

2 June 2021

NEW DRILLING UNDERWAY AT AUTHIER PROJECT; WA LITHIUM EARN-IN

Highlights

- **New drilling campaign underway at flagship Authier Lithium Project, Québec, with goal of expanding lithium resource, reducing strip ratio and accelerating production to enhance profitability**
- **Earn-in agreement reached with Altura Mining to expedite exploration at Sayona's lithium assets in Pilgangoora, Western Australia and facilitate Company's focus on North America**

Emerging lithium producer Sayona Mining Limited (ASX:SYA; OTC:DMNXF) is advancing its clean energy assets in Canada and Western Australia, amid the increasingly rapid growth of the electric vehicle (EV) and battery sector.

In Québec, a new drilling campaign is underway at the Company's flagship Authier Lithium Project, with a goal of expanding the current ore resources, improving the strip ratio and accelerating production to enhance its profitability. Some 31 drill holes are planned for a total of approximately 4,500m of diamond drilling, with drilling expected to take around 10 weeks.

All drilling is being conducted by Les Forages Pikogan, a member of the Algonquin Abitibiwinni community of Pikogan (First Nation Abitibiwinni), with whom Sayona has an exploration agreement. The agreement provides benefits for the Pikogan, both economic and in terms of sustainable development, with such activity a tangible demonstration of Sayona's commitment to the First Nations community.

Sayona's Managing Director, Brett Lynch, commented: *"We are excited to start this latest drilling campaign at Authier to accelerate production and enhance its profitability. This is a further concrete commitment and investment by Sayona in developing a world-scale lithium hub in Abitibi."*

"We are well positioned to supply the fast-growing battery and EV sector in North America, with plans for downstream processing to capture further value for all stakeholders."

The new drilling campaign at Authier is also testing for potential repetition of lithium pegmatite in the southern lease sector, where thermal alteration at the bottom of hole AL-17_016, typical of an adjacent pegmatite, has been observed during recent re-logging of core. This target has not been tested by previous drilling.

Pilbara lithium projects earn-in

Meanwhile in Western Australia, Sayona has entered into a new earn-in agreement with Altura Mining Limited over the Company's Pilbara lithium tenure. The new agreement covers the core of the lithium tenements reflected in the previous 2019 earn-in agreement (refer ASX announcement 8 August 2019), spanning more than 1,000 square kilometres.

Under the new agreement, Altura has the right to earn a 51% interest by spending a minimum of A\$1.5 million on exploration over three years, with Sayona retaining the remaining 49% project interest.

Altura must spend at least A\$500,000 and complete a minimum of 1,500m of drilling at the Mallina Lithium Project, located in the world-class Pilgangoora lithium district. Mallina is the most advanced among Sayona's lithium projects in Western Australia, with multiple zones of spodumene pegmatite having been identified within a 25 sq km zone.

Sayona will retain 100% of the gold and other non-lithium rights within the tenement area. The Company is currently aggressively advancing its Western Australian gold exploration, targeting intrusion-related gold mineralisation similar to De Grey Mining's Hemi discovery (refer ASX release 12 May 2021).

Sayona's Mr Lynch added: *"It is rare for such a close alignment of two companies, but this deal is truly one that benefits both. It allows us to prioritise the development of our flagship Authier Lithium Project in Québec, whilst maintaining our interest in our prospective WA assets."*

"We can now ensure that our funds are maximised towards the highest likelihood of increased shareholder returns, including advancing our gold interests in the Pilbara and now with the added upside of any potential new lithium discoveries by Altura."

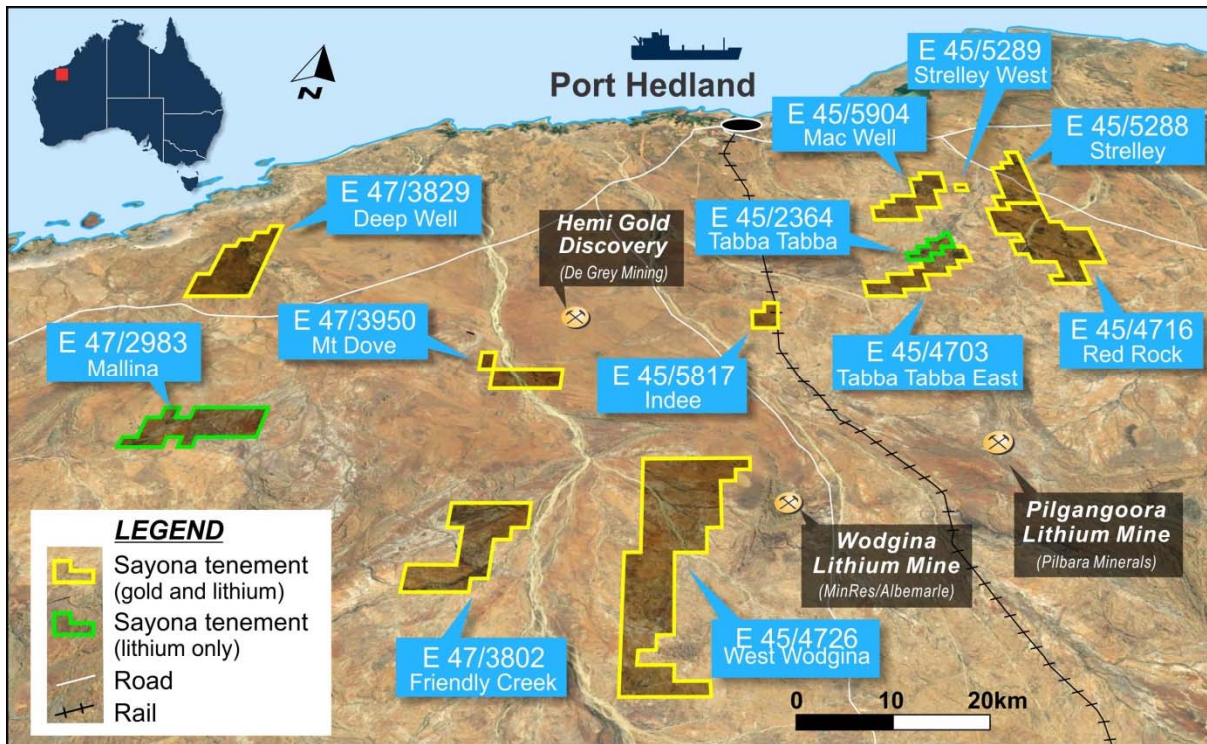


Figure 1: Pilbara tenements subject to Altura Mining’s lithium earn-in agreement

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