

21 August 2020

AUTHIER ADVANCES AS CENTRE OF LITHIUM HUB

Highlights

- **New field work underway at Sayona's Authier Lithium Project, as Company progresses various environmental and geotechnical studies; critical follow-up work contracts awarded, targeting year-end completion**
- **Flagship project to form key part of Abitibi lithium hub, as Sayona advances its Québec expansion to service growing North American, European and global battery market.**

Emerging lithium miner Sayona Mining Limited (ASX:SYA; OTC:DMNXF) announced today further progress at its Authier Lithium Project in Québec, Canada as the Company develops its flagship project to form the centrepiece of an Abitibi lithium hub.

Following the lodgement of the Authier's project environmental impact statement (EIS) in January and subsequent feedback from Québec's Ministry of the Environment and the Fight against Climate Change (MELCC) (refer ASX release 9 April 2020), Sayona has now outlined a new works program to progress the EIS and earn a social licence to operate from the community.

These activities are aimed at addressing the MELCC's feedback concerning various areas including flora and fauna, impact on air quality, roads and traffic and water management. The feedback was as expected for a project of the scope and value of Authier. Sayona has now awarded all of the critical follow-up works contracts, targeting completion by year-end.

These activities will largely occur during the northern hemisphere summer/autumn and will comprise a range of activities, including geotechnical surveys by leading Canadian consulting engineering firm, BBA; the collection of additional soil samples by consulting engineers Norinfra; wetlands inventories by environmental consultants Del Degan & Massé; and inventories of various plants of interest to the Council of the First Nation Abitibiwinni (Pikogan) and non-timber forest products together with fish, sediments and water quality in Lake Kapitagama by Aki Resources, a First Nations contractor in partnership with Desfor. Such activities will ensure a detailed response is compiled for the MELCC and the benefit of the community in ensuring the project's sustainability.

Sayona continues to advance the project in accordance with planned timelines, albeit with some delays resulting from the COVID-19 pandemic. Pending regulatory approval, which is now expected in early 2021, construction could start as early as next year and mining operations from 2022.

Sayona Québec CEO Guy Laliberté said: *“These latest studies are essential to ensuring the Authier project meets community expectations and delivers sustainable outcomes, together with its economic benefits including new jobs and investment.*

“We look forward to obtaining the results and continuing our close engagement with the community, First Nations, government and all other stakeholders for the benefit of Québec.”

A revised definitive feasibility study for the Authier project showed its potential to become a sustainable and profitable new mine, with an estimated net present value of C\$216 million (A\$226m), an internal rate of return of nearly 34% and estimated capital payback within 2.7 years, while generating up to 176 new jobs for the benefit of the local community (refer ASX release 11 November 2019).

Meanwhile, Sayona’s lithium expansion in Québec continues to accelerate, highlighted by the recent 25% expansion of the Company’s Tansim project (refer ASX release 6 August 2020) and the Company’s bid for North American Lithium (NAL) backed by a world-class team.

Sayona’s Managing Director, Brett Lynch commented: *“Authier is Sayona’s flagship project and these new studies will only help further enhance its environmental and economic sustainability. Our plan is for Authier to be at the centre of a lithium hub in Abitibi, encompassing NAL (subject to a successful bid) together with the nearby Tansim project.*

“Québec’s economic, strategic and environmental advantages make it the supplier of choice to the North American and European battery market. Based on recent analysis, some 13 new Authier projects will be necessary just to satisfy U.S. demand by 2030, hence it is critical to accelerate Authier and expand potential supply tonnages through our hub model.”

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

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For more information, please contact:

Brett Lynch

Managing Director
Phone: +61 (7) 3369 7058
Email: info@sayonamining.com.au

For media queries, please contact

Anthony Fensom, Republic PR
anthony@republicpr.com.au; +61 (0)407 112 623

About Sayona Mining

Sayona Mining Limited is an emerging lithium miner (ASX:SYA), 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 support team, while advancing its flagship Authier Lithium Project and its nearby Tansim project.

In Western Australia, the Company has an earn-in agreement with leading lithium producer Altura Mining concerning its lithium and gold exploration portfolio in the Pilbara.

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