

ASX ANNOUNCEMENT

ASX: SYA

27 February 2023

NEW NAL MILESTONE WITH SUCCESSFUL PROCESS PLANT START-UP

Highlights

- New milestone in restart of production at North American Lithium (NAL) operation in Québec, with successful start-up of process operations
- NAL on track to recommence spodumene (lithium) production in March 2023
- Authier Lithium Project submitted for evaluation under 'BAPE' environmental impact and review process, demonstrating Sayona's commitment to transparency and community engagement.

Emerging lithium producer Sayona Mining Limited (ASX:SYA; OTCQB:SYAXF) has achieved another milestone in the recommencement of spodumene (lithium) production at its flagship North American Lithium (NAL) operation in Québec, Canada, with the successful start-up of process operations.

The processing start-up comprised the circulation of ore through the entire system, from crushing through sorting, grinding and separation, which followed the completion of commissioning activities.

The restart continues tracking on time and on budget, with production of the first saleable lithium concentrate scheduled for late March 2023. This would mark a major milestone both for Sayona and Québec as the leading hard rock lithium producer in North America. This announcement continues Sayona's regular, twice monthly updates as the Company advances towards production.

Sayona expects the first shipment of spodumene (lithium) concentrate from NAL will occur in July 2023, with four shipments targeted for the first half of fiscal 2024. The Company is targeting total production between 85,000 tonnes and 115,000t during this period (refer ASX release 17 February 2023).

Sayona's Managing Director, Brett Lynch commented: "Congratulations to the entire Sayona team for the continued progress towards NAL's restart, which has been an incredible achievement.

"With the production of saleable lithium concentrate only days away, this is an exciting time both for Sayona and Québec as we work to build the leading integrated lithium production centre in North America."



Left to right: Sebastien Boivin, NAL Mill Optimisation Manager; Jean Roy, Mill Manager; Gabriel Fortin, Mill Technical Expert; Yves Desrosiers, NAL General Manager; Sylvain Collard, Executive Vice President & Chief Operating Officer at the NAL operation

Authier project submitted for BAPE review

Meanwhile, Sayona has voluntarily submitted its Authier Lithium Project for environmental impact assessment and review under the Québec Government's 'BAPE' (Bureau d'audiences publiques en environnement) process, demonstrating the Company's commitment to transparency and stakeholder engagement. The Company's request has been accepted by Québec's Ministry of the Environment, the Fight Against Climate Change, Wildlife and Parks.

The move follows Sayona's 2021 acquisition of the nearby North American Lithium (NAL) operation, which is on track to recommence spodumene (lithium) production in March 2023. NAL's acquisition has allowed for a change in strategy regarding the Authier project, which will become a source of spodumene ore for the NAL concentrator.

As a result, Authier no longer requires its own concentrator or tailings storage, and with planned daily output below the 2,000 tonnes threshold has resulted in a considerably reduced environmental impact compared to the original regulatory submission.

"The Government has agreed today to our request for the voluntary submission of the Authier project to the environmental impact assessment and review process. We are committed to our host communities and are continuing our discussions, with the goal of developing a collaborative project and making it a source of pride for our communities," said Guy Belleau, CEO of Sayona in Québec.

"Always with the objective of ensuring harmonious cohabitation between our projects and their localities, we continue to meet with the host communities to remain attentive to the expectations and concerns of citizens. In addition, a continuous improvement committee has been created to work jointly on the development of the project to implement best practice, thus enhancing the value of local lithium in a responsible manner," said Cindy Valence, Sayona Executive Vice President and Chief Sustainability Officer.

The BAPE's mission is to inform government decision-making by communicating to the environment minister findings and opinions that reflect the concerns of the population and that are based on the principles of the Sustainable Development Act.

In carrying out its mission, BAPE provides the right conditions for citizens to be informed and express themselves. To this end, it ensures that all available and relevant information is made public. The findings and opinions of its commissions of inquiry are the result of rigorous analysis integrating ecological, social and economic issues.

"Our commitment to sustainability reflects the critical role lithium plays in accelerating the world's decarbonisation drive," added Mr Lynch.

"We look forward to progressing the BAPE progress for Authier in a transparent manner that ensures the best possible environmental and community outcomes."

Issued on behalf of the Board.

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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 northern Québec.

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 in the world-class Pilbara region, while its lithium projects are subject to an earn-in agreement with Morella Corporation (ASX:1MC).

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

References to Previous ASX Releases

- NAL restart on track and on budget – 17 February 2023
- Investor presentation – 10 February 2023
- Quarterly Activities Report – 31 January 2023
- New NAL milestone with successful ore crushing trial – 31 January 2023

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.