



ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE: 24 JANUARY 2017

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## MAIDEN DRILLING CAMPAIGN COMMENCES ON THE PIEDMONT LITHIUM PROJECT

- *WCP has begun an initial drilling program at the Piedmont Lithium Project, located within the world-class Carolina Tin-Spodumene Belt and along trend to the Hallman Beam and Kings Mountain mines, historically providing most of the western world's lithium between 1950 and 1990*
- *Phase 1 drilling will include a 10-hole program designed to strengthen the geological understanding of the lithium bearing spodumene pegmatites identified from historical exploration, with results due in the second quarter of 2017*
- *Subsequent drilling (Phase 2) to be conducted in the second quarter of 2017 which is expected to support the delineation of a maiden JORC Resource*
- *Following successful completion of the drilling campaign and delineation of a maiden JORC Resource, the Company will commence technical studies at the Piedmont Lithium Project*
- *WCP continues its aggressive land leasing program expanding out from its initial strategic Piedmont Lithium Project area and is currently in negotiations with multiple landowners within the highly prospective Carolina Tin-Spodumene belt*
- *WCP's exploration campaign continues to leverage its initial land position with excellent access to infrastructure and nearby lithium processing plants, facilitating the Company's efforts in restarting lithium production from this historic world-class lithium region*

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**WCP Resources Limited ("WCP" or "Company") (ASX:WCP)** is pleased to announce that it has commenced the first phase of a drilling campaign on the Piedmont Lithium Project ("**Project**") owned by the Company's 100% subsidiary, Piedmont Lithium Inc., which is located in the Carolina Tin-Spodumene Belt ("**TSB**"), a historic lithium producing district in North Carolina, United States.

The drilling campaign will begin with a first phase consisting of 10 holes totalling 1,500 metres of drilling which will be designed to extend upon the understanding of the currently mapped and drilled pegmatites on the Project area (Figure 1). The results of this first phase together with additional ground exploration and mapping work will continue to build upon the understanding of the lithium bearing geology of the Project.

Thick zones of high grade mineralisation have previously been recorded at shallow depths on the Project with intercepts including;

- **12.0m @ 1.18% Li<sub>2</sub>O** from 29 m (hole 09-BD-03)
- **13.0m @ 1.24% Li<sub>2</sub>O** from 43m (hole 09-BD-06)
- **4.7m @ 1.55% Li<sub>2</sub>O** from 28m (hole 09-BD-10)
- **7.9m @ 1.33% Li<sub>2</sub>O** from 28m and **1.0m @ 2.17% Li<sub>2</sub>O** (hole 09-BD-05)
- **6.0m @ 1.31% Li<sub>2</sub>O** from 81m and **8.0m @ 1.34% Li<sub>2</sub>O** from 197m (hole 09-BD-14)
- **6.9m @ 1.42% Li<sub>2</sub>O** from 63m and **1.9m @ 2.83% Li<sub>2</sub>O** from 72m (hole 09-BD-17)
- **5.5m @ 1.48% Li<sub>2</sub>O** from 44m and **5.4m @ 1.48% Li<sub>2</sub>O** from 59m (hole 09-BD-18)

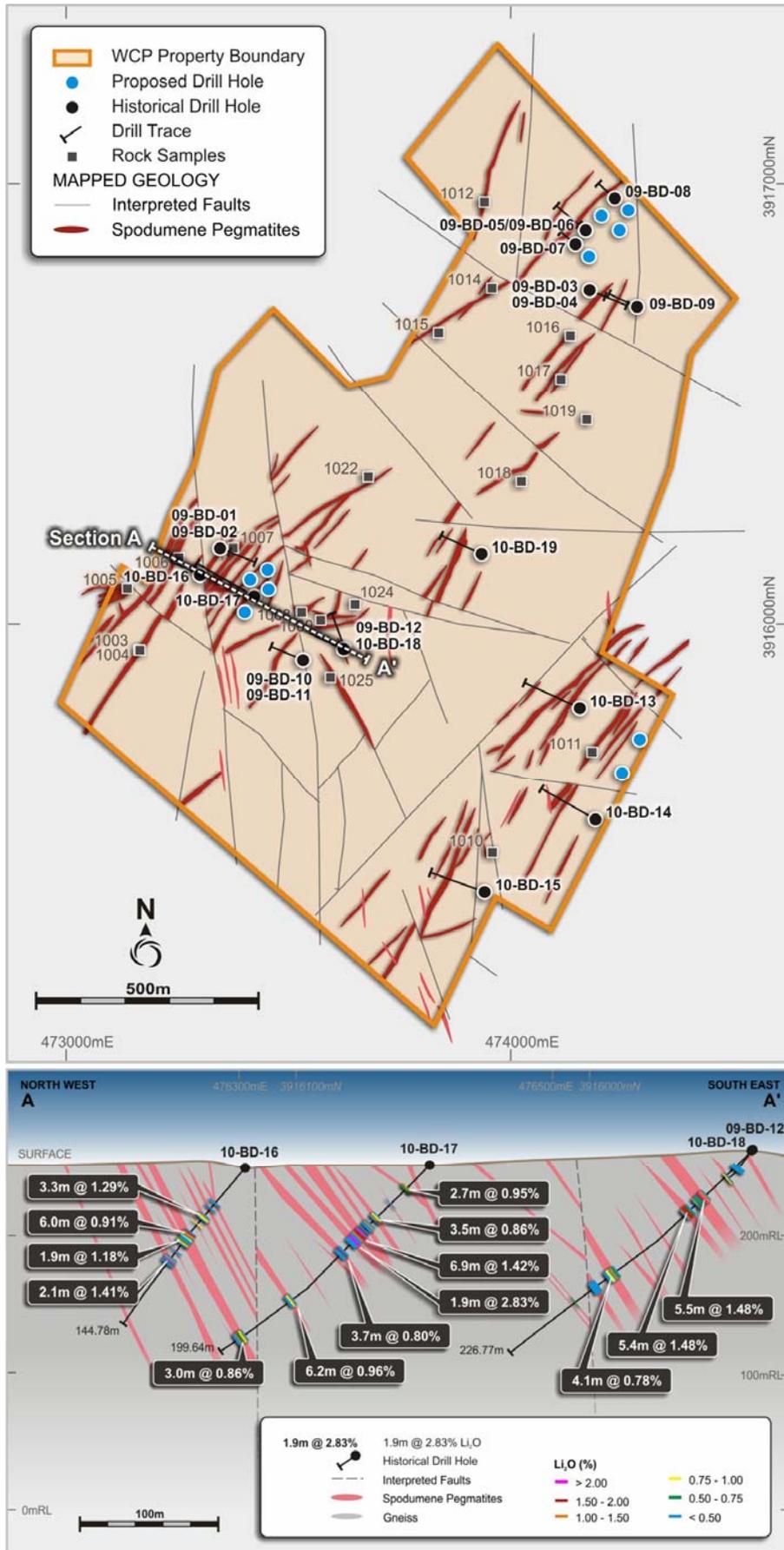


Figure 1: First Phase Drill Program on the Piedmont Lithium Project

The Company is highly confident of the ability to delineate further high grade intercepts in the first phase of the drilling campaign which will showcase the potential for the Project to become a leading US based developer of lithium raw material supply into the growing US domestic Electric Vehicle and Battery Storage markets.

Upon completion of the first phase, the new drilling results in conjunction with historic exploration data, will form the basis of the second phase drilling campaign which is expected to lead to the determination of a JORC / NI 43-101 compliant Resource at the Piedmont Lithium Project.

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## The Piedmont Lithium Project

The Piedmont Lithium Project is located within the world-class Carolina Tin-Spodumene Belt (“TSB”), and along trend to the Hallman Beam and Kings Mountain mines, historically providing most of the western world’s lithium between 1950 and 1990. The TSB is one of the premier localities in the world to be exploring for lithium pegmatites given its history of lithium bearing spodumene mining, 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.



Figure Above: Piedmont Lithium Location and Bessemer City Lithium Processing Plant (FMC, Top Right) and Kings Mountain Lithium Processing Facility (Albemarle, Top Left)

The TSB has previously been described as one of the largest lithium provinces in the world and is located approximately 40 kilometres west of Charlotte, North Carolina, United States. The TSB was the most important lithium producing region in the western world prior to the establishment of the brine operations in Chile in the late 1990’s. The TSB extends over approximately 60 kilometres in length and reaches a maximum width of approximately 1.6

The Project was originally explored by Lithium Corporation of America which eventually was acquired by FMC Corporation (“FMC”). FMC and Albemarle Corporation (“Albemarle”) both historically mined the lithium bearing spodumene pegmatites from the TSB with the historic Kings Mountain lithium mine being described as one of the richest spodumene deposits in the world by Albemarle. These two mines and their respective metallurgy also formed the basis for the design of the two lithium processing facilities in the region which were the first modern spodumene processing facilities in the western world.

Albemarle and FMC continue to operate these important lithium processing facilities with FMC’s Bessemer City lithium processing facility being approximately 14 kilometres from the Project whilst Albemarle’s Kings Mountain lithium processing facility is approximately 17 kilometres from the Project.

The region is 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.

## **Forward Looking Statements**

*This announcement may include forward-looking statements. These forward-looking statements are based on WCP'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 WCP, which could cause actual results to differ materially from such statements. WCP makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.*

## **Competent Persons Statement**

*The information in this report that relates to Exploration Results, is extracted from the Company's ASX announcement dated 18 October 2016 entitled 'Previous Drilling Confirms High Grade Lithium Mineralisation' which is available to view on the Company's website at [www.wcpresources.com.au](http://www.wcpresources.com.au). The information in the original ASX Announcement that related to Exploration Results was based on, and fairly represents, information compiled by Mr Lamont Leatherman, a Competent Person who is a Registered Member of the 'Society for Mining, Metallurgy and Exploration', a 'Recognised Professional Organisation' (RPO). Mr Leatherman is a consultant to the Company. Mr Leatherman has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The Company confirms that it is not aware of any new information or data that materially affects the information including in the original market announcement. 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 market announcement.*