

ASX ANNOUNCEMENT

ASX: **SYA**

18 March 2021

STUDY CONFIRMS TANSIM PROJECT'S HIGH LITHIUM POTENTIAL

Highlights

- Canadian National Instrument (NI) 43-101 review determines high exploration potential for lithium pegmatites across Sayona's Tansim Lithium Project, Québec
- Project-wide exploration planned to test for new albite-spodumene pegmatites and to complement resource drilling at the Viau-Dallaire and Viau prospects in the 2021 exploration season
- Tansim recognised as key growth component for Sayona's Québec lithium hub development, complementing flagship Authier Lithium Project and offering potential synergies with North American Lithium (NAL) (pending a successful bid).

Emerging lithium miner Sayona Mining Limited (ASX:SYA; OTC:DMNXF) has reaffirmed confidence in the lithium potential of its emerging Tansim Lithium Project, following the completion of an updated NI 43-101 Technical Report on its project located in Abitibi-Témiscamingue, Québec.

The report by BBA's Principal Geologist Pierre-Luc Richard reviewed the project following its recent expansion to encompass 275 claims spanning 15,907 ha of prospective lithium acreage (refer ASX release 11 March 2021). The NI 43-101 report concluded that the project's exploration potential remains high and that the potential to increase the size of the currently modelled pegmatites, which remain open laterally and at depth, is also high.

A C\$1.6 million (A\$1.65 million) work program has been committed for Tansim, comprising a Phase One 5,000m drill program, followed, if warranted, by a Phase Two work program to include a mineralogical study, metallurgical testwork and a Mineral Resource estimate.

Sayona's Managing Director, Brett Lynch, commented: *"The confirmation of Tansim's high exploration potential is extremely welcome following our recent expansion of the project. We look forward to progressing drilling at the Viau-Dallaire and Viau prospects to take them to the resource determination stage."*

“Tansim has assumed a greater importance in Sayona’s 2021 plans, reflecting its high growth potential which can complement the development of our flagship Authier project, as well as potential synergies with NAL, pending a successful bid. We see Tansim becoming a key component of our vision for a world-scale lithium hub in the Abitibi region, uniquely located to service the North American lithium market.”

Tansim Project - Background

Located 82 kilometres south-west of Sayona’s Authier project, Tansim hosts known pegmatites at the Viau and Viau-Dallaire prospects which were first identified in the 1950s. These occurrences remained lightly explored until Sayona’s involvement in the project in January 2018. Since that time Sayona has consolidated and expanded the project claims so that they now represent the largest contiguous tenure any company has assembled in the area.

Past explorers have recognised the significance of the geochemically evolved Réservior Decelles Batholith, a suite of monzogranite intrusions, which are the typical parent magma for spodumene bearing pegmatite systems at a worldwide scale. At Tansim, a strongly magnetic suite of sediments and intrusive rocks some 12km in strike extent and several kilometres in width margins the monzogranite and this contact zone presents as the primary exploration target.

This zone is host to the Viau and Viau-Dallaire spodumene pegmatites, and planning is underway for 2021 exploration which has the benefit of utilising tracks recently made by other users of the area. This planned first reconnaissance of the target area has potential to rapidly elevate the Tansim area into an area of significant district scale discovery.

Sayona’s 2019 drilling at the Viau-Dallaire prospect (11 holes for 1219m) identified two pegmatites of 15m and 40m true width which remain open in all directions. An Exploration Target (refer note below) for the Viau-Dallaire prospect has been estimated at between 5 million tonnes, at an estimated grade of 1.2-1.3% Li₂O, and 25 million tonnes, at an estimated grade of 1.2 – 1.3% Li₂O (refer ASX release 19 November 2019).

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 an estimation of a Mineral Resource.

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

Reference to Previous ASX Releases

This report refers to the following previous ASX releases:

- 9 April 2019 - Drilling results boost prospects for new lithium deposit at Tansim
- 19 November 2019 - Exploration Target highlights potential for new lithium deposit at Viau-Dallaire
- 6 August 2020 - Sayona expands Tansim project amid Québec lithium drive
- 26 January 2021 – Drilling programme to expand Québec lithium resources
- 11 March 2021 – Sayona expands Tansim project as lithium demand accelerates

The information in this report that relates to Exploration Targets is based on information previously released to the ASX (19 November 2019) 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 being undertaken 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'.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and all material assumptions and technical parameters continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.