



## Pilbara Minerals Ltd (PLS.ASX)

*DSO – Earlier to mine and earlier to sales*

### Event:

- **DSO agreement; ROFR settlement; Earnings changes.**

### Investment Highlights:

- **DSO project brings forward cashflow and earnings.** PLS recently announced it had reached agreement with Shandong Ruifi Lithium Co of China to supply 1.9MT of appx 1.5% Li<sub>2</sub>O direct shipping ore (DSO) over two years. First shipment is targeted in July 2017, six months before our anticipated first shipment of spodumene 6.0% Li<sub>2</sub>O concentrate. The agreement brings forward PLS' transition to miner and generation of revenue, and importantly buffers cashflow and earnings during the period when concentrate production is ramping up.
- **US\$10M prepayment.** As part of the agreement, PLS will receive a US\$10M prepayment which we expect will occur once major construction works, in 1QCY2017.
- **Outstanding valuation metrics: NPV<sub>10</sub> of \$71M for \$2M capex.** We estimate the NPV of the DSO project is \$71M, with incremental capex of only \$2M, as the project will utilise some of the infrastructure and logistics to be committed for the main Pilgangoora concentrate project.
- **Negotiations with Shandong for concentrate offtake could result in majority being accounted for.** In addition to DSO, Shandong is in discussions with PLS over 6% spodumene concentrate offtake. General Lithium accounts for 140kt. We expect Shandong to express interest in at appx. 120kt, which will mean ca. 75% of the Pilgangoora product will be spoken for.
- **Extinguishment of ROFR and lithium royalty enhances project appeal.** PLS has cancelled the 2.5% third party royalty and ROFR by issuing MIN with 104M PLS shares for nil consideration. While slightly dilutive to our NPV of PLS, it does enhance the project appeal and streamline future offtake agreements. MIN is also incentivised to support the Pilgangoora project, and we anticipate it will likely add value via some involvement, given its reputable experience as mining services contractor.

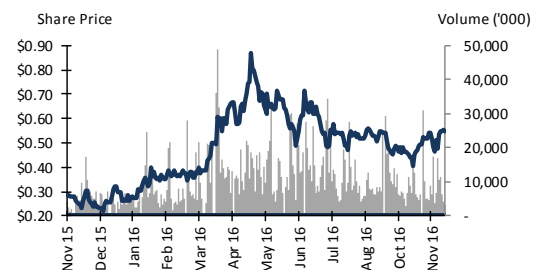
### Earnings and Valuation:

- **Earnings upgrade.** We have included the DSO project in our forecasts and removed the third party 2.5% royalty on lithium. This has increased our NPAT forecasts for FY18e and FY19e by 56% and 37% to \$74M and \$131M.
- **Risked valuation unchanged at \$0.77/share.** After various changes to our model, our risked valuation of PLS remains unchanged, with the positive impact of DSO and royalty cancellation offset by issue of shares to MIN.
- **Multiples support upside to shareprice.** On FY18e earnings, PLS is trading at 11.4x PE and 5.1x EBITDA – 24% and 19% discounts to average for miners. We expect market will rerate PLS as major milestones towards production are achieved (financing, approvals, construction, commissioning).

### Recommendation:

- **We maintain our Buy recommendation and price target of \$0.77/share** based on our risked valuation. Catalysts include securing further offtake; financing progress; positive JV lithium conversion plant study results; higher lithium prices; commissioning of DSO and concentrate production.

<b>Recommendation</b>	Buy			
Previous	Buy			
Risk	High			
<b>Price Target</b>	<b>\$0.77</b>			
Previous	\$0.77			
<b>Share Price (A\$)</b>	<b>\$ 0.545</b>			
ASX Code	PLS			
52 week low - high (A\$)	0.22-0.87			
<b>Valuation (A\$/share) - risked</b>	<b>\$0.77</b>			
Methodology	DCF			
<b>Capital structure</b>				
Shares on Issue (M)	1,260			
<b>Market Cap (A\$M)</b>	<b>686</b>			
Net Cash/(Debt) (A\$M)	94			
<b>EV (A\$M)</b>	<b>592</b>			
Options (M)	109			
<b>Fully diluted EV (\$M)</b>	<b>652</b>			
12mth Ave Daily Volume ('000)	9,906			
<b>Y/e Jun (A\$M)</b>	<b>2016a</b>	<b>2017e</b>	<b>2018e</b>	<b>2019e</b>
Sales	0.0	0.0	248.4	420.0
Adj EBITDA	-41.8	-8.7	114.6	207.3
<b>Adj NPAT underlying</b>	<b>-44.3</b>	<b>-6.8</b>	<b>73.9</b>	<b>131.1</b>
<b>Adj EPS diluted \$</b>	<b>-0.05</b>	<b>0.00</b>	<b>0.05</b>	<b>0.09</b>
<b>PER x diluted</b>	<b>nm</b>	<b>nm</b>	<b>11.4</b>	<b>6.4</b>
EV/EBITDA x	nm	nm	5.1	3.1
*Adj = underlying FSB estimate				
<b>Board</b>				
Tony Kiernan	Non-Executive Chairman			
Ken Brinsden	Managing Director			
Neil Biddle	Non-Executive Director			
Robert G Adamson	Non-Executive Director			
Steve Scudamore	Non-Executive Director			
John Young	Executive Director			
<b>Substantial shareholders</b>				
Mineral Resources Ltd	8.3%			
<b>Share Price Graph</b>				



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**Foster Stockbroking acted as Sole Lead Manager to the \$12M placement of 52M shares at \$0.23 in November 2015. Foster Stockbroking received fees for this service.**



**Pilbara Minerals (PLS)**

Full Year Ended 30 June

Profit and Loss A\$M	2016a	2017e	2018e	2019e
Sales	0.0	0.0	248.4	420.0
Operating Costs	41.8	8.7	133.8	212.7
<b>Underlying EBITDA</b>	<b>-41.8</b>	<b>-8.7</b>	<b>114.6</b>	<b>207.3</b>
D&A	0.1	0.1	14.3	18.7
<b>Underlying EBIT</b>	<b>-41.9</b>	<b>-8.8</b>	<b>100.3</b>	<b>188.6</b>
Net Interest exp / (income)	2.2	-2.0	0.4	1.3
<b>Profit before tax</b>	<b>-44.1</b>	<b>-6.8</b>	<b>99.9</b>	<b>187.2</b>
Tax exp / (benefit)	0.2	0.0	26.0	56.2
<b>Underlying NPAT</b>	<b>-44.3</b>	<b>-6.8</b>	<b>73.9</b>	<b>131.1</b>
Non-recurring exp. (benefit)	11.3	0.0	0.0	0.0
<b>Reported NPAT</b>	<b>-55.6</b>	<b>-6.8</b>	<b>73.9</b>	<b>131.1</b>
<b>Underlying EPS diluted (\$)</b>	<b>-0.05</b>	<b>0.00</b>	<b>0.05</b>	<b>0.09</b>

Cashflow A\$M	2016a	2017e	2018e	2019e
Underlying EBITDA	-41.8	-8.7	114.6	207.3
Change in WC	1.6	18.0	-26.6	-19.4
Tax paid	-0.2	0.0	-26.0	-56.2
Other	-0.8	0.0	0.0	0.0
Net interest	0.1	2.0	-0.4	-1.3
Share based payments	26.6	2.0	0.0	0.0
<b>Operating Cashflow</b>	<b>-14.6</b>	<b>13.3</b>	<b>61.6</b>	<b>130.3</b>
Purchase of PP&E	-4.6	-109.0	-111.4	-4.3
Investments	-2.0	0.0	0.0	0.0
Other	-1.0	0.0	0.0	0.0
<b>Investing Cashflow</b>	<b>-7.6</b>	<b>-114.0</b>	<b>-111.4</b>	<b>-4.3</b>
Equity issue	122.7	85.1	0.0	0.0
Debt proceeds	4.0	40.3	0.0	0.0
Debt repayments	-0.7	0.0	0.0	0.0
Other	-7.0	0.0	0.0	0.0
<b>Financing Cashflow</b>	<b>119.0</b>	<b>125.4</b>	<b>0.0</b>	<b>0.0</b>
<b>Net Cashflow</b>	<b>96.8</b>	<b>24.7</b>	<b>-49.8</b>	<b>126.0</b>

Balance Sheet A\$M	2016a	2017e	2018e	2019e
Cash	100.0	124.7	74.9	200.9
Receivables	1.5	0.0	26.8	38.4
Inventories	0.0	0.0	0.0	0.0
PPE	0.8	109.8	206.8	192.4
Capitalised exploration	0.3	5.3	5.3	5.3
Intangibles	0.0	0.0	0.0	0.0
<b>Total Assets</b>	<b>102.7</b>	<b>274.2</b>	<b>362.1</b>	<b>485.2</b>
Accounts payable	3.0	6.1	19.6	11.7
Provisions	1.0	0.7	0.7	0.7
Debt	0.3	40.6	40.6	40.6
Other	0.0	0.0	0.5	0.5
<b>Total Liabilities</b>	<b>4.3</b>	<b>47.5</b>	<b>61.5</b>	<b>53.5</b>
Reserves and capital	168.2	303.3	303.3	303.3
Retained earnings	-69.8	-76.6	-2.7	128.4
Minorities	0.0	0.0	0.0	0.0
<b>Total Equity</b>	<b>98.4</b>	<b>226.7</b>	<b>300.6</b>	<b>431.7</b>

Capital structure	M
Ordinary shares	1,259.5
Options (ex price \$0.03 to \$0.65, expiries Dec 2016 to Sep 2019)	109.1
<b>Fully diluted shares</b>	<b>1,368.6</b>

Financial Metrics	2016a	2017e	2018e	2019e
Sales growth %	nm	nm	nm	69%
EPS growth %	nm	nm	nm	77%
EBITDA margin	nm	nm	46%	49%
EBIT margin	nm	nm	40%	45%
Gearing (ND/ND+E)	nm	-59%	-13%	-59%
Interest Cover (EBIT/net int)	nm	nm	286x	140x
Average ROE %	nm	nm	28%	36%
Average ROA %	nm	nm	32%	45%
Wtd ave shares (M)	823	1,432	1,432	1,432
Wtd ave share diluted (M)	920	1,541	1,541	1,541

Sales and earnings multiples	2016a	2017e	2018e	2019e
<b>P/E x</b>	<b>nm</b>	<b>nm</b>	<b>11.4</b>	<b>6.4</b>
EV/EBITDA x	nm	nm	5.1	3.1
EV/EBIT x	nm	nm	6.4	3.4
Dividend yield %	0	0	0	0

Company Valuation	A\$M	A\$/sh	A\$M	A\$/sh
DCF, WACC 10% nominal				
	Unrisked	Unrisked	Risked	Risked
<b>Segment</b>	<b>A\$M</b>	<b>A\$/sh</b>	<b>A\$M</b>	<b>A\$/sh</b>
Pilgangoora 2Mtpa - base case	753	\$0.49	715	\$0.47
DSO project	71	\$0.05	68	\$0.04
Pilgangoora 4Mtpa - incremental value	461	\$0.30	161	\$0.11
Lynas Find Resource	24	\$0.02	22	\$0.01
Pilgangoora - Expl/Resources ex-Reserves	36	\$0.02	24	\$0.02
Unallocated corporate	-17	-\$0.01	-17	-\$0.01
Cash - 1st tranche conditional GL raising	18	\$0.01	16	\$0.01
Cash - other equity raise (incl 2nd tranche GL)	67	\$0.04	64	\$0.04
Cash - exercised options	42	\$0.03	40	\$0.03
Lynas Find consideration	-5	-\$0.00	5	-\$0.00
Net cash (debt) September 2016	94	\$0.06	94	\$0.06
<b>Company Valuation</b>	<b>1,544</b>	<b>\$1.00</b>	<b>1,182</b>	<b>\$0.77</b>
Ordinary shares now M	1,260		1,260	
Shares - exercise of options M	109		104	
Shares - conditional GL 1st tranche raise M	36		34	
Shares - other equity raise (incl 2nd tranche GL) M	137		130	
<b>Pro-forma diluted shares M</b>	<b>1,541</b>		<b>1,527</b>	
* GL = General Lithium Corporation				

Commodity Assumptions	2016a	2017e	2018e	2019e
<b>Prices</b>				
Spodumene 6% Li <sub>2</sub> O (US\$/t), CFR	-	558	556	542
Tantalite (US\$/lb)	-	67	73	78
A\$/US\$	0.73	0.73	0.73	0.74
<b>Production</b>				
DSO spodumene 1.5%, kt	0.0	0.0	950.0	950.0
Concentrate spodumene 6.0%, kt	0.0	0.0	110.1	327.8
LCE kt	0.0	0.0	16.3	48.6
Tantalite t	0.0	0.0	43.6	130.7
All-in-sustaining costs US\$/t, CFR - 6% spodumene	nm	nm	239	217

Source: Company; Foster Stockbroking estimates



## DSO BRINGS ANOTHER OFFTAKE PARTNER AND EARLIER CASHFLOW

### Mining to commence 4Q FY2017, first revenues beginning FY18e

- PLS has signed an agreement with Shandong Ruifi Lithium Co. (Shandong) for the supply of direct shipping ore (DSO). The DSO will be supplied from either its existing Pilgangoora project, or from Lynas Find, the latter which PLS has an agreement to acquire from Dakota Minerals (DKO). Shandong is a Chinese producer of lithium products including lithium carbonate, and is planning lithium hydroxide production in the future.
- The Shandong agreement is for the supply of 1.9Mt DSO at 1.5% Li<sub>2</sub>O for appx. two years. PLS is targeting first shipment from July 2017. This is six months before we anticipate production of 6.0% Li<sub>2</sub>O concentrate from the main Pilgangoora project, importantly allowing PLS to transition to a miner and generate earnings sooner than we had previously forecast (beginning CY2018). It also buffers earnings during the period when concentrate production is ramping up.

### US\$10M pre-payment

- As part of the agreement, Shandong will pay US\$10M to PLS. We expect this payment will occur once major construction occurs for the DSO operation. We assume this to be in 1QCY17.
- Pricing is based on 1.5% Li<sub>2</sub>O CIF China, which we expect to be linked to 6.0% Li<sub>2</sub>O spodumene, adjusted proportionately for grade and yield. For example, assuming our forecast FY17e 6.0% spodumene price of US\$558/t, and a 77.5% recovery factor, this would translate to a CIF price of US\$108/t for the 1.5% Li<sub>2</sub>O DSO. However we expect upside risk to our forecasts, with spot and contract spodumene prices currently being achieved by some producers being above forecasts.

### Mining and logistics

- DSO will be simple operation, with ore mined and only crushed to achieve homogeneity of product. The crushed DSO is then transported to Utah Point (Port Hedland) from where it will be shipped to China. PLS has port options – it could seek an interim state government allocation or negotiate allocation with existing port users such as Mineral Resources Ltd (MIN) or Atlas Iron Ltd.

### We estimate NPV of \$71M on \$2M capex

- The DSO project is compelling, with low execution risk. We estimate an NPV<sub>10</sub> of \$71M can be generated over two years for \$2M capex. Importantly, the DSO project does not deflect ore from the 2Mtpa project, the latter still proceeding as planned.
- While PLS has not disclosed financials for the DSO, we have arrived at our own assumptions which we believe are conservative. These include:
  - \$2M capex. This specific to the DSO project. PLS will also utilise some of the infrastructure and equipment that will be committed for the major Pilgangoora project as well, including mobile mining fleet.
  - US\$108/t and US\$105/t price for DSO in FY18e and FY19e. This is based on spodumene 6.0% Li<sub>2</sub>O of US\$558/t and US\$556/t.
  - Prepayment of US\$10M received in 1QFY17e.
  - A\$ = US\$0.73
  - 0.95Mtpa production in FY18e and FY19e.
  - Total cash costs of US\$57/t.



- Figure 1 shows our net free cashflow forecasts for the DSO project, which are \$33M in FY18e and \$48M in FY19e.

**Figure 1: PLS DSO Project Cashflow and Valuation**

Y/e Jun	Unit	FY17e	FY18e	FY19e
Price assumptions:				
Spodumene 6.0% Li <sub>2</sub> O	US\$/t		556	542
Spodumene 1.5% Li <sub>2</sub> O	US\$/t		108	105
	<b>A\$/t</b>		<b>147</b>	<b>142</b>
DSO mined and crushed	Mt		0.95	0.95
Contained Ta <sub>2</sub> O <sub>5</sub>	t		125.4	125.4
Mined grades				
Li <sub>2</sub> O	%		1.5%	1.5%
Ta <sub>2</sub> O <sub>5</sub>	ppm		132	132
DSO shipped	Mt		0.95	0.95
Lithium Revenue (a)	A\$M		140	135
Unit costs:				
Mining	US\$/t		10	10
Crushing	US\$/t		5	5
Site	US\$/t		1	1
Freight	US\$/t		10	10
Transport & marketing	US\$/t		36	36
Royalty	US\$/t		6	6
Native title	US\$/t		1	1
Credit (tantalum)	US\$/t		-12	-12
Total	US\$/t		57	57
	<b>A\$/t</b>		<b>78</b>	<b>78</b>
Total costs (b)	A\$M		74	74
Capex (c)	A\$M	2	0	0
Chng in WC (d)	A\$M	6	13	-6
Prepayment (e)	A\$M	13	0	0
Tax (f)	A\$M		20	18
<b>Net free cashflow (a-b-c-d+e-f)</b>	<b>A\$M</b>	<b>5</b>	<b>33</b>	<b>48</b>
<b>NPV<sub>10</sub></b>	<b>A\$M</b>	<b>71</b>		

Source: Foster Stockbroking estimates.

**Further offtake negotiation could result in ~75% of 6% Li<sub>2</sub>O product accounted for**

- In addition to the DSO, PLS is also negotiating with Shandong for separate offtake of 6.0% Li<sub>2</sub>O concentrate from the main Pilgangoora project, which it is hoping to finalise in the near term. Currently PLS has a binding offtake agreement for 140kt of 6% concentrate with General Lithium, leaving a balance of ca. 210kt to be accounted for, based on nominal plant capacity. We expect that Shandong will likely account for a substantial amount of this balance (ca. 120kt). If successful, ca. 75% of the offtake would be spoken for. This would leave only ca. 90kt to be sold, which may be for trading company, another offtaker, or the spot market.



## SETTLEMENT OF FIRST RIGHT OF REFUSAL ENHANCES PROJECT APPEAL

- PLS has settled its dispute with Mineral Resources (MIN) over the right of first refusal (ROFR) re offtake for Pilgangoora lithium. The settlement extinguishes the ROFR and 2.5% royalty on all minerals (ex-tantalum) from the Pilgangoora project. In return, MIN has been issued with \$50M of PLS shares at \$0.48 (104.167M shares) for nil cash. Global Advanced Metals (GAM) retains its 2.5% royalty on tantalum.

### Settlement slightly dilutive on NPV impact...

- We estimate that on our consensus prices, the NPV<sub>10</sub> of the extinguished royalty was \$50M risked. However we valued the issue of the 104M PLS shares at \$80M risked, based on our PLS valuation of \$0.77. This implies the transaction was slightly dilutive to our risked PLS valuation of \$1,081M by \$30M, or 3%.

### ..but strategically positive

- **Enhances project appeal and future offtake.** While slightly NPV dilutive, the extinguishment of the ROFR and 2.5% royalty is a significant positive for PLS strategically. As witnessed in the dispute with MIN, the ROFR could have presented legal entanglements and stalling of concluding future project offtakes for PLS. The removal of extraneous ROFR negotiations now make project offtake agreements more straightforward and simpler. The extinguishment of the royalty also increases both the value and strategic appeal of the project.
- **MIN incentivised to support project.** As part of the settlement MIN have committed to support the project, no doubt appropriately incentivised via receiving 100% PLS scrip as its consideration. MIN are experienced mining service contractors across of a number of various mine functions including operating equipment (e.g. crushing and screening), plant, infrastructure, power, and logistics, in Western Australia. We expect MIN will add value to PLS as the latter transitions from developer to producer. Opportunities and synergies relating MIN's assets such as those of Wodgina may be unlocked. MIN has had experience in WA spodumene via its involvement in the Mt Marion Lithium project.

### Allows General Lithium placement to progress

- The cancellation of the ROFR removes one of the conditions for settlement of the first tranche of the General Lithium placement. We expect the \$17.75M placement to settle before end CY2016.

## LYNAS FIND PROJECT TO PROVIDE TENEMENT SYNERGIES AND CONSOLIDATION

- We view PLS's intention to acquire 100% of the Lynas Find lithium project from Dakota Minerals (DKO) as highly synergistic. Lynas Find adjoins part of the PLS's Pilgangoora tenement, to the east and north, adjacent to PLS's Monster deposit. By consolidating the adjoining tenements under single ownership, we expect efficiencies will arise in the mining of ore, waste removal, and opening up of pits, as well as enhanced flexibility in where PLS finally locates key infrastructure items.
- Lynas Find includes Indicated and Inferred JORC Resource of 7.3Mt at 1.25% Li<sub>2</sub>O and 85ppm Ta<sub>2</sub>O<sub>5</sub>. DKO has undertaken network on Lynas Find, with high recovery (90.6%) achieved for a high grade spodumene product (6.56% Li<sub>2</sub>O). Processing utilised heavy media separation, which is also being employed for the Pilgangoora project.
- Acquisition price is to be \$4M, with an additional \$1M payable on granting of term extension on of the Lynas Find tenements. PLS also agreed to pay \$0.75M each for additional four exploration tenements which are under application by DKO. These will be triggered by successful grant and transfer of the tenements. These amounts can be payable by cash or scrip.



- On completion, Lynas Find will increase PLS's contained Li<sub>2</sub>O resource of currently 128.6Mt at by 6% to 135.9Mt at 1.22% Li<sub>2</sub>O from its current 128.6Mt at 1.22% Li<sub>2</sub>O. We expect the acquisition to conclude by end CY2016, including PLS completion due diligence.

### MAIN PILGANGOORA PROJECT PROGRESSING

- **Exploration and resource update.** Exploration is continuing on core tenements, with mineralisation intersected outside the current resource, as part of development and sterilisation drilling. PLS intends to update Pilgangoora JORC Resource by end CY2016.
- **Plant and infrastructure.** The company has placed order for first long lead capital item - including the pressure grinding rolls crusher, and has acquired the 300-person Roy Hill Rail camp which is located 90km south of its project by road. The camp will be relocated in two stages and is envisaged to be commissioned by end April 2017.
- **Contractors.** Engenium is running the project management, and various short listed ECIs (early contractors involvement) companies are scheduled to be finalised along with EPC bids by end November 2016.
- **Regulatory and financing.** Works approval was submitted in October and the company expects all approvals by early next year. We expect financing to conclude by end January 2017.

### EARNINGS FORECASTS UPGRADED

- We have included the DSO operation and removed the third party 2.5% royalty on lithium in our DCF model. This has increased our earnings forecasts for PLS in FY18e and FY19e: up 56% to \$73.9M in FY18e, and up 37% to \$131M in FY18e.

### PLS at 24% and 19% discount to average mining PE and EBITDA multiples

- Our forecasts imply PLS to be inexpensive, with PLS trading at 11.4x PE and 5.1x EBITDA on our forecast FY18e earnings – 24% and 19% discount to the ASX miners average.

### VALUATION ESSENTIALLY UNCHANGED at \$0.77/SHARE

- Our valuation of PLS has hardly changed, despite a number of changes, with risked NPV<sub>10</sub> of \$0.77/share (unchanged) and unrisked increasing to \$1.00/share (previous \$0.99). While the inclusion of the DSO, extinguishment of the 2.5% royalty had positive effects, these were mostly offset by the dilutive impact of issue of shares to MIN.

**Figure 2: PLS Company Valuation**

Segment	A\$M	A\$/sh	A\$M	A\$/sh	factor
Pilgangoora 2Mtpa - base case	753	\$0.49	715	\$0.47	95%
DSO project	71	\$0.05	68	\$0.04	95%
Pilgangoora 4Mtpa - incremental value	461	\$0.30	161	\$0.11	35%
Lynas Find Resource	24	\$0.02	22	\$0.01	90%
Pilgangoora - Expl/Resources ex-Reserves	36	\$0.02	24	\$0.02	67%
Unallocated corporate	-17	-\$0.01	-17	-\$0.01	100%
Cash - 1st tranche conditional GL raising	18	\$0.01	16	\$0.01	90%
Cash - other equity raise (incl 2nd tranche GL)	67	\$0.04	64	\$0.04	95%
Cash - exercised options	42	\$0.03	40	\$0.03	95%
Lynas Find consideration	-5	-\$0.00	-5	-\$0.00	90%
Net cash (debt) September 2016	94	\$0.06	94	\$0.06	100%
<b>Company Valuation</b>	<b>1,544</b>	<b>\$1.00</b>	<b>1,182</b>	<b>\$0.77</b>	<b>77%</b>
Ordinary shares now M	1,260		1,260		100%
Shares - exercise of options M	109		104		95%
Shares - conditional GL 1st tranche raise M	36		34		95%
Shares - other equity raise (incl 2nd tranche GL) M	137		130		95%
Pro-forma diluted shares M	1,541		1,527		99%

Source: Foster stockbroking estimates.

### RECOMMENDATION - MAINTAIN BUY, PT \$0.77

- We maintain our Buy recommendation on PLS, and retain our price target of \$0.77/share. We see a number of catalysts being:
  - Mining approval;
  - Settlement of General Lithium placement;
  - Outcome of chemical plant scoping study;
  - Finalisation of Shandong offtake for concentrate;
  - Finalisation of tantalum offtake;
  - Commencement of DSO production;
  - Start of major construction works; and
  - Completion of financing; and
  - Commencement of concentrate production.



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