

Sayona Mining signs earn-in agreement with Altura to progress WA lithium portfolio

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Emerging lithium developer Sayona Mining (ASX: SYA) has signed an earn-in agreement with lithium producer Altura Mining (ASX: AJM) to help maximise the value of Sayona's portfolio in Western Australia's world-class Pilgangoora lithium district.

Under the terms of the agreement, Altura will spend \$1.5 million on exploration across the project portfolio over three years to earn a 51% interest, with Sayona keeping the remaining 49%.

Sayona retains the right to contribute to project evaluation and development in the future to participate in upside potential.

Should Altura wish to withdraw its stake before the agreement ends, it must spend \$500,000 on exploration activities including at least 2500 metres of drilling on Sayona's Mallina project and 1000m on its Tappa Tappa project, both in the Pilgangoora district.

Mallina is the most advanced of Sayona's Pilbara tenements, with multiple areas of spodumene pegmatite identified within a 25 square kilometre zone.

Extracting value

Sayona managing director Brett Lynch said Altura was the perfect partner to help extract value from its Australian lithium assets.

“Altura has a highly experienced team that successfully led the financing, construction and commissioning of its spodumene mine at Pilgangoora,” he said.

“This same expertise will ensure we derive maximum value from our exploration assets in WA.”

Altura’s managing director James Brown is also a director of Sayona, while Sayona non-executive directors Allan Buckler and Dan O’Neill are directors of Altura.

“Our common [personnel] and shared experiences provide a mutual understanding that will allow the potential of Sayona’s Australian exploration tenements to be fully explored,” Mr Lynch said.

Project portfolio

Sayona’s current WA lithium portfolio comprises 1806 square kilometres in close proximity to spodumene deposits including Altura’s Pilgangoora mine which commenced commercial production in March 2019.

The company is also focused on delivering its flagship lithium project in Canada.

Located near the Province of Québec, the Authier mine is a hard rock spodumene lithium deposit scheduled for development as an open cut operation with concentrator.

Sayona will be seeking to process approximately 2600 tonnes per day, providing for an approximate mine life of 14 years and estimated annual average spodumene concentrate production of around 115,000 tonnes at 6% lithium oxide.

The development could create 150 jobs in construction and up to 160 jobs in operation, with Sayona giving priority to local employment and suppliers.

At midday, shares in Sayona Mining were trading 28.57% higher at \$0.009.

Shares in Altura Mining were up 8.25% to \$0.105.