

ASX ANNOUNCEMENT

ASX: **SYA**

28 May 2021

SAYONA QUÉBEC: NAL OFFER 'TAKES A NEW STEP'

Emerging lithium producer Sayona Mining Limited (ASX:SYA; OTC:DMNXF) attaches the following statement from the Company's wholly owned subsidiary, Sayona Québec, regarding the joint bid with Piedmont Lithium Limited for North American Lithium (Sayona 75%; Piedmont 25%) (refer ASX release 27 May 2021).

Also included is a link to the Québec Government announcement concerning the proposed bid.

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

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About Sayona Mining

Sayona Mining Limited is an emerging lithium producer (ASX:SYA; OTC:DMNXF), with projects in Québec, Canada and Western Australia. In Québec, Sayona's assets comprise the Authier Lithium Project and its emerging Tansim Lithium Project, supported by a strategic partnership with American lithium developer **Piedmont Lithium Limited (ASX:PLL; Nasdaq:PLL)**. The Company is also advancing a joint bid with Piedmont for North American Lithium.

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

Statement from Sayona Québec:

SAYONA QUÉBEC'S OFFER FOR NORTH AMERICAN LITHIUM TAKES A STEP FORWARD

The mining company takes an important step towards the acquisition of North American Lithium in order to restart lithium production

May 27, 2021 — It is with great pride that Sayona Mining Limited (ASX: SYA; OTC: DMNXF) announces today that its Sayona Québec subsidiary, owned with Piedmont Lithium inc. (Sayona at 75% and Piedmont at 25%) is taking another step towards acquiring the facilities of North American Lithium Inc. (NAL) in La Corne in Abitibi-Témiscamingue.

Following an agreement with Investissement Québec, one of the secured creditors, and subject to the conclusion of definitive agreements, Sayona Québec's proposal to acquire lithium production operations at the NAL site will be presented to the Superior Court of Quebec for approval.

The offer from Sayona Québec, a company based in La Motte, in Abitibi-Témiscamingue, would allow for the development of a lithium hub in the region.

If the Court approves its offer and the other conditions at the closing of the transaction are completed (including the conclusion of definitive agreements, the approval of the shareholders of Sayona Mining and the obtaining of regulatory approvals), Sayona Québec aims to resume production as soon as possible. The company is putting priority on environmental update of the facilities, technical improvements as well as the upgrading of certain equipment which was at a standstill.

The transaction that would lead to the acquisition of NAL by Sayona, if confirmed by the Superior Court, would be entirely carried out and completed thanks to the contribution of private capital.

Furthermore, if the transaction is approved by the Superior Court and the other closing conditions are met, Sayona Québec and its partner, Piedmont Lithium, are committed to carry out secondary processing of lithium in Quebec within the next five years, in accordance with the conditions set out in the agreement with Investissement Québec. The two partners are enthusiastic about Quebec's attributes (clean electricity, skilled labor, etc.) and by the government's desire to develop the electric battery industry.

Overall, Sayona Québec is delighted with the government's desire to develop the electric battery sector and intends to participate fully in it. The creation of a lithium hub in Abitibi-Témiscamingue would establish a solid foundation for the development of the entire Quebec lithium sector.

The planned acquisition of NAL would also generate quality jobs and provide local communities with direct benefits.

Quotes:

"The Sayona Québec team is pleased with the positive development regarding NAL. Its potential acquisition, if approved by the Superior Court, would move the Abitibi-Témiscamingue region and Quebec to a first milestone in the international lithium market with Sayona."

“We would be very happy to build this project from an inspiring region, and even prouder to commit to the development of lithium transformation in Quebec. Our partner Piedmont Lithium and our entire team are strongly motivated by this challenge, which would allow Quebec and its citizens to benefit from this creation of additional wealth.”

- Guy Laliberté, CEO of Sayona Québec

About Sayona Québec

A subsidiary of Sayona Mining created in 2016, Sayona Québec is a developing company active in the lithium sector, a key component in the manufacturing of lithium-ion batteries. The owner of a high-quality deposit, the Company intends to carry out the Authier project, in La Motte, to move from the exploration stage to that of exploitation and development, with the objective of carrying out further processing. The same is true of the Tansim project, which is under development on the Viau-Dallaire deposit, in Moffet.

www.sayonaquebec.com

Statement from the Québec Government:

<https://www.quebec.ca/nouvelles/actualites/details/acquisition-des-actifs-de-lithium-amerique-du-nord-quebec-sentend-avec-sayona-quebec-et-piedmont-lithium-31774>