

26 January 2021

DRILLING PROGRAM TO EXPAND QUÉBEC LITHIUM RESOURCES

Highlights

- **Sayona planning C\$2 million (A\$2.03M) drilling program in Québec's late winter at flagship Authier Lithium Project and emerging Tansim Lithium Project**
- **Program includes approximately 8,700m of drilling, a 30% increase on previous Québec drilling, targeting an expansion of current lithium resources to support Abitibi lithium hub.**

Emerging lithium miner Sayona Mining Limited (ASX:SYA; OTC:DMNXF) announced today plans for a C\$2 million (A\$2.03M) drilling program during Québec's late winter at the Company's flagship Authier Lithium Project and emerging Tansim Lithium Project, amid rapid growth in demand for the key battery metal.

The new drilling program encompasses approximately 8,700m of drilling, representing around a 30% increase on previous drilling in the province, as Sayona seeks to expand its lithium resources to support a planned Abitibi regional hub.

At Authier, the Company plans 31 drill holes for a total of 4,500m of diamond drilling, with a goal of expanding current ore resources and improving the strip ratio to enhance its profitability, as outlined in the project's revised Definitive Feasibility Study (refer ASX announcement 11 November 2019).

In addition, 26 drill holes for approximately 4,200m are planned at the emerging Tansim project, comprising its Viau-Dallaire prospect (3,400m) and Viau prospect (approximately 800m). The new drilling aims to expand the lithium mineralisation at Viau-Dallaire following the initial Phase 1 diamond core drilling conducted in February 2019 and complete an initial JORC-compliant resource estimate.

An initial drilling program is also proposed for the Viau prospect (6km east-southeast of Viau-Dallaire), with proposed drill holes based on historical geological data together with Sayona's reconnaissance survey undertaken in July 2018, which included four grab rock samples of up to 4.49% Li₂O.

In December 2020, Sayona completed its acquisition of the Tansim project, following a final payment of C\$250,000 to Quebec Precious Metals Corporation for the remaining 50% stake in tenements subject to an option agreement (refer ASX announcement 24 December 2020).

Located 82km south-west of the Authier project, Tansim comprises 191 mineral claims spanning 11,042 ha of prospective lithium acreage. The main prospects are Viau-Dallaire, Viau and Vezina, with exploration activity having included Phase 1 diamond drilling at the Viau-Dallaire prospect as well as an airborne geophysics survey and reconnaissance selective sampling.

Previous drilling intercepted two main pegmatite albite-spodumene dykes, with an east-west strike dipping 45 to 55 degrees to the north. Dyke 1 (upper dyke – outcropping) averaged 15m true width, while Dyke 2 (deeper dyke – not outcropping) averaged 40m approximate true width.

All the dykes showed variable percentages of mostly very coarse to coarse spodumene (crystals of up to 20cm length and concentrations of 10% to 25% with peaks of 40-50%), with minor fine grain spodumene as well as internal zones of low grade to barren pegmatite.

There is potential for both strike extensions and deeper extensions testing potential coalescence of pegmatite dykes as well as new and not-outcropping pegmatite dykes.

Tansim Project: Viau-Dallaire prospect exploration targets

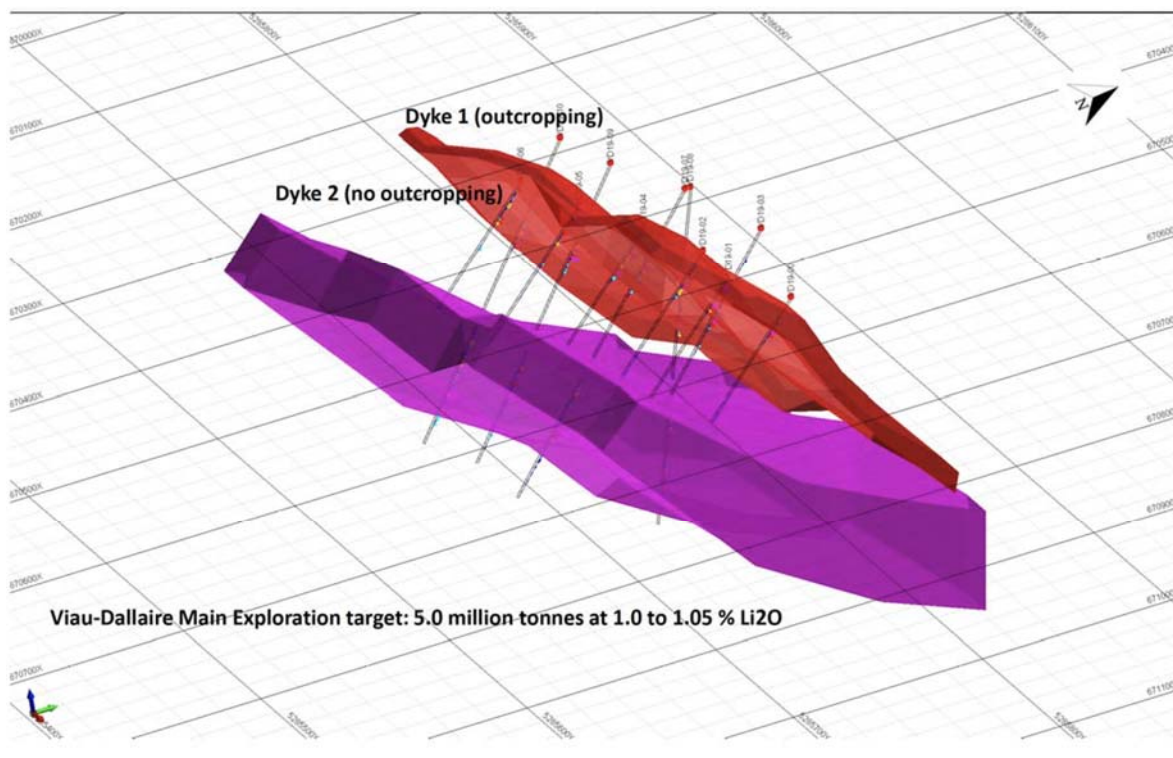


Figure 1: Tansim project's Viau-Dallaire exploration target* – phase 1 drilling (looking north-west)

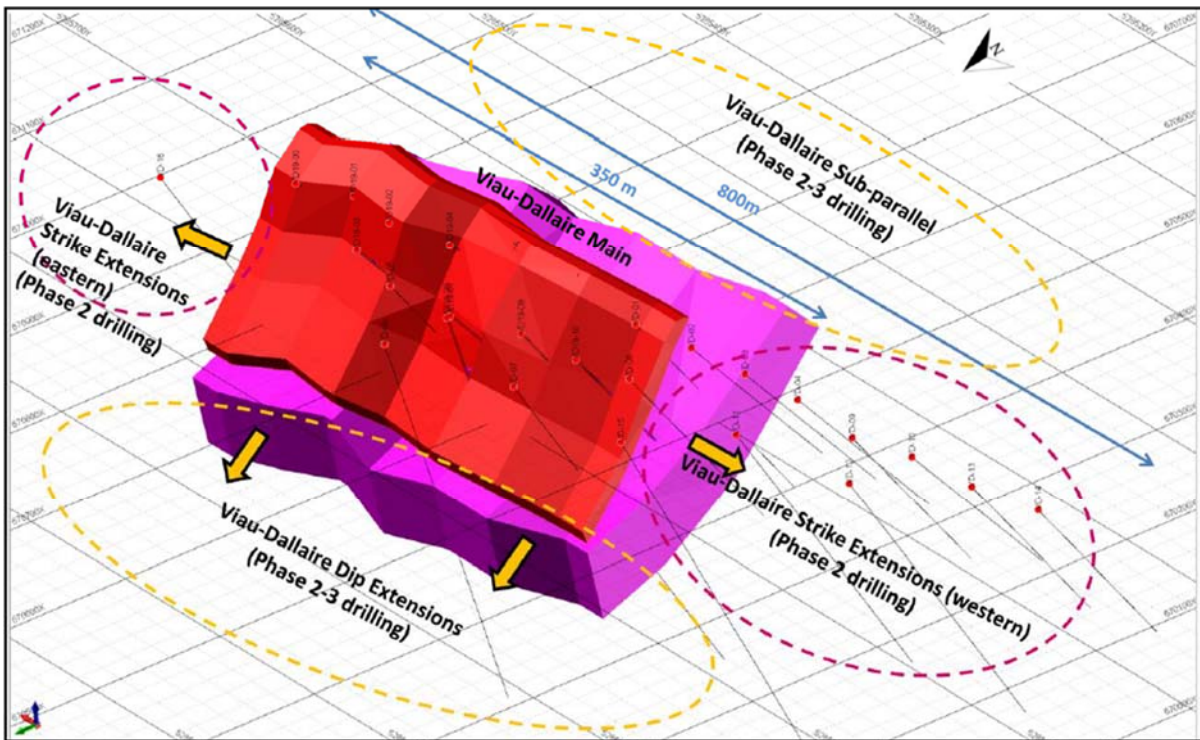


Figure 2: Viau-Dallaire total exploration target (looking south-east)

**Note: The potential quantity and grade of the Exploration Target is conceptual in nature and is therefore an approximation. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.*

Sayona’s Managing Director, Brett Lynch welcomed the new drilling campaign as demonstrating the Company’s commitment to increasing its lithium resources in Québec.

“This is a significant investment in our Tansim project and a substantial potential boost to Authier’s profitability as we work to deliver a world-scale lithium hub at Abitibi, supported by multiple projects,” Mr Lynch said.

“Lithium demand is soaring in Canada and the United States, as seen by the multi-billion dollar investments by automakers in EV production in Ontario, Tesla’s increasing offtake demand and the Biden administration’s clean energy drive, such as its ‘Buy American’ EV campaign.

“North America needs domestic supplies of battery metals to fuel this accelerating industry. Our lithium projects are perfectly placed to deliver, benefitting from Québec’s unique economic, strategic and sustainable advantages, including its renewable, clean and green hydropower.”

He added: “As we advance Sayona’s bid for NAL and our new partnership with Piedmont Lithium, we look forward to expanding our lithium projects to ensure we can supply both the domestic and U.S. markets, including mining and downstream processing.”

This announcement is authorised by Sayona’s Board of Directors.

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About Sayona Mining

Sayona Mining Limited is an emerging lithium miner (ASX:SYA; OTC:DMNXF), with projects in Québec, Canada and Western Australia.

In Québec, Sayona is progressing a bid for the North American Lithium mine with the backing of a world-class advisory team, while advancing its flagship Authier Lithium Project and its emerging Tansim Project, supported by a strategic partnership with **Piedmont Lithium Limited (ASX:PLL; Nasdaq:PLL)**.

In Western Australia, the Company holds a large tenement portfolio in the Pilbara region prospective for gold and lithium.

For more information, please visit us at www.sayonamining.com.au

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by Dr Gustavo Delendatti, a member of the Australian Institute of Geoscientists. Dr Delendatti is an independent consultant, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which it is undertaking to qualify as a Competent Person as defined in the JORC Code (2012 Edition) of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves."

Dr Delendatti was responsible for the design and conduct of this exploration drilling campaign, supervised the preparation of the technical information in this release and has relevant experience and competence of the subject matter. Dr Delendatti, as competent person for this announcement, has consented to the inclusion of the information in the form and context in which it appears herein.