

ASX ANNOUNCEMENT

ASX: **SYA**

31 January 2022

DECEMBER 2021 QUARTERLY ACTIVITIES REPORT

Quarter Highlights

Québec, Canada

- Sayona completes acquisition of 60% stake in Moblan Lithium Project (Moblan) for US\$86.5 million
- Authier drilling results build confidence in quality and expansion potential of resource base
- North American Lithium scoping study advances, targeting resumption of production from 2023
- Major drilling program planned for Moblan to expand Sayona's lithium resource base
- Placement and Rights Issue raises A\$125.5 million to fund Moblan acquisition and support development of Abitibi lithium hub
- Sayona promoted to MSCI Global Small Cap Index, driving further awareness from global institutional investors

Western Australia

- Morella Corporation (previously Altura Mining) advancing exploration over earn-in Pilbara lithium projects, with initial focus on Mallina project

Post-Quarter

- Significant expansion for Sayona's Northern Quebec lithium resource hub, with acquisition of 121 new claims (Lac Albert Project), located west of Moblan.

Emerging lithium producer Sayona Mining Limited (ASX:SYA; OTCQB:SYAXF) has achieved further growth in its lithium asset base in Québec, Canada together with advancing its Western Australian projects, as shown in its Activities Report for the December quarter 2021.

North American Lithium (NAL)

Sayona is targeting the restart of spodumene concentrate production at NAL from the first quarter 2023, with preparations continuing to advance during the quarter.

Critical long-lead equipment has been ordered ahead of schedule, while 90% of permits have already been completed to resume production.

Senior personnel have been recruited, including Carl Corriveau, Exploration Director; Annie Blier, Environmental Director; and Cindy Valence, Director, External Affairs, together with OHS Coordinator, Philippe Caron.

A project review has shown the potential to expand the lithium resource at NAL, with consultants BBA Inc. engaged to produce an updated Canadian NI 43-101 study of NAL's resource base to facilitate conversion to Australia's JORC standard. The results of the study are expected in February 2022.

A definitive feasibility study (DFS) is underway for the profitable production of spodumene concentrate, combined with production from nearby Authier. The results are also expected in February.

Negotiations are continuing with financiers to fully fund the NAL restart plan to ensure the best possible outcome for shareholders.

In addition, an evaluation of downstream processing at NAL is progressing to facilitate the production of lithium carbonate/hydroxide, supporting the Québec government's strategy to develop a 100% local battery supply chain, from mining to processing.

NAL comprises 19 contiguous claims covering 582.31 ha, situated in La Corne township in Québec's Abitibi-Témiscamingue region. The project lies 60 km north of the city of Val d'Or, a major mining service centre, and in proximity to Sayona's Authier Lithium Project (Authier).

The integration of NAL with Authier will create a world-scale Abitibi lithium hub, advancing plans for downstream processing in Québec and taking advantage of its environmental and economic advantages including low cost, renewable hydropower, an established mining services industry and its proximity to the North American battery market.

Sayona aims to produce 220kt of spodumene 6% or 30kt LCE (lithium carbonate equivalent) from its Abitibi lithium hub.

Moblan Lithium Project (Moblan)

Moblan is located in the Eeyou-Istchee James Bay region of northern Québec, a proven lithium mining province which hosts established, world-class lithium resources including Nemaska Lithium's Whabouchi mine. It is well serviced by key infrastructure and transport and has access to low-cost, environmentally friendly hydropower.

In October 2021, Sayona announced it had completed the acquisition of its 60% interest in Moblan for US\$86.5 million. The remaining 40% is held by SOQUEM Inc, a wholly owned subsidiary of Investissement Québec.

Situated about 130km north-west of Chibougamau, Moblan is host to high-grade spodumene mineralisation, in a well-studied deposit with more than 17,000 metres of diamond drilling.

A Mineral Resource Foreign Estimate of 12.03Mt @ 1.4% Li₂O* has been identified at Moblan and there is potential to expand this resource based on previous geotechnical drilling which intersected up to 29.1m of continuous spodumene-bearing pegmatites outside the resource envelope.

In December 2021, the Company announced plans for a major drilling program at the project consisting of 55 drill holes totaling nearly 9,000m. Drilling commenced in January 2022 with SOQUEM acting as operator. The drilling program aims to identify extensions to the Moblan deposit and define mineralization in nearby spodumene pegmatites, such as the Moléon prospect.

The drilling program is due for completion in March 2022.

In addition, Sayona will undertake a revised definitive feasibility study targeting an increase in Moblan's spodumene production capacity.

The Company aims to form a northern Québec hub, targeting production of more than 25,000 tonnes LCE (lithium carbonate equivalent) by 2027.

In January, subsequent to period end, Sayona announced the acquisition of 121 new claims west of Moblan, significantly expanding its northern Québec lithium hub. Located 3.5km west of the Moblan project, the new claims, known as the Lac Albert Project, span 6,592 hectares and will be assessed for lithium pegmatite occurrences during the Northern Hemisphere summer. The new claims are separate to the current Moblan joint venture agreement.

** The Mineral Resources and Ore Reserves stated are foreign estimates and are not reported in accordance with the JORC Code. A competent person has not done sufficient work to classify the foreign estimates as Mineral Resources or Ore Reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimates will be able to be reported as Mineral Resources or Ore Reserves in accordance with the JORC Code.*

Authier Lithium Project

Sayona's Authier Lithium Project will play a key role in the Company's planned multi-project Abitibi lithium hub, which has the potential to generate new jobs and investment for the benefit of Québec, and to create wealth for shareholders.

During the quarter a 25-hole, 3,908 metre diamond drill program was completed at Authier with the aim of expanding the current ore resource, improving the strip ratio and accelerating production to enhance its profitability. The drilling campaign also tested for potential repetition of lithium pegmatite in the southern lease sector.

The results of the first 22 holes were received in December 2021 and included 9m @ 1.46% Li₂O from 144.9m depth from drill hole AL-21-14, located 250m west of the Authier resource and potential open pit. Three additional infill holes were drilled in this new area of mineralisation.

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

In early July 2021, the Company announced testing results showing Authier spodumene is capable of being processed into high purity, 99.99% lithium hydroxide. Spodumene samples from Authier were processed into lithium hydroxide by Australian hydroxide technology provider ICS Lithium, using its sustainable, closed loop refining system. The samples were then analysed at CSIRO's Mineral Resources laboratories in Perth, Western Australia, which confirmed their exceptional purity.*

A portion of the lithium hydroxide sample was dispatched to Novonix Battery Technology Solutions in Nova Scotia, Canada, to be processed along with other cathode-precursor materials into NMC622 lithium-ion batteries using the Novonix pilot cell line. This testing has been delayed due to Covid-19 shipping delays and customs clearance issues, however new samples have been provided from ICS Lithium to be retested in Canada in early 2022. Results from the Novonix testing are expected in March 2022.

** Disclaimer: The purity of the material is defined as the weight of LiOH.H₂O in the sample divided by the total sample weight, comprised of lithium values as LiOH.H₂O-plus-impurities, expressed as a percentage. To five figures the sample purity is 99.990%.*

The analysis does not extend to anions other than the hydroxide ion OH. It does not determine levels of chloride, carbonate or nitrate, while sulphur present is assumed to be as sulphate ion. Sodium and potassium values are likely to be present as nitrates while any carbonate present would arise from contamination from atmospheric CO₂; the processing facilities cannot entirely exclude exposure of samples to the atmosphere. Impurity levels are generally so low that they are at the threshold of measurement capabilities by the analytical equipment employed, so variations are to be expected in repeat analyses on material from the one sample batch.

Sayona continues to advance regulatory approvals for the Authier project. Following the acquisition of NAL, talks have been underway with the relevant ministries regarding amendments to the environmental impact study to reflect Authier's integration with NAL. The amended Authier project will have a much smaller environmental footprint than originally envisaged (e.g. no concentrator at Authier) and the necessary approvals are expected within 2022.

A resource review (Canadian NI 43-101 conversion to JORC) is also underway, with the results expected in February 2022, together with an upgraded DFS.

Tansim Lithium Project

The Tansim Lithium Project, located 82 kilometres south-west of the Authier project, is a highly valuable component of the Company's Abitibi lithium hub. The project comprises 355 claims spanning 20,546 ha.

A 26-hole diamond drill program for 4,200m is planned for Tansim, with some 3,400m at the Viau-Dallaire prospect and approximately 800m at the Viau prospect. The program aims to expand the lithium mineralisation at Viau-Dallaire and provide material for mineralogical study and metallurgical test work to support a Mineral Resource estimate.

An Exploration Target** for the Viau-Dallaire prospect has been estimated at between 5 million tonnes and 25 million tonnes, at an estimated grade of 1.2-1.3% Li₂O.

Sayona is focused on ensuring the project generates maximum benefits for all local stakeholders, including First Nations, together with minimising any environmental impacts.

No drilling was undertaken during the December quarter.

*** 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.*



Figure 1: Sayona's Québec lithium projects

Western Australian Projects

Sayona's leases in Western Australia cover 1,072 sq km and comprise lithium and gold tenure in the Pilbara and Yilgarn areas and graphite prospective tenements in the East Kimberley region.

Project tenements are displayed in Figure 2 below.

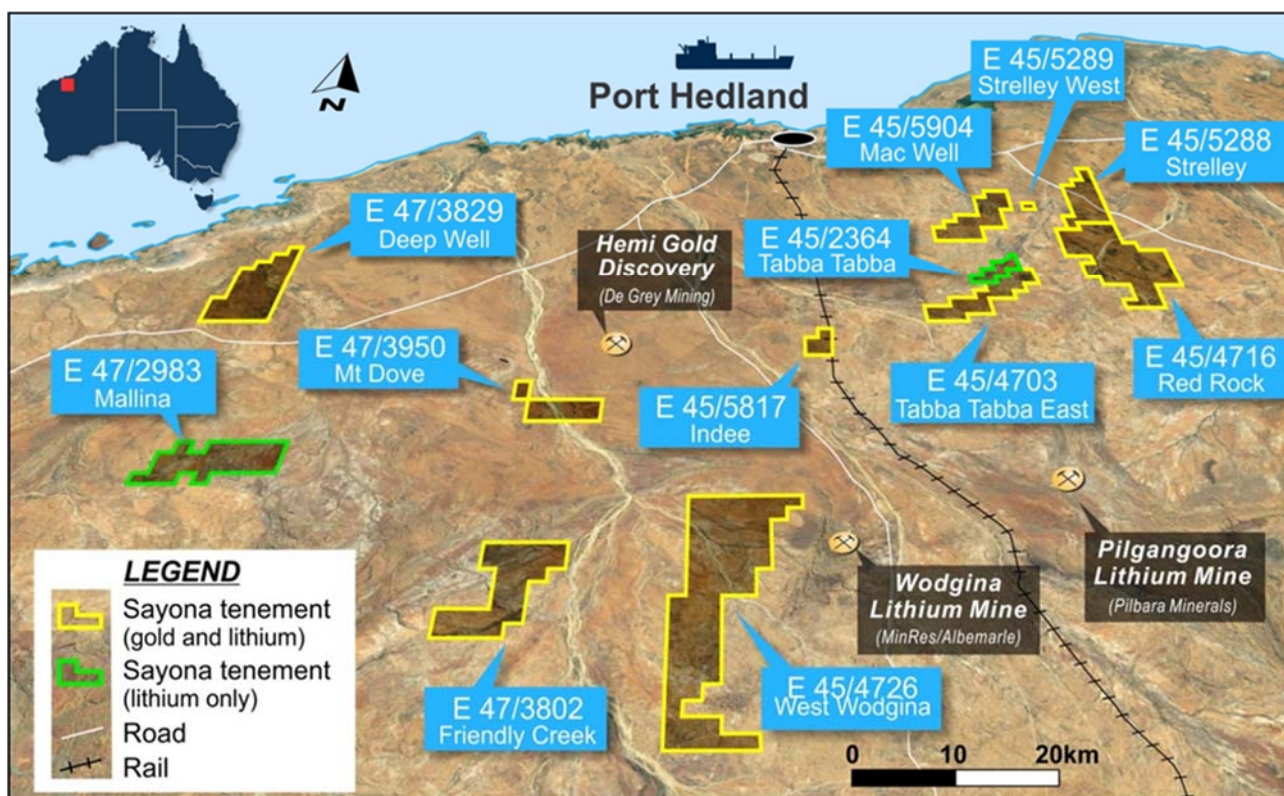


Figure 2: Sayona tenements in Western Australia

Pilbara Exploration

Sayona's Pilbara portfolio comprises 12 leases totaling 933 sq km in area within the Pilgangoora lithium district. Ten of the tenements have associated gold rights and are proximal to De Grey Mining's 9Moz Au Mallina Gold Project, which includes the 6.8Moz Au Hemi gold discovery.

Of the 12 Pilbara tenements with lithium rights, 10 are subject to an earn-in agreement with Morella Corporation Limited (Morella) (previously Altura Mining), with the two remaining tenements held within Sayona's exploration portfolio. All are located in the Pilgangoora lithium district.

Morella Lithium Earn-In Agreement (Morella earning 51%)

During the quarter, Morella advanced planning for lithium exploration over the Pilbara and South Murchison lithium earn-in leases. Under the terms of the earn-in agreement, Morella has the right to earn a 51% interest by spending a minimum of A\$1.5 million on exploration within three years, with Sayona retaining the remaining 49% project interest.

Morella must spend at least A\$500,000 and complete a minimum of 1,500m of drilling at the Mallina lithium project. Sayona will retain 100% of the gold and other non-lithium rights within the earn-in area.

Morella's exploration is planned to initially focus on the Mallina Lithium Project, where multiple zones of spodumene pegmatite have been identified within a 25 sq km zone. Previous drilling by Sayona in 2018 returned intercepts of spodumene pegmatite including 4m @ 2.18% Li₂O from surface in RC drillhole SMRC040, which remains open at depth and to the north and south.

Pilbara Gold Exploration (Sayona 100%)

Sayona's Pilbara gold leases are prospective for intrusion-related gold mineralisation, similar in style to that identified at the Hemi gold.

The Company is using its knowledge of late-stage intrusions, built up in the search for pegmatite mineralisation, to fast-track identification of Hemi-style targets. At Hemi, part of the mineralisation identified to date is coincident with a magnetic feature and Sayona's initial exploration includes the use of airborne magnetics to identify similar targets.

Sayona's tenement portfolio remains effectively untested for its gold potential, with large areas masked by surficial cover. A A\$2.7 million budget and work program has been approved for calendar 2022.

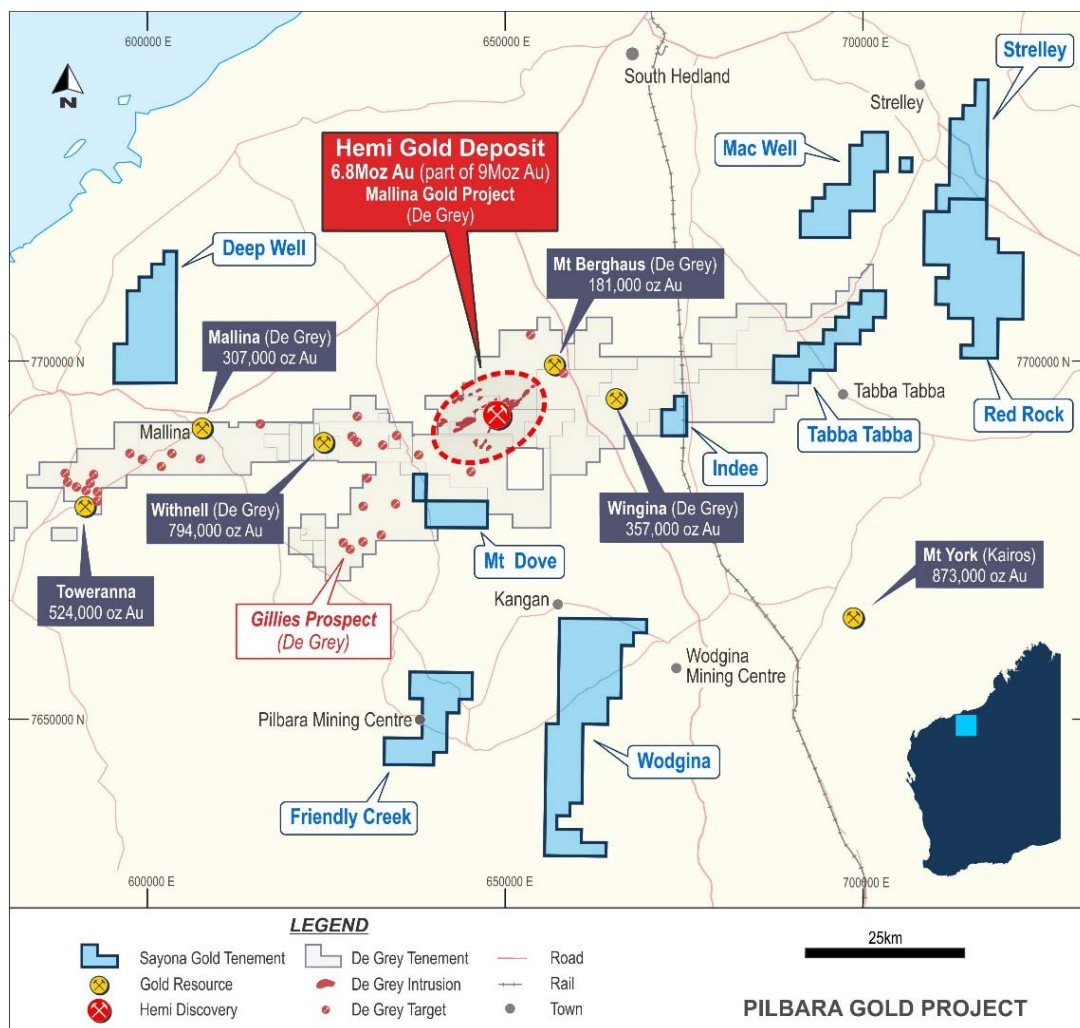


Figure 3: Pilbara gold leases

Mt Dove Project

The Mt Dove project is the closest Sayona lease to De Grey's Hemi project, being 10km south-west of the Falcon prospect and 12 km south-west of the Brolga prospect. It is within 5km of the greater Hemi project area, a 15km trend which includes Hemi and adjacent intrusions (see Figure 4 below).

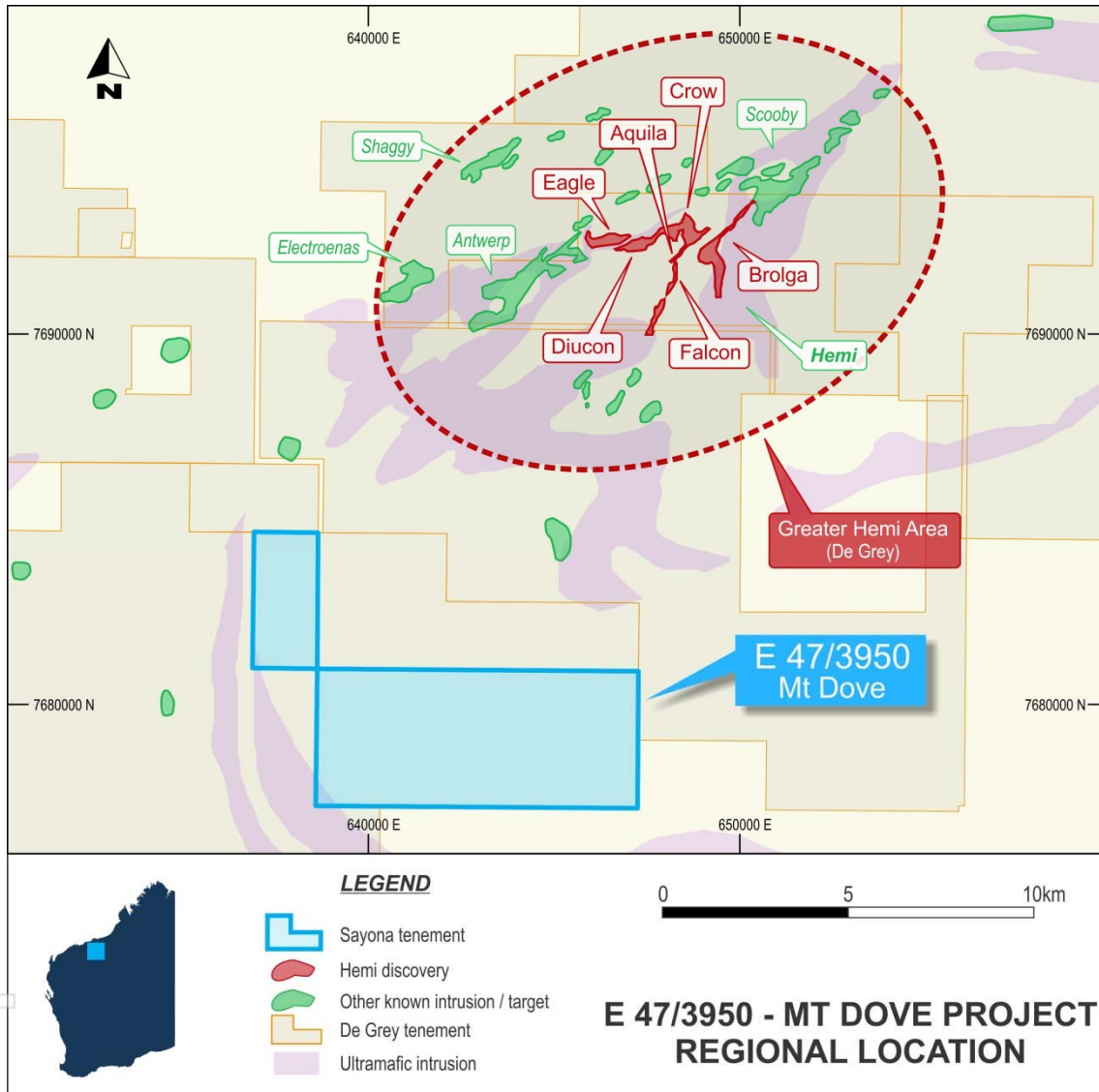


Figure 4: Mt Dove lease and surrounding De Grey targets and Hemi Discovery

During the quarter planning for the drill testing of magnetic features advanced. Field traversing of the proposed drill areas was carried out together with geological reconnaissance. Heritage surveying is required prior to drilling and discussions to allow this progressed during the quarter.

When completed, a 3,500m air-core/RC drill programme is planned to commence, testing magnetic features and structural targets for bedrock gold anomalism.

The western 9.4 sq km of the Mt Dove tenement lies within the Yandeyarra Aboriginal Reserve. An access agreement is required before exploration can be undertaken over this area, which covers approximately 25% of the total lease area of 38.4 sq km.

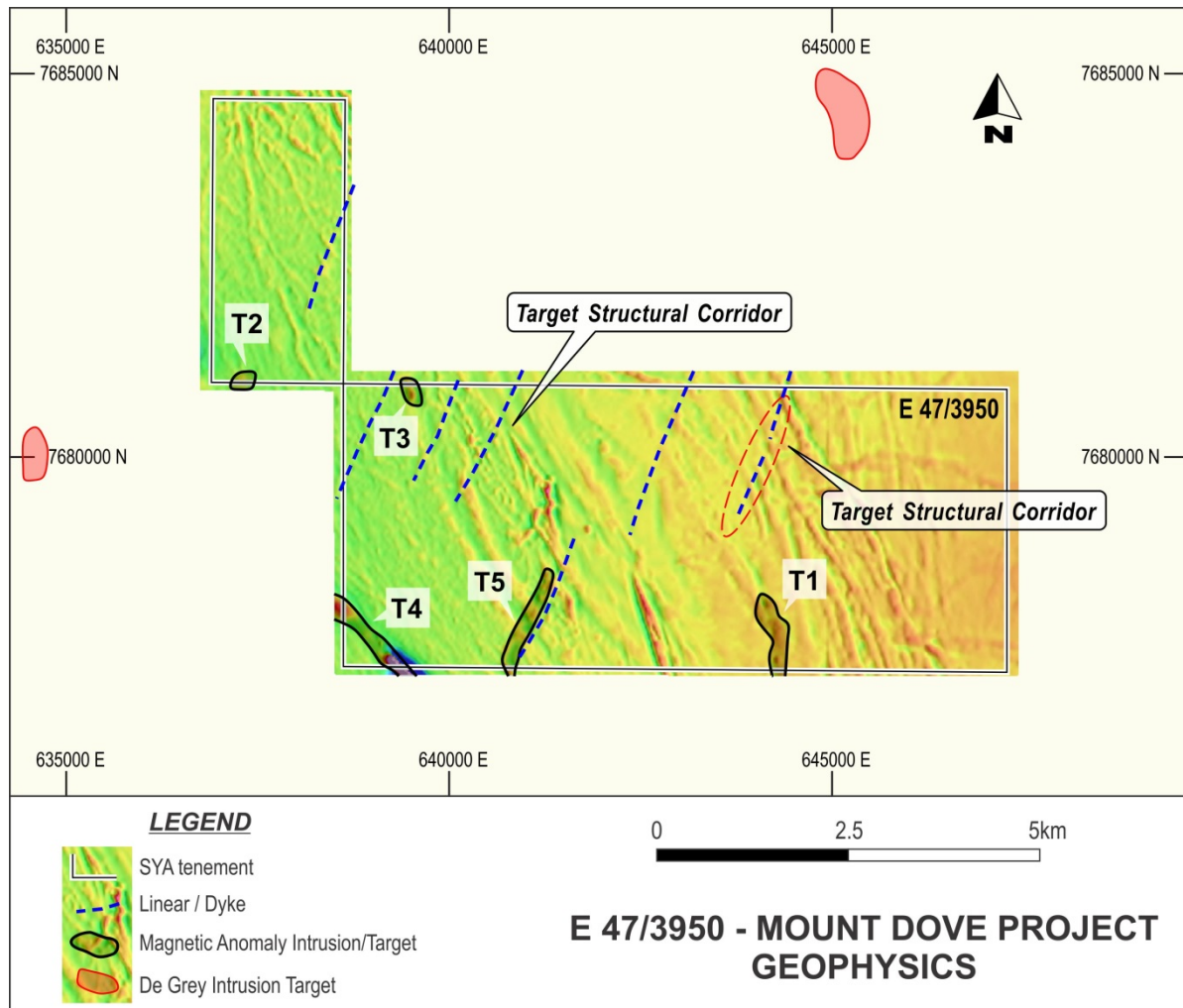


Figure 5: Mt Dove Project with RTP AGC magnetics and targets

Deep Well Project

The Deep Well tenement, E47/3829 covers Mallina Basin sediments which have been intruded by the Portree Suite, a range of tonalite, granodiorite and other intrusives which are of the same age as the intrusion associated with the Hemi deposit. Much of the tenement area is obscured by surficial cover and airborne magnetic surveying has been used to identify gold targets.

During the quarter work to allow a 3,500m air-core/RC drill programme progressed, including heritage surveying. This work is ongoing.

Eleven of the principle magnetic targets are displayed in Figure 6 below.

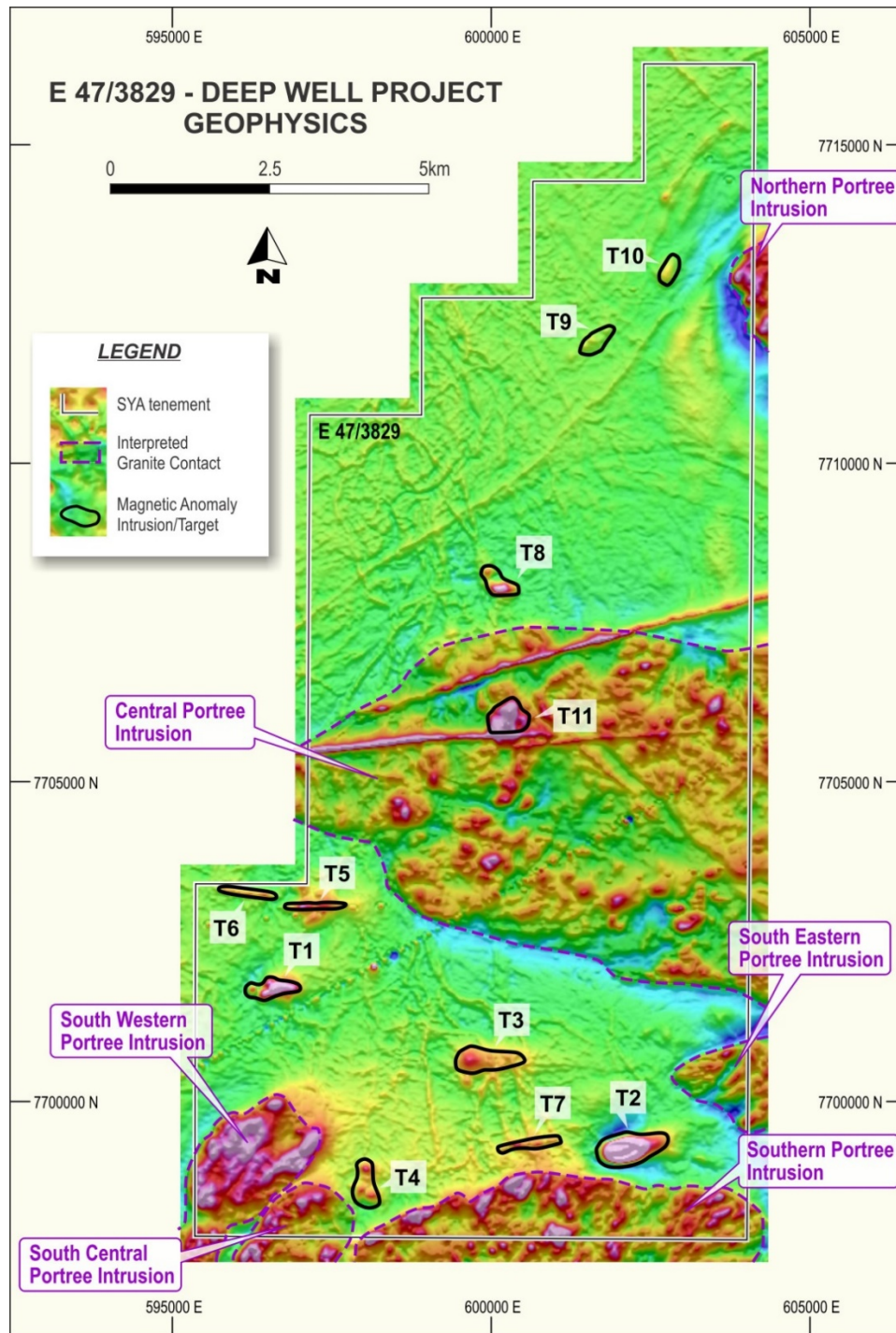


Figure 6: Deep Well Project with RTP magnetics and targets

Other Pilbara Gold Project Areas (Sayona 100%)

During the quarter air-photo mapping was completed by specialist geological mapper Barry Cotton over the West Wodgina area, tenement E45/4726. This work identified greenstone remnants and isolated, intrusion style features which will be geochemically assessed for their gold potential. Planning for airborne geophysical surveying over prospective areas is currently being undertaken.

The results of mapping and geophysical surveying of the West Wodgina and Tabbatabba area leases will allow the targeting of areas for geochemical sampling to be undertaken in early 2022. Timing for this is dependent on the northern wet season and is anticipated to be completed in time to allow for targets and anomalies to be drill tested during the 2022 season.

Air-photo mapping has also been carried out over the Friendly Creek tenement with gold targets and alluvial (deep lead) style tin targets identified. The tenement is located within the Yandeyarra Aboriginal Reserve and an Access Agreement is required before any ground activities can commence.

Sayona Lithium Tenure – Pilbara Region

Sayona retains the lithium rights to the Tabbatabba lease and Deep Well tenement area (see Figure 7). During the quarter past data over these areas was reviewed.

The Tabbatabba lease, E45/2364 covers greenstone and granite stratigraphy, adjacent to the Tabbatabba tantalum mine (not operational). Sayona's prior work over E45/2364 has identified pegmatite and lithium geochemical anomalism characteristic of LCT type pegmatites which remain untested by drilling.

A summary of Sayona's past exploration over the area is displayed below. Work during the quarter included a review of past geochemical results and drill planning.

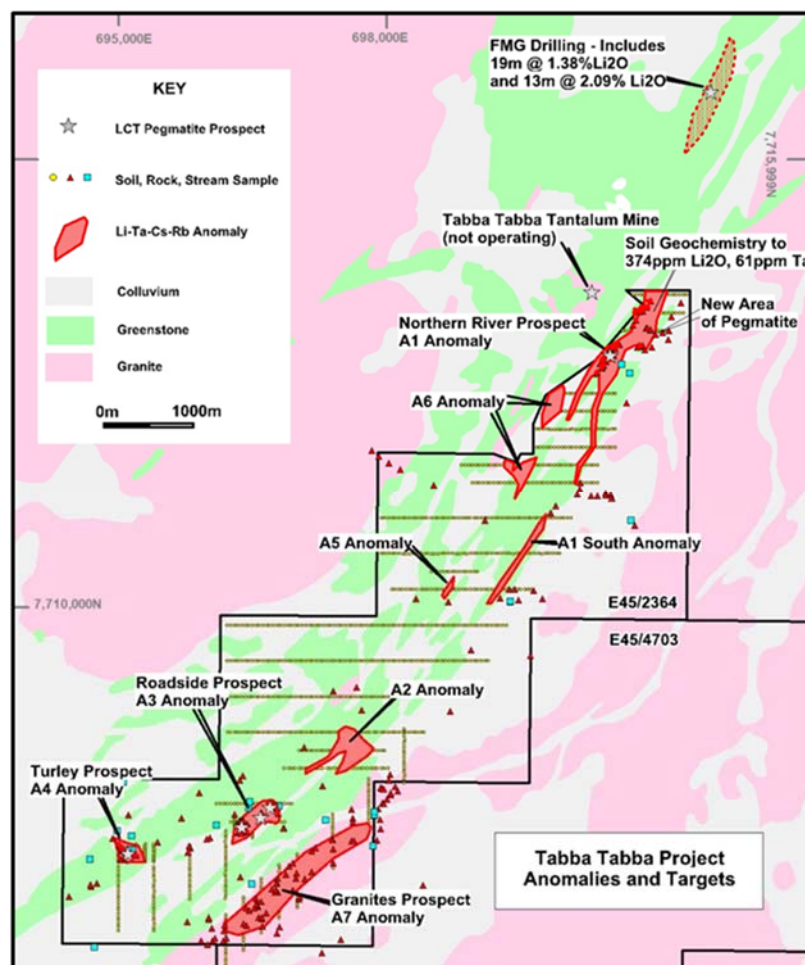


Figure 7: Tabbatabba Lithium Project – Geochemistry and Targets

Mt Edon Lithium Project (Morella earning 51%)

The Mt Edon lithium project forms part of the Morella earn-in agreement with tenure comprising two leases covering 48 sq km. Morella has reported no exploration was carried out over the Mt Edon Lithium Project during the quarter.

East Kimberley Graphite Project

Sayona's past exploration has included identification of coarse flake graphite mineralisation, hosted in sediments off the Tickalara Metamorphics. During the quarter project data was reviewed but no fieldwork was carried out.

A 250m diamond drilling program is planned for calendar 2022, pending the necessary approvals.

Corporate

Capital Raising

On 4 October 2021, Sayona announced a Placement to institutional, professional and sophisticated investors. The received bids considerably in excess of the amount sought, raising A\$100 million (before costs) through the issue of 689,470,310 new fully paid ordinary shares at an offer price of A\$0.145 per share. The offer price was nearly double the previous Placement's offer price, a measure of the substantial growth in Sayona's market value, and was well supported by North American and other global institutional investors.

Sayona also undertook a Non-Renounceable Rights Issue seeking to raise up to A\$25.5 million from existing shareholders at the same offer price as the Placement, ensuring all shareholders received the same opportunity to participate in the Company's growth. It was conducted on the basis of one new share for every 35 existing shares held on 7 October 2021.

On 28 October, Sayona announced the closure of the Non-Renounceable Rights Offer, which raised A\$17,325,395 through valid acceptances and a further A\$8,173,700 through applications for the 56,370,424 additional shortfall shares from eligible shareholders, amounting to 119,671,618 new shares.

The Company also received firm commitments from institutional, professional and sophisticated investors for the remaining rights issue shortfall of 56,370,424 shares, totalling A\$8,173,700. Canaccord Genuity (Australia) Limited was mandated to assist the Company with the placement of any rights issue shortfall.

The funds raised through the Rights Issue will support accelerated work on the Company's recently acquired interest in the Moblan Project and its Abitibi hub, ensuring Sayona has the leading lithium asset base in North America amid accelerating lithium demand.

Promotion to MSI Global Small Cap Index

In November 2021, U.S.-based MSCI Inc. announced Sayona's promotion to the MSCI Global Small Cap Index. The promotion follows a period of strong growth in market value for Sayona, on the back of the Company's successful expansion in Québec.

The MSCI World Small Cap Index (US dollar) captures small cap representation across 23 developed markets, including Australia, Britain, Canada, Japan, the United States and a number of European nations. With 4,419 constituents as at October 2021, the index covers around 14% of the free float-adjusted market capitalisation in each country.

Sayona's inclusion in the index is expected to drive further interest from global institutional investors, particularly those from North America, Europe and Asia.

Annual General Meeting

The Company's Annual General Meeting was held at 10am Queensland time on 28 January 2022, conducted online. All resolutions put to the meeting were passed by way of poll.

The Managing Director's presentation to shareholders and the results of the meeting are available via Sayona's website.

Appendix 5B Disclosures

Cash on hand at the end of the quarter was \$28.5million.

During the quarter, the Company made payments of \$211,000 to related parties (item 6.1), representing director remuneration, including executive director salaries and non-executive director fees.

During the quarter, the Company spent approximately \$4,400,000 on exploration and project evaluation costs, primarily on its Québec lithium projects. In addition, the Company settled the acquisition of 60% of the Moblan Lithium Project during the quarter, with a final payment of approximately \$106 million.

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

For more information, please contact:

Brett Lynch
Managing Director
info@sayonamining.com.au

For media queries, please contact:

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

About Sayona Mining

Sayona Mining Limited is an emerging lithium producer (ASX:SYA; OTCQB:SYAXF), with projects in Québec, Canada and Western Australia.

In Québec, Sayona's assets comprise North American Lithium together with the Authier Lithium Project and its emerging Tansim Lithium Project, supported by a strategic partnership with American lithium developer Piedmont Lithium Inc. (Nasdaq:PLL; ASX:PLL). The Company also holds a 60% stake in the Moblan Lithium Project.

In Western Australia, the Company holds a large tenement portfolio in the Pilbara region prospective for gold and lithium. Sayona is exploring for Hemi-style gold targets, while its lithium projects are subject to an earn-in agreement with Morella Corporation (ASX:1MC) (previously Altura Corporation).

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:

- Potential for new lithium deposit at Viau-Dallaire – 19 November 2019
- Tests confirm Authier delivers high purity lithium hydroxide – 7 July 2021
- Drilling Results Advance Authier Project – 1 November 2021

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.

Competent Person Statement

Exploration Targets

The information in this report that relates to Exploration Targets 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 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".

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.

Tenement Schedules

Australian Tenement Schedule				
Tenement	Name	Status	Interest at Beginning of Quarter	Interest at end of Quarter
E59/2092	Mt Edon	Granted	80% of pegmatite minerals Only*	80% of pegmatite minerals Only*
E59/2055	Mt Edon West	Granted	100% (pegmatite minerals only)*	100% (pegmatite minerals only)*
E45/2364	Tabba Tabba	Granted	100% (pegmatite minerals only)	100% (pegmatite minerals only)
E45/4703	Tabba Tabba East	Granted	100%*	100%*
E45/4716	Red Rock	Granted	100%*	100%*
E45/4726	West Wodgina	Granted	100%*	100%*
E80/4511	Western Iron	Granted	100%	100%
E80/4949	Corkwood	Granted	100%	100%
E47/3802	Friendly Creek	Granted	100%*	100%*
E47/3829	Deep Well	Granted	100%	100%
E47/3950	Mt Dove	Granted	100% *	100%*
E45/5288	Strelley	Granted	100% Application*	100% Granted*
E45/5289	Strelley West	Granted	100% Application*	100% Granted*
E47/2983	Mallina	Granted	100% (pegmatite minerals only)*	100% (pegmatite minerals only)*
E45/5817	Indee	Application	100%*	100%*
E45/5904	Mac Well	Application	100%*	100%*

*Tenement Subject to Morella Lithium Earn-in

Canadian Tenement Schedule - Authier

Tenement	Location	Interest in Tenement
2116146	Authier	100%
2116154	Authier	100%
2116155	Authier	100%
2116156	Authier	100%
2183454	Authier	100%
2183455	Authier	100%
2187651	Authier	100%
2187652	Authier	100%
2192470	Authier	100%
2192471	Authier	100%
2194819	Authier	100%
2195725	Authier	100%
2219206	Authier	100%
2219207	Authier	100%
2219208	Authier	100%
2219209	Authier	100%
2240226	Authier	100%
2240227	Authier	100%
2247100	Authier	100%
2247101	Authier	100%
2472424	Authier	100%
2472425	Authier	100%
2480180	Authier	100%
2507910	Authier	100%

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Canadian Tenement Schedule - Tansim

Tenement	Interest	Tenement	Interest	Tenement	Interest
1133877	100%	2440898	100%	2519280	100%
2415443	100%	2440899	100%	2519281	100%
2415444	100%	2440900	100%	2519282	100%
2436732	100%	2440901	100%	2519283	100%
2436733	100%	2440902	100%	2519284	100%
2436734	100%	2440903	100%	2519285	100%
2438472	100%	2440907	100%	2519286	100%
2438473	100%	2440908	100%	2519287	100%
2438474	100%	2440909	100%	2519288	100%
2438475	100%	2440919	100%	2519289	100%
2438476	100%	2440920	100%	2519290	100%
2438477	100%	2440925	100%	2519291	100%
2438478	100%	2440930	100%	2519292	100%
2438723	100%	2440935	100%	2519293	100%
2440836	100%	2440936	100%	2519294	100%
2440837	100%	2440993	100%	2519295	100%
2440838	100%	2440994	100%	2519296	100%
2440839	100%	2450758	100%	2519297	100%
2440840	100%	2519251	100%	2519298	100%
2440841	100%	2519252	100%	2519299	100%
2440842	100%	2519253	100%	2519300	100%
2440843	100%	2519254	100%	2519301	100%
2440844	100%	2519255	100%	2519302	100%
2440845	100%	2519256	100%	2519303	100%
2440846	100%	2519257	100%	2519304	100%
2440847	100%	2519258	100%	2519305	100%
2440848	100%	2519259	100%	2519306	100%
2440849	100%	2519260	100%	2519307	100%
2440850	100%	2519261	100%	2519308	100%
2440851	100%	2519262	100%	2519309	100%
2440852	100%	2519263	100%	2519310	100%
2440853	100%	2519264	100%	2519311	100%
2440854	100%	2519265	100%	2519312	100%
2440855	100%	2519266	100%	2519313	100%
2440856	100%	2519267	100%	2519314	100%
2440857	100%	2519268	100%	2519315	100%
2440858	100%	2519269	100%	2519316	100%
2440859	100%	2519270	100%	2519317	100%
2440860	100%	2519271	100%	2519318	100%
2440890	100%	2519272	100%	2519319	100%
2440891	100%	2519273	100%	2519320	100%
2440892	100%	2519274	100%	2519321	100%
2440893	100%	2519275	100%	2519322	100%
2440894	100%	2519276	100%	2519323	100%
2440895	100%	2519277	100%	2519324	100%
2440896	100%	2519278	100%	2572665	100%
2440897	100%	2519279	100%	2572666	100%

Canadian Tenement Schedule - Tansim

Tenement	Interest	Tenement	Interest	Tenement	Interest
2572667	100%	2579271	100%	2601810	100%
2572668	100%	2601761	100%	2601811	100%
2572669	100%	2601762	100%	2601812	100%
2572670	100%	2601763	100%	2601813	100%
2572671	100%	2601764	100%	2601814	100%
2572672	100%	2601765	100%	2601815	100%
2572673	100%	2601766	100%	2601816	100%
2572674	100%	2601767	100%	2601817	100%
2572675	100%	2601768	100%	2601818	100%
2572676	100%	2601769	100%	2601819	100%
2572677	100%	2601770	100%	2601820	100%
2572678	100%	2601771	100%	2601821	100%
2572679	100%	2601772	100%	2601822	100%
2572680	100%	2601773	100%	2601823	100%
2572681	100%	2601774	100%	2601824	100%
2572682	100%	2601775	100%	2601825	100%
2572683	100%	2601776	100%	2601826	100%
2572684	100%	2601777	100%	2601827	100%
2572685	100%	2601778	100%	2601828	100%
2572686	100%	2601779	100%	2601829	100%
2572687	100%	2601780	100%	2601830	100%
2572688	100%	2601781	100%	2601831	100%
2572689	100%	2601782	100%	2601832	100%
2572690	100%	2601783	100%	2601833	100%
2572691	100%	2601784	100%	2601834	100%
2572692	100%	2601785	100%	2601835	100%
2572693	100%	2601786	100%	2601836	100%
2572694	100%	2601787	100%	2601837	100%
2572695	100%	2601788	100%	2601838	100%
2572696	100%	2601789	100%	2601839	100%
2572697	100%	2601790	100%	2601840	100%
2572698	100%	2601791	100%	2601841	100%
2572699	100%	2601792	100%	2601862	100%
2572700	100%	2601793	100%	2601863	100%
2572701	100%	2601794	100%	2601864	100%
2572702	100%	2601795	100%	2601865	100%
2572703	100%	2601796	100%	2601866	100%
2579261	100%	2601797	100%	2601867	100%
2579262	100%	2601798	100%	2601868	100%
2579263	100%	2601799	100%	2601869	100%
2579264	100%	2601803	100%	2601870	100%
2579265	100%	2601804	100%	2601871	100%
2579266	100%	2601805	100%	2601872	100%
2579267	100%	2601806	100%	2601918	100%
2579268	100%	2601807	100%	2601922	100%
2579269	100%	2601808	100%	2603761	100%
2579270	100%	2601809	100%	2603762	100%

Canadian Tenement Schedule – Tansim				Moblan	
Tenement	Interest	Tenement	Interest	Tenement	Interest
2603763	100%	2603809	100%	2331201	100%
2603764	100%	2603810	100%	2331202	100%
2603765	100%	2603811	100%	2331203	100%
2603766	100%	2603812	100%	2331204	100%
2603767	100%	2603813	100%	2331205	100%
2603768	100%	2603814	100%	2331206	100%
2603769	100%	2603815	100%	2331207	100%
2603770	100%	2603816	100%	2331208	100%
2603771	100%	2603817	100%	2331353	100%
2603772	100%	2603818	100%	2331354	100%
2603773	100%	2603819	100%	2331355	100%
2603774	100%	2603820	100%	2331356	100%
2603775	100%	2603821	100%	2331357	100%
2603776	100%	2603822	100%	2331358	100%
2603777	100%	2603823	100%	2331359	100%
2603778	100%	2603824	100%	2195586	100%
2603779	100%	2603825	100%	2195587	100%
2603780	100%	2603826	100%	2338382	100%
2603781	100%	2603827	100%	2378688	100%
2603782	100%	2603828	100%	2378689	100%
2603783	100%	2603829	100%		
2603784	100%	2603830	100%		
2603785	100%	2603831	100%		
2603786	100%	2603832	100%		
2603787	100%	2603833	100%		
2603788	100%	2603834	100%		
2603789	100%	2603835			
2603790	100%				
2603791	100%				
2603792	100%				
2603793	100%				
2603794	100%				
2603795	100%				
2603796	100%				
2603797	100%				
2603798	100%				
2603799	100%				
2603800	100%				
2603801	100%				
2603802	100%				
2603803	100%				
2603804	100%				
2603805	100%				
2603806	100%				
2603807	100%				
2603808	100%				

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

SAYONA MINING LIMITED

ABN

26 091 951 978

Quarter ended ("current quarter")

31 DECEMBER 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(4,401)	(7,452)
(b) development		
(c) production		
(d) staff costs	(1,021)	(1,381)
(e) administration and corporate costs	(3,580)	(4,505)
1.3 Dividends received (see note 3)		
1.4 Interest received	4	7
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		42
1.8 Other –		
1.9 Net cash from / (used in) operating activities	(8,998)	(13,289)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	(105,739)	(180,733)
(b) tenements		
(c) property, plant and equipment		(44)
(d) exploration & evaluation		
(e) investments		
(f) other non-current assets		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(105,739)	(108,777)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	126,034	192,883
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	246	2,327
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(5,354)	(7,862)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other		
3.10	Net cash from / (used in) financing activities	120,926	187,348

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	22,390	35,503
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(8,998)	(13,289)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(105,739)	(180,777)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	120,926	187,348
4.5	Effect of movement in exchange rates on cash held	(105)	(311)
4.6	Cash and cash equivalents at end of period	28,474	28,474

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	8,374	22,290
5.2 Call deposits	20,100	100
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	28,474	22,390

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	211
6.2 Aggregate amount of payments to related parties and their associates included in item 2	
Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments	

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	8,998
8.2	Payments for exploration & evaluation classified as investing activities (item 2.1(d))	
8.3	Total relevant outgoings (item 8.1 + item 8.2)	8,998
8.4	Cash and cash equivalents at quarter end (item 4.6)	28,474
8.5	Unused finance facilities available at quarter end (item 7.5)	
8.6	Total available funding (item 8.4 + item 8.5)	28,474
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3) Note: If entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.	3.16

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2, and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

31 January 2022

Date:

Paul Crawford – Company Secretary

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash*

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.