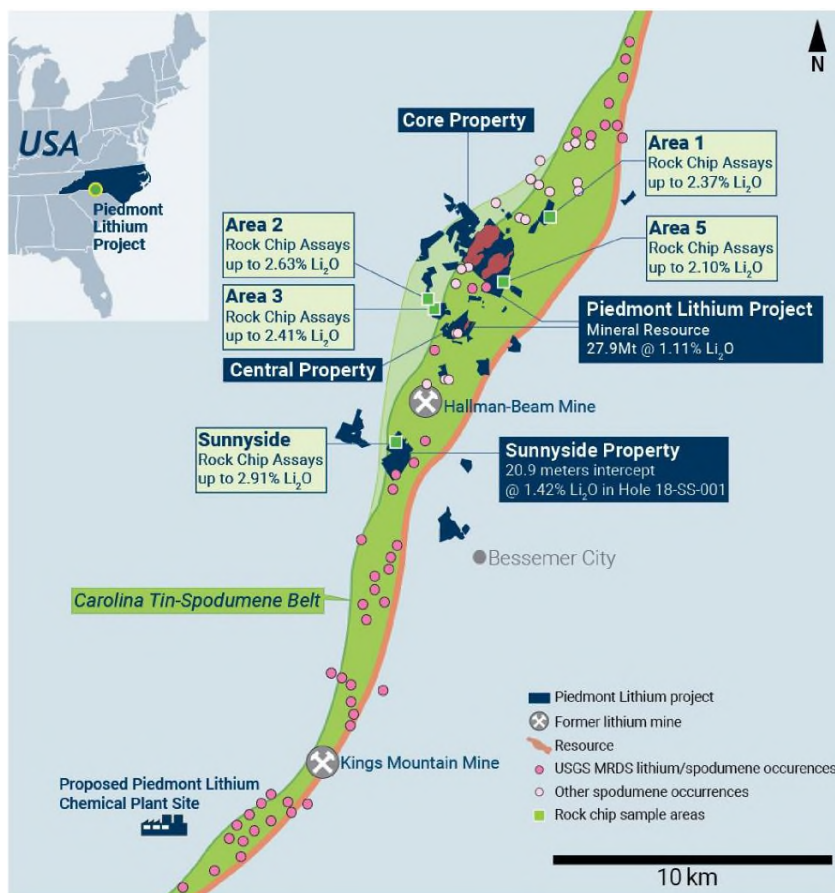
When Piedmont announced more recently—January 28th—*extremely* impressive results from the final 19 holes of its Phase 4 drill program, the news was noteworthy enough on its face (see https://d1io3yog0oux5.cloudfront.net/_1586f59b4153a15ef143b76cb16ee1db/piedmontlithium/db/336/2578/pdf/2022243.pdf). The main takeaway, though—aside from such a high percentage of “hits” of impressive lithium grades that should lead to an upgrade of existing resources **on top of identification of new ones**—was summed up for me when I visited following the news with V.P. and Project Manager Brindle.

“Our core property is not an anomaly” he told me, proud that Piedmont continues to prove up the U.S. Geological Survey’s *own view* of North Carolina’s Tin-Spodumene Belt. In short, there is mineralization pretty much *everywhere*. This is the kind of thing large potential customers/offtake partners want to see: one source—and potentially a district-scale one—of a resource that could feed them for *many decades*. You can see in that just-updated map at right the number of past “hits” along the entirety of the belt that have been encountered in the past *by the USGS*.

Added President and C.E.O. Phillips following this latest exploration success, “We are excited by the continued positive news on the exploration front. In 2019 we increased our Mineral Resource Estimate from 16.2Mt @ 1.12% (16.2 million tons of material at a grade of 1.12% lithium content-Ed.) to 27.9Mt @ 1.11%, and we believe there is significant potential for further increases. The Carolina Tin-Spodumene Belt is one of the world’s largest spodumene occurrences, and as we continue to build our land package and have exploration success, the potential for mine life extension or throughput expansion will be an important area of focus.”

AND FAVORABLE CHARACTERISTICS TO BOOT AS WELL

I deliberately avoid including *too much* in the way of technical and engineering jargon here, favoring instead to tell *the story* of Piedmont in an understandable way for the average layman who does not necessarily understand the more specific nature of these minerals, engineering and all the rest. But I do want to at least mention **a few key characteristics of Piedmont’s resource to date**:



High-Grade Mineral Resource

One of North America's Largest Hard-Rock Lithium Resources

27.9 Mt @ 1.11% Li₂O

- 764,000 tonnes of contained LCE
- 100% of the lithium is attributable to spodumene mineralization
- Shallow open pits – 74% of resource within 100m of surface and 97% within 150m
- Open along strike and at depth – Phase 4 drilling ongoing



Project Wide Mineral Resource Estimate for the Piedmont Lithium Project (0.4% cut-off)								
Resource Category	Core property		Central property		Total			
	Tonnes (Mt)	Grade (Li ₂ O%)	Tonnes (Mt)	Grade (Li ₂ O%)	Tonnes (Mt)	Grade (Li ₂ O%)	Li ₂ O (t)	LCE (t)
Indicated	12.5	1.13	1.41	1.38	13.9	1.16	161,000	398,000
Inferred	12.6	1.04	1.39	1.29	14.0	1.06	148,000	366,000
Total	25.1	1.09	2.80	1.34	27.9	1.11	309,000	764,000



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Grade and Accessibility:

When you have more than 1% content of lithium in ore—all else being equal—it becomes compelling as a potentially economically viable asset. And that is more the case here, with—as you see in the graphic at left—the **material that would be mined coming via fairly shallow open pits**. Happily, this was the characteristic with the past major Kings Mountain and Hallman-Beam Mines pretty much as well; and with existing mica excavation in the Belt. All this, of course, means easier engineering, lower waste/strip ratios to access the minerals, etc.

The Region: There is simply NO other place in the continental United States that is more favorable for a company such as Piedmont to be building a substantial lithium resource. As *the* premier such locale for not only lithium mining **but for research and processing as well** such a resource could be a Godsend not only for Piedmont and its shareholders but for the country at large as we reinvigorate U.S.-based resources, supply chains, etc.

The area is very mining-friendly due to its past and current activities in some of the still-rural areas where Piedmont has its eye on developing both its mines and processing plants. Yet the area is not that “remote” in the grand scheme of things: as you see in the graphic at right, a more robust and infrastructure-friendly “first world” locale for such a project—including power, transportation, a labor pool and so much more—is hard to imagine!

Power & Gas



McGuire Nuclear Power Station (2.3 GW)



Transcontinental Natural Gas Pipeline

- ✓ ~11.5 GW of large scale, low cost power, within 50km from the project
- ✓ Major transmission lines run immediately south of the project
- ✓ The Transcontinental Gas Pipeline, one of the largest in the US, runs through Bessemer City

Transportation



I-85 Interstate Highway



Charlotte/Douglas Int. Airport

- ✓ Interstate 85 (I-85) runs directly south of the project providing connection to the major highways of the US
- ✓ CSX and NS Railways are proximal to the project
- ✓ Charlotte/Douglas Airport, one of the largest hubs in the USA, is ~30km from the project

Skilled Workforce/Population



- ✓ 2.4 million people located within the Charlotte Metropolitan area
- ✓ The region is home to multiple universities providing for a highly skilled pool of talent
- ✓ Charlotte ranks as a top workplace destination, given the cities affordability and location within the US

The nature of the spodumene ore which bears the lithium (and more): Spodumene is a type of mineral which typically contains or is associated with lithium-bearing pegmatite material. That latter (for a *great* tutorial of this check out <https://geology.com/rocks/pegmatite.shtml>) is what's known as an igneous material formed chiefly by many types of crystals compressed together when the material was

first formed. **Notably, as you'll read, it's common besides lithium to find other minerals conducive to such geology: feldspar, quartz, mica and others.** As I already alluded to above, those other minerals present in Piedmont's ore could represent revenue to the company as well down the road.

Further, as well as the characteristic of containing these other metals along with good grades of lithium, the ore by and large has proven to be very "clean" as well. Often with such hard rock-oriented lithium deposits, high levels of iron and other heavier metals make recovery and processing challenging and/or can result in a lower grade of a finished product. Such does *not* appear to be the case here thus far.

Hydroxide Taking Share and Supply Deficits are Looming

- Lithium hydroxide is required for the high-nickel cathode used in more energy-dense, longer-range batteries
- "Lithium extracted from mining for the future-relevant product 'lithium hydroxide' is commercially more attractive (there is one less production step as compared to salar production), more stable to extract, easier to scale and generally more sustainable." – Volkswagen – April 2019
- "BMW signs contract with Ganfeng for sustainable lithium from mines in Australia" – BMW – November 2019



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Amenability to produce a marketable lithium hydroxide concentrate:

In the end, Piedmont needs to be able to convert its lithium resource to a product that users of such material need and will buy. The relative "purity" of the lithium-bearing material—together with ongoing metallurgy work under the auspices of world-renowned SGS Labs in Lakefield, Ontario, Canada—is hoped to all lead to a "Direct to hydroxide" regimen that will fairly easily take raw ore, mine and process it, and lead to a lithium hydroxide product most favorable for batteries.

MOVING TOWARD DEVELOPMENT

Just as I am wrapping up editing this Special Report, Piedmont announced on February 26th—(at <https://www.businesswire.com/news/home/20200226005181/en/>) an update on its work with SGS Labs, and its engineering partners Hatch and Primero Labs. If things continue to go as planned, the objects will include a Prefeasibility Study (PFS) for Piedmont's Chemical Plant by mid-year; the plant would be designed to produce higher volumes of "test" lithium hydroxide based on the lab's metallurgy work.

Again, if you are more versed than others in the technical jargon, I encourage you to digest this latest news release. But keeping things simple, I'll let Phillips' comments from it sum things up: "We are very encouraged by the positive results generated thus far in the lithium hydroxide testwork program, and expect the final results to be announced in the near future. The optimization tests performed by SGS will allow us to refine the proposed Chemical Plant flowsheet and will underpin the prefeasibility study targeted for completion in Q2 2020. Completion of the PFS, along with continued advances on the permitting and offtake fronts, position us to advance our Project to shovel-ready status by the end of the

year, well-timed for the recovery in lithium prices and market sentiment that many observers are forecasting for the remainder of this year.” (Emphasis added.)

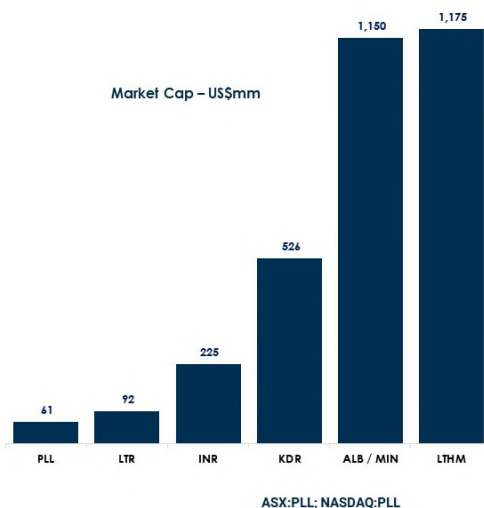
As you can see via the chart at right—that of the most widely-followed “marker” for the lithium space, the Global X Lithium and Battery Tech ETF (NYSE Arca-LIT)—**there has indeed been a turn in sentiment since late 2019.** As I suggested earlier, worse news than what is presently known on the Coronavirus front (or some other issues) that would lead to a marked downgrade of global growth expectations *could* stall things out anew again. Time will tell.



Yet the longer-term fundamentals here are, frankly, a “no-brainer” for this sector. More importantly, I think as well, that the public pretty much world-wide has already embraced the theme of an unfolding “Green Economy,” less greenhouse gas emissions and all the rest gives a base of support as a matter of both public policy and sentiment to this industry; *and closer to home, to Piedmont’s potential participation.*

Hitting Milestones Should Drive Re-Rating in 2020

- ☒ First-mover land package
- ☒ 55,000m drilling
- ☒ Large high-grade resource
- ☒ Robust scoping study
- ☒ By-product marketing
- ☒ Section 404 permit
- ☐ PFS with Hatch
- ☐ Offtake agreements
- ☐ Definitive feasibility study
- ☐ Financing and construction



The overall health of the lithium space and broader economy will dictate to some extent *how quickly* Piedmont executes its agenda for 2020. With \$11 million in the bank as of year-end, thankfully, the company is in good shape to further what can be done *now* to get to a place where development hopefully gets underway full-bore down the road. As Brindle reiterated to me when we last spoke (and to sum up some of the preceding), the company has **three main tasks it’s working on now:**

1. Permitting – In November the company started the permitting process for that eventual demonstration

Chemical plant site and is also at work on necessary zoning-related permits for mining areas.

2. Met test work – The above-referenced news release on the progress of the work at SGS Labs is planned to be a precursor to a more definitive report expected within *weeks*. *Further* to what they are working on now, Piedmont is also setting up for a larger bulk sample extraction later this year on which additional tests—including coming up with one or more “pilot” concentrate *products*—will be made.

3. A combination of an enhanced resource estimate (as infill drilling converts more Inferred resources to the Indicated category) and additional exploration-centric drilling will be undertaken. **The aggressiveness/timing of this, though, may well be dictated by whether the better sentiment toward the lithium space of late holds or even improves.**

Exploration drilling could be put on the back burner if the *market* environment seems to be one that won't reward PLL for *additional* drilling success. The primary focus will remain on shepherding the *existing* resource in the direction of development and commercialization. With ongoing discussions with potential buyers of its lithium hydroxide and other products, that is "Job One."

OVERALL MANAGEMENT TEAM WITH A PROVEN TRACK RECORD

Especially when it comes to managing (and then overcoming) the risks associated with mineral exploration and making a project work in the end, a wide variety of factors have to come together positively (and preferably at or around the same time!) **Perhaps THE most important of those is assembling the right combination of people...and access to capital.**

Highly-Experienced Leadership Team

Management Team

Keith Phillips

Managing Director & CEO

30+ Years Wall Street experience with JPMorgan, Merrill Lynch and Dahlman Rose

Taso Arima

Founder and Director

12+ years natural resource visionary executive; founder of multiple natural resource companies

Patrick Brindle

VP – Project Management

20+ years US and global engineering, procurement and construction experience

David Buckley

VP – Process Engineering

25+ years lithium extraction and conversion expert, ex-FMC and Albemarle

Lamont Leatherman

VP – Chief Geologist

25+ years as an exploration geologist, senior positions in BHP & Noranda in the Carolinas

Tim McKenna

Advisor – Government Relations

30+ years government & investor relations, including with Rockwood Lithium

Perhaps the most intriguing—and important—aspect of the crafting of Piedmont's team involves Chief Geologist Leatherman. When Piedmont Executive Director "Taso" Arima—a long-time investor in natural resources (among other things) was looking for a way "in" to this North Carolina lithium play he was fortuitously directed to Leatherman, who had worked as a geologist in many places for several companies over the years (that profession is a fairly small circle; everyone of note pretty much knows everyone *else* of note.)

Technical Consultants

HATCH

PRIMERO

HR

MARSHALL MILLER & ASSOCIATES

SGS

CSA

PIEDMONT LITHIUM

ASX:PLL; NASDAQ:PLL

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Arima—a "ring leader" of sorts for some Australian investors (that country even more than Canada, proportionately, *loves* to put money to work in natural resources)—did not look to Leatherman merely for his skills as a geologist. **The key thing is that Leatherman hails from this area of North Carolina and has long-time family roots there.**

Similarly to what is quite common, for one example, in the recent fracking boom in the energy industry in the U.S., a lot of deals must be made with private land owners, with whom deals are made for

the mineral rights on/under their property. In the case of Piedmont, when a “local” who everyone knows is the one knocking on land and home owners’ doors with a story of how *they* can share in the coming lithium boom, it has made things a lot easier as the company has pieced together the access needed to get as far as it has.

Everyone’s work has been further enabled since President/C.E.O. Phillips (at center in the nearby photo at Piedmont’s field office and “core shack”; Brindle is on the right and Senior Geologist Lee Beasley is on the left) was brought on board in mid-2017 to add some financial and management muscle. Most immediately prior to his coming on board with Piedmont, Phillips—who has a long history of investment banking and similar work with a number of firms—was a Senior Advisor with merchant banker Maxit Capital, one of the leading capital markets companies in the world when it comes to natural resources (and, as our regular Members know, an investor in others of my recommended stocks in the resources area.)



Finally (for present purposes) Vice President and Project Manager Brindle further adds some “home boy” experience, *at least regionally*. Owner of degrees in both Environmental Science and Civil Engineering from Virginia Tech., he has—among other projects chiefly in the Eastern U.S.—worked on projects in both North and South Carolina.

That management has some good “skin in the game” here—owning nearly 10% of the company’s outstanding shares—is something you also want to see!

A COMPELLING INVESTMENT THESIS AND “RISK-REWARD” DYNAMICS



In relative terms, the kind of project Piedmont is engaged in certainly is not as “risky” as, say, a smaller and less-funded exploration company poking half-blind holes into the ground looking for gold. Yet as with *any* company that is still in the “proving” phase for a product or idea...and presently without revenue and, indeed, needing to raise and spend money to get to that place...all kinds of factors need to be looked at to determine whether or not this company is worthy of consideration for a part of your own portfolio.

Keeping things simple as I always try to do, I always

advocate we approach things and **make investing decisions simply as Benjamin Franklin would have done**. Franklin famously advocated that in any important decision, one simply write opposing pros and cons on a piece of paper opposite one another—weight them as necessary, as to importance—and make a decision based on the preponderance of either positive or negative factors.

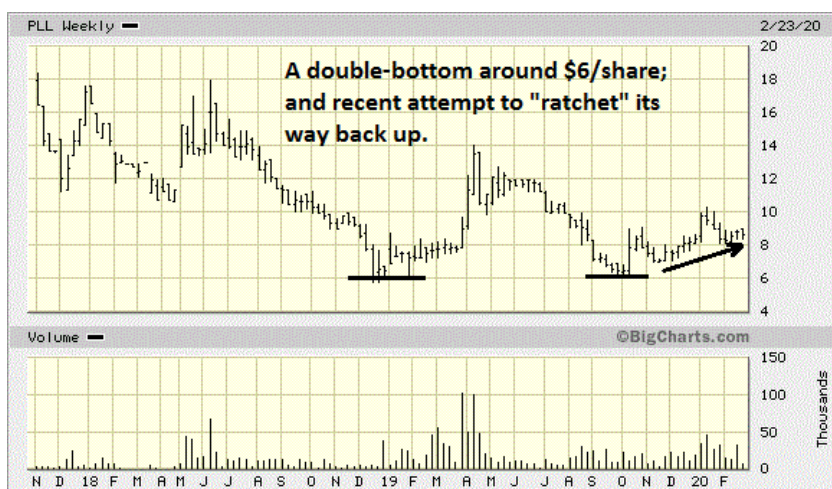
In the end, of course, that is a decision *you* need to make for your own circumstances and portfolio. This newsletter has hopefully served to whet your appetite and help you consider Piedmont; and much of what I personally mulled over in adding this company to my recommended list for the paid Members of *The National Investor* I have covered.

Recapping—and adding to them—quickly, though, as I close I want to focus on **the risks**.

In my view, they are *far more* to do with factors that would be beyond Piedmont's control. Those, as stated earlier, would chiefly be of the global economy falling off a cliff and substantially delaying this kind of economic activity/growth of the new "Green Economy." Good intentions, public policy and environmental needs notwithstanding, *the U.S. especially* would hit the pause button to some extent in the growth of EV's if a global recession kept gasoline cheap (or made it cheaper) for an extended time.

And were *that* to happen, Piedmont could be put in a position where *it* has to slow or pause things considerably.

The biggest *positive* factor to me is the valuation here of Piedmont shares. As you saw via the earlier chart of the lithium-centric ETF, LIT, Piedmont has been in its own down trend for the last couple years which it, too, is attempting of late to break free from (after a double-bottom in the \$6.00/share area.)



And as with other companies in its space, this much-lower-than-two-years-ago share price coexists with a *company* that is WAY MORE than it was those same two years ago. Over the years in usually being rewarded in buying (or sticking with previously-bought) story stocks, I have stressed that I will tolerate a broken stock price—and as now, view it as a potentially glorious opportunity—when the company itself is not only NOT broken, but doing just fine, thank you.

Piedmont has a resource now that it didn't have two years ago (one set to grow, too, in both size and value as further work is done.) ***When you calculate the Net Present Value (NPV) of that resource, Piedmont is selling for a tiny 6% of the value of its asset based on its recent share price of just over \$8.00.***

Again, do the homework and reach your own conclusion.

Finally, bear in mind that dual-listed (Piedmont is also on Australia's exchange besides the Nasdaq) **Piedmont Lithium's U.S. trading is still fairly thin.** At present—though the company expects to change this as word gets out ever more and more U.S. shareholders come aboard—the majority of

shares change hands in Australia, where *currently* over 80% of them are held.

Characteristically, such stocks with very low "floats" as Piedmont has on the Nasdaq seldom have a whole lot of shares at the current bid/offer price. So be mindful—especially if you wish to either buy or sell a significant amount (the average volume on the Nasdaq each day has been between 5,000-7,000 shares)—to **use a limit order**.

FOR MORE:

* Spend some time getting to know Piedmont Lithium even better. Check out its web site, at <https://www.piedmontlithium.com/>.

* *Specifically*, check out the company's most recent Corporate Presentation (updated Feb. 12) at https://d1io3yog0oux5.cloudfront.net/e658d589792c6bef975285d7ea4dabdb/piedmontlithium/db/299/2582/pdf/200212++PLL+Presentation+Feb+2020+USA_FINAL.pdf. Besides even more details on the company itself, this one especially offers some GREAT eye-opening stats on the broader EV and, thus, lithium fundamentals.

* Follow the company and its news on Twitter -- @PiedmontLithium

* Get on my own Twitter feed -- @NatInvestor

* Sign up for updates directly from Piedmont at <https://www.piedmontlithium.com/contact>

* For other education on the lithium space more broadly, check out Global X's full research report at <https://www.globalxetfs.com/lithium-explained/>.

* **Keep up with Yours truly and my own ongoing reports/comments on Piedmont Lithium.** If you are not already subscribed to get all of my "public" commentaries and updates on my partner "Featured Companies" such as Piedmont you can sign up for FREE at <https://nationalinvestor.com/join-mailing-list/>

Finally, if you have any questions or comments, write me at chris@nationalinvestor.com.

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