



# ASX ANNOUNCEMENT



10 APRIL 2017

## FIRST ASSAY RESULTS FROM THE AUTHIER PHASE 2 DRILLING PROGRAM EXPANDS MINERALISED ZONE TO THE WEST

### Highlights

- Drilling defines new zones of high-grade mineralisation in the western sector including, 32 m @ 1.15 % Li<sub>2</sub>O from 165 metres
- New results demonstrate extensions of the main pegmatite orebody up to 300 metres to the west. Main pegmatite is now 1,100 metres in strike length
- Phase 2 drilling also demonstrating extensions of the mineralisation in the east, the new pegmatite discovered in 2016 and at depth. Assay results are pending

Sayona Mining Limited (ASX: SYA) ("Sayona" or the "Company") is pleased to announce the assay results from the first five diamond drill holes in the Phase 2 drilling program at the Authier lithium project in Canada.

The Phase 2 drilling program initially focused on targeting extensions of mineralisation in the western sector. Significant intersections from the first five drill holes, include:

- Hole 17-02: 32m @ 1.15% Li<sub>2</sub>O from 165m, including:
  - 7m @ 1.44 % Li<sub>2</sub>O from 177m;
  - 6m @ 1.37 % Li<sub>2</sub>O from 186 m; and
- Hole 17-03: 11m @ 1.07 % Li<sub>2</sub>O from 222m, including:
  - 5m @ 1.42 % Li<sub>2</sub>O from 226m; and
- Hole 17-05: 19m @ 1.26% Li<sub>2</sub>O from 224m, including:
  - 9m @ 1.69% Li<sub>2</sub>O from 224m.

The new holes drilled west of the main Authier pegmatite orebody have successfully demonstrated extensions of the mineralisation at open-cut mineable depths. The results have confirmed an extension of the main pegmatite orebody by 300 metres to the west within the deeper levels and 200 metres west at shallower levels. The mineralisation remains open to the west and further drilling will be required to test the full western strike extent of the deposit.

The Phase 2 drilling program has now been completed. Thirty-one diamond drill holes totaling 4,104 metres have been completed testing extensions of the mineralisation to the west, east and depth in the main orebody, and within the new northern pegmatite. Assay results from the remaining holes are pending.

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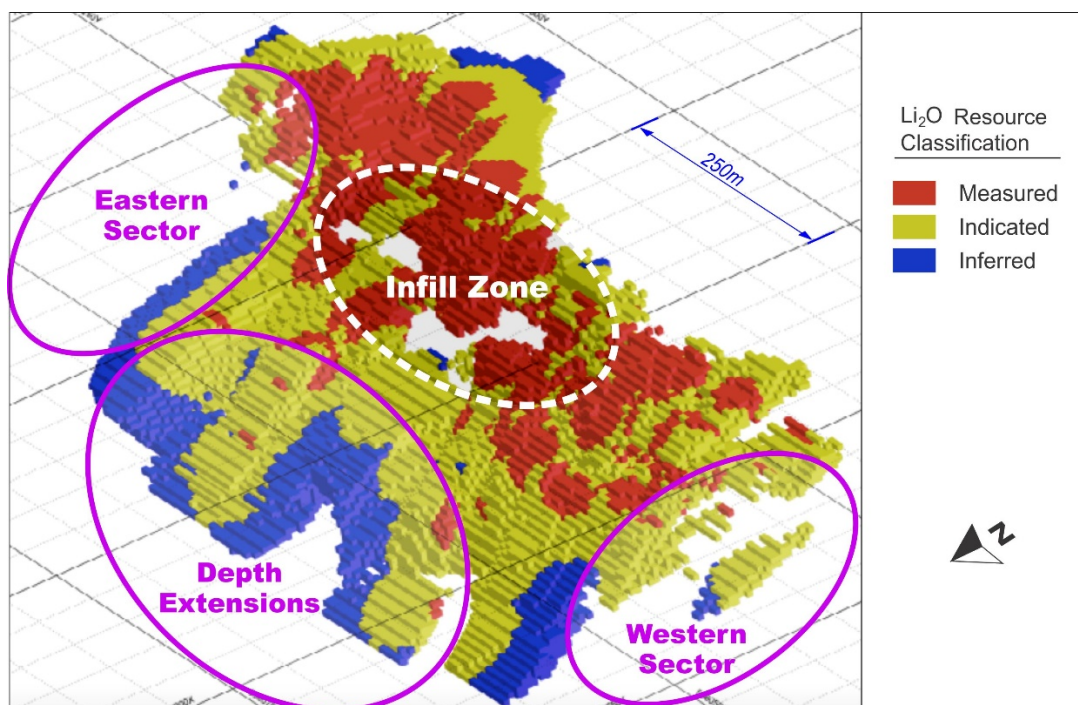
## Overview of the Phase 2 Drilling Program

The Phase 2 drilling program follows a successful 3,967 metre drilling campaign in 2016 which significantly expanded the size of the Authier Mineral Resource, tabulated below.

Table 1 – Authier JORC Mineral Resources Estimate (0.5% Li <sub>2</sub> O cut-off grade)			
Category	Tonnes (Mt)	Grades Li <sub>2</sub> O	Contained Li <sub>2</sub> O
Measured	4.72	1.03%	48,519
Indicated	7.13	1.10%	78,280
Inferred	1.90	1.05%	19,901
<b>Total</b>	<b>13.74</b>	<b>1.07%</b>	<b>146,700</b>
Please see ASX release, Authier JORC Resource Significantly Expanded, 17 November 2016			

The Phase 2 diamond drilling program commenced in January 2017 and comprised 31 holes for 4,104 metres. The objective of the Phase 2 drilling program, included:

- Defining the mineralised boundaries and lifting the resource categories in zones in the western sector that were drilled during the 2016 drill program. The most western hole drilled in the 2016 program intersected 46m @ 1.26% Li<sub>2</sub>O including 24m @ 1.62% Li<sub>2</sub>O;
- Testing for mineralisation in the eastern strike extension and at depth;
- Infill definition drilling within the main resource zone where the mineralisation is not well defined and is currently treated as waste; and
- Assessing the resource potential of the new northern pegmatite which intersected 7m @ 1.36% Li<sub>2</sub>O from 15 metres.



**Figure 1:** Target areas for the Phase 2 drilling program

The drilling program has been designed to improve the overall quality and expand the size of the JORC 2012 compliant Mineral Resource estimate announced in November 2016. The deposit geometry is now very well defined through nearly 22,000 metres of diamond drilling in 172 holes. The orebody remains open in the east, west and at depth. The Company's plan is to increase the size and confidence levels of the resource, and to study the merits of an expansion and/or the value adding potential of the project beyond what has been scoped in positive Pre-Feasibility Study released in February 2017.

The deposit is hosted in a spodumene-bearing pegmatite intrusion. The dimensions of the deposit drilled to date are 1,100 metres long, striking east-west, with an average thickness of 25 metres, ranging from 4 metres to 55 metres, dipping at 40 degrees to the north. The deposit outcrops in the eastern sector and then extends under up to 10 metres of cover in the western sector. The lithium mineralisation at Authier project is related to multiple pulses of spodumene bearing quartz-feldspar pegmatite. Higher lithium grades are related with high concentrations of mid-to-coarse spodumene crystals (up to 4 cm long axis) in a mid-to-coarse grained pegmatite facies.

Assay results from drilling received to date (see table 2), include:

- AL-17-001 (western zone) – No significant results. Low grade pegmatite in fault zone from 241.8 metres to 251.5 metres;
- AL-17-002 (western zone) - 32 m @ 1.15 % Li<sub>2</sub>O from 165 metres including 7 m @ 1.44 % Li<sub>2</sub>O from 177 metres and 6 m @ 1.37 % Li<sub>2</sub>O from 186 metres;
- AL-17-003 (western zone) - 11 m @ 1.07 % Li<sub>2</sub>O from 222 metres including 5 m @ 1.42 % Li<sub>2</sub>O from 226 metres; 4m @ 1.00 % Li<sub>2</sub>O from 236 metres;
- AL-17-004 (western zone) - 11 m @ 0.88 % Li<sub>2</sub>O from 166 metres including 3 m @ 1.26 % Li<sub>2</sub>O from 166 metres; 11 m @ 1.03 % Li<sub>2</sub>O from 214 metres including 7 m @ 1.26 % Li<sub>2</sub>O from 218 metres; and
- AL-17-005 (western zone) -6 m @ 1.09 % Li<sub>2</sub>O from 199 metres; 19 m @ 1.26 % Li<sub>2</sub>O from 224 metres including 9 m @ 1.69 % Li<sub>2</sub>O from 224 metres.

The Company believes the western sector remains highly prospective for further spodumene mineralisation. Figure 4 demonstrates the Authier main pegmatite in relation to the local magnetic geophysical image. The main orebody is strongly correlated to a deep magnetic low which extends to the western tenement boundary. Whilst drilling during the Phase 2 drilling intersected a fault zone at section line 707250, mineralisation was still evident in drill core and the Company believes there is no reason it shouldn't continue to the western boundary, although further drilling we will be required to confirm the hypothesis.

Corey Nolan, Chief Executive Officer, commented, *"The 2017 drilling program is demonstrating the potential to expand the size of the 2016 Mineral Resource. An expanded resource has the potential to extend the mine life beyond the 13 years outlined in the February 2017 Pre-Feasibility Study. Once all the assay results are received from the drilling program, the Company will update its Mineral Resource estimate"*.



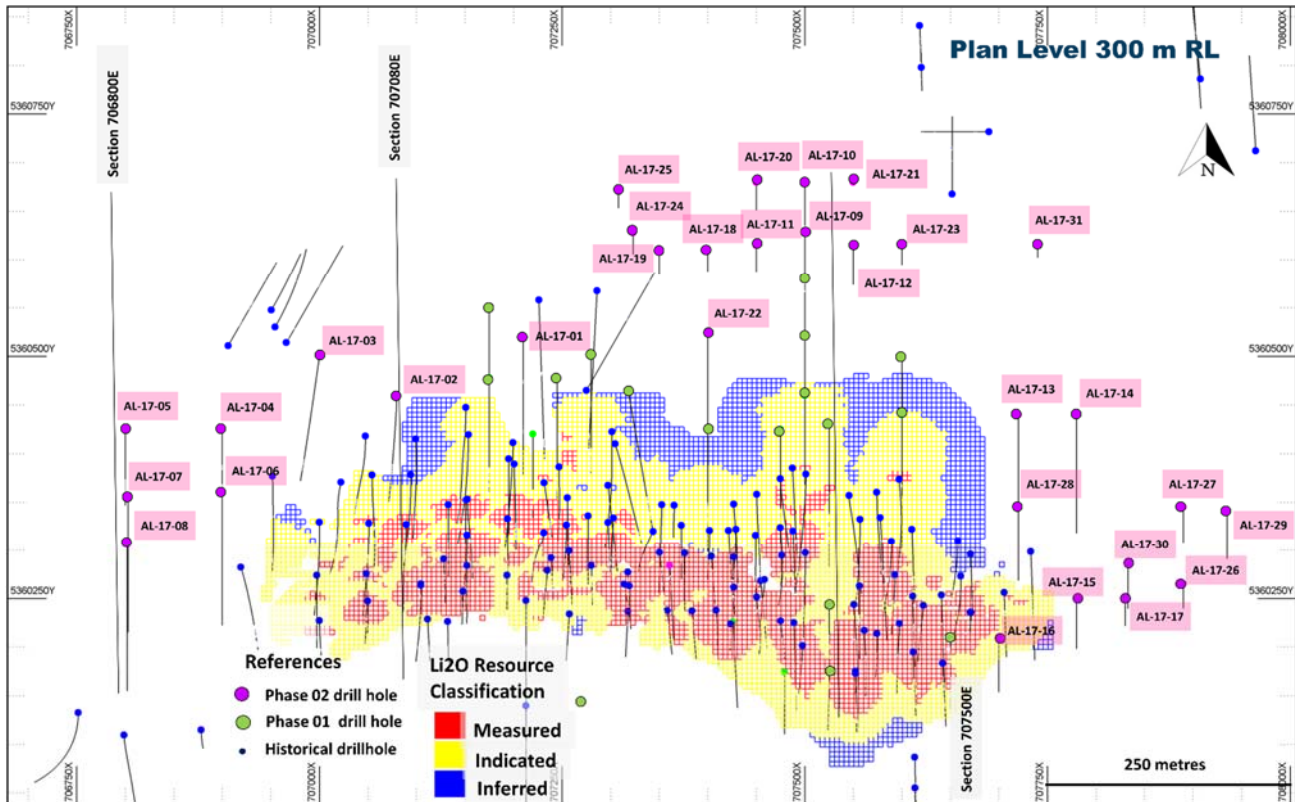


Figure 1: Phase 2 Drilling Program diamond hole collar location plan

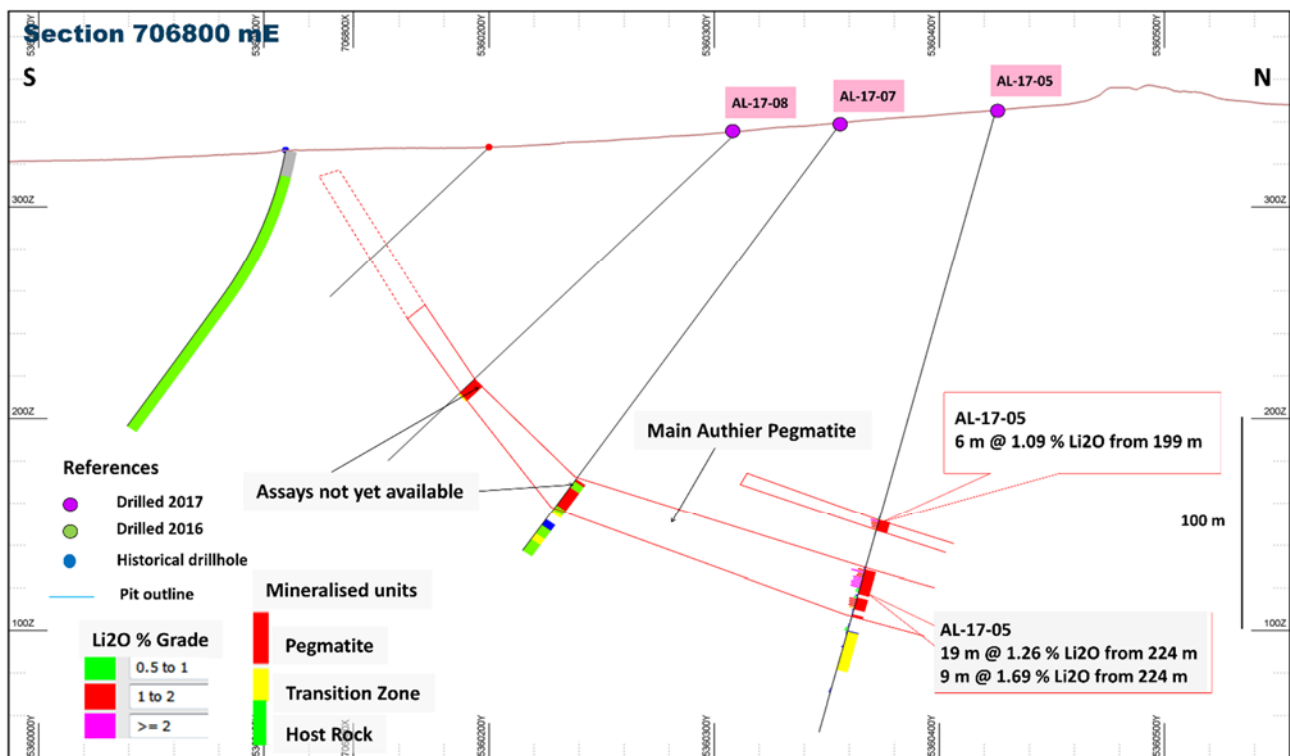
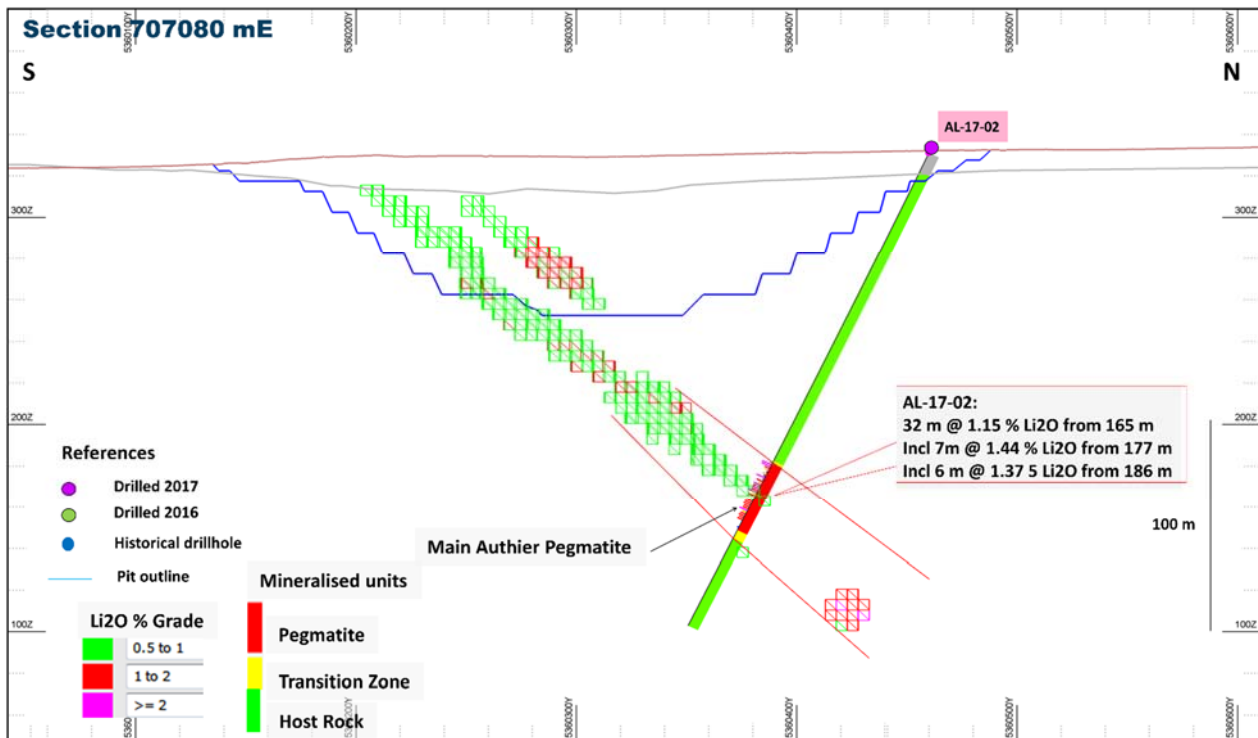
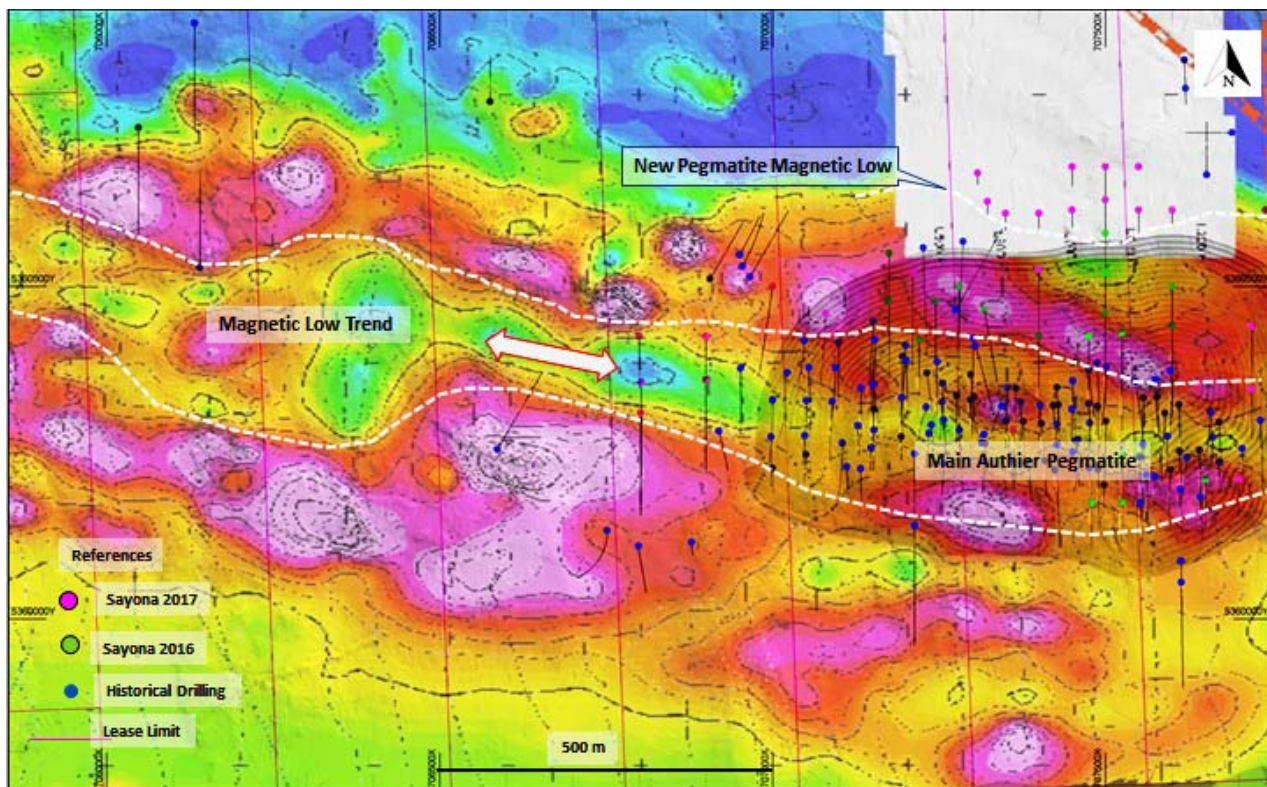


Figure 2 - Section 706800 looking west demonstrating the extension of mineralisation below the open-cut pit outlined in the Pre-Feasibility Study.



**Figure 3:** Section 707080 looking west demonstrating extensions of the mineralisation at depth.



**Figure 4:** Magnetic geophysical image and the main Authier pegmatite orebody extensively drilled on the right hand side of the page





**Figure 5:** Diamond drill rig on site (left) and diamond core AL-17-005 showing coarse grain spodumene crystals at 229 to 232 metres depth (right)

**For more information, please contact:**

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Sayona Mining Limited is an Australian, ASX-listed (SYA), company focused on sourcing and developing the raw materials required to construct lithium-ion batteries for use in the rapidly growing new and green technology sectors. Please visit us at [www.sayonamining.com.au](http://www.sayonamining.com.au)

**COMPETENT PERSON STATEMENT**

The information in this report that relates to Exploration Results 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 which it is undertaking 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 was responsible for the design and conduct of the most recent Sayona exploration drilling campaigns (Stage 2, 4,104 metres and stage 1, 3,926 metres), supervised the preparation of the technical information and audit of all the historical drilling data contained in this release and has relevant experience and competence of the subject matter. 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 herein.

## Summary Drill Hole Details from Sayona 2017 Drilling Program

Table 1 – Drill hole collar location and intercept information (downhole Intersections in metres)										
Drill Hole	East	North	RL	Azimuth	Dip	Depth	From (m)	To (m)	Thickness (m)	Grade (%Li <sub>2</sub> O)
AL-17-001	707210	5360520	331.5	180	-60	283.0	241.8	251.5	9.7	NSR
AL-17-002	707080	5360460	331.0	180	-65	253.0	165.0	197.0	32.0	1.15
including							177.0	184.0	7.0	1.44
and							186.0	192.0	6.0	1.37
AL-17-003	707000	5360500	330.0	180	-60	268.0	222.0	233.0	11.0	1.07
including							226.0	231.0	5.0	1.42
							236.0	240.0	4.0	1.0
AL-17-004	706900	5360425	335.4	180	-70	264.0	166.0	177.0	11.0	0.88
including							166.0	169.0	3.0	1.26
							214.0	225.0	11.0	1.03
including							218.0	222.0	7.0	1.26
AL-17-005	706800	5360425	344.9	180	-75	303.0	199.0	205.0	6.0	1.09
							224.0	243.0	19.0	1.26
including							224.0	233.0	9.0	1.69

Note: Downhole widths are not true widths.

## JORC Code, 2012 Edition – Table 1 - Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>All holes reported in this program have been Diamond Core Drill holes (DDH)</li> <li>Diamond core typical sample length is 1.0 metre starting 2 to 3 metres above and below of the contact of the pegmatite with the barren host rock.</li> <li>High to low grade lithium-bearing mineralisation (spodumene) is visible during geological logging and sampling.</li> <li>The core selected for sampling was split and samples of half core were dispatched to a certified commercial laboratory for preparation and analysis of lithium according to industry standard practices.</li> <li>Sample preparation and assaying techniques are within industry standard and appropriate for this type of mineralisation.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li>• <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>	<ul style="list-style-type: none"> <li>• Core drilling, core diameter size HQ. Standard tube and bit.</li> <li>• Core was oriented using a Reflex ACT III tool.</li> <li>• All core drilling before 2016 was NQ core diameter size, standard tube and bit, not oriented.</li> </ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Diamond drill hole core recoveries and RQD are logged. Measurements are taken systematically down hole between core blocks i.e. ~3 metre increments.</li> <li>• Core recovery has been above 99%.</li> <li>• Based on drilling method being diamond core and the near 100% core recovery the sampling is representative.</li> <li>• High competence of the core tends to preclude any potential issue of sampling bias</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>• <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Geological logging, RQD measurements, alpha and beta angles of structures as core orientation using reflex tool completed for all holes done in 2016 and 2017 by Sayona.</li> <li>• Geological logging of main characteristics such as rock type, spodumene abundance, mica abundance, etc has occurred in summary and detail at the pegmatite intervals and surrounding host rock.</li> <li>• Detailed geotechnical logging including RQD, orientation data (alpha and beta angles) for structures (faults, fractures, etc), point load tests (1 each 10 metres average) has also been undertaken.</li> <li>• The geological and geotechnical logging is at an appropriate level for the stage of development drilling being undertaken.</li> <li>• The logging of the geological features was predominately qualitative. Parameters such as spodumene abundance are visual estimates by the logging geologist.</li> <li>• Core is photographed after metre marks and sample intervals have been clearly marked on the core. The core was photographed dry and wet. The core boxes were identified with Box Number, Hole ID, From and To using aluminum tags.</li> <li>• The entire target mineralisation type core (spodumene pegmatite) and surrounding barren host rock has been logged, sampled and assayed. The footwall and hanging wall barren host rock has been summary logged.</li> </ul>
<i>Sub-sampling techniques</i>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drill core /HQ diameter samples cut to two halves with one half placed in a new plastic bag along with the sample tag sent for analysis; the other half was replaced in the core box with the</li> </ul>



Criteria	JORC Code explanation	Commentary
<i>and sample preparation</i>	<p>dry.</p> <ul style="list-style-type: none"> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<p>second sample tag for reference.</p> <ul style="list-style-type: none"> <li>Sampling boundaries are based in geological contacts of spodumene-bearing pegmatite with host rock.</li> <li>In general at least two host rock sample were collected each side from the contacts with the mineralised pegmatite.</li> <li>Sample preparation of drill core samples collected during the 2016 drilling program completed at the SGS Canada Inc laboratory ("SGS") facilities in Sudbury, Ontario follows industry best practice, involving oven drying, crushing and pulverizing there to respect the specifications of the analytical protocol and then shipped to SGS Mineral Services laboratories in Lakefield, Ontario, for analysis</li> <li>Sample sizes are considered appropriate with regard to the grain size of the sampled material</li> <li>For sample preparation and sub-sampling techniques details of drill core samples before 2016 please refer to Table 1 of ASX release "Authier Lithium Project JORC Resource Estimate" 7 July 2016.</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>Assaying of all 2016 drilling sample received at SGS were processed according to the following procedure at the SGS preparation facilities in Sudbury, Ontario. All samples are inspected and compared to the chain of custody (COC) and logged into the SGS laboratory management system, then weighted and dried. Sample material is crushed to 75% passing 10 mesh (2mm), split to obtain a 250 g sub-sample which is then pulverized to 85% passing 200 mesh (75 microns).</li> <li>The analyses of all 2017 and 2016 drilling sample were conducted at the SGS laboratory located in Lakefield, Ontario, which is an accredited laboratory under ISO/IEC 17025 standards accredited by the Standards Council of Canada.</li> <li>The analytical protocol used at SGS Lakefield is the GE ICP90A 29 element analysis - sodium peroxide fusion, which involves the complete dissolution of the sample in molten flux for ICP-AES analysis. The detection limits for Li are 10 ppm (lower) and 10,000 ppm (upper).</li> <li>No geophysical or handheld tools were used.</li> <li>Quality control protocol ("QA/QC") involve a review of laboratory supplied internal QA/QC and in-house controls consisting in the insertion of in-house reference standards (high and low grade, prepared with material of the project and certified by lab round-robin) and samples of</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>“barren” material (blanks), on a systematic basis with the samples shipped to SGS.</p> <ul style="list-style-type: none"> <li>For Quality of Assay Data and Laboratory Tests of all samples before 2016 please refer to Table 1 of ASX release “Authier Lithium Project JORC Resource Estimate” 7 July 2016.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>All the pegmatite intersections and assay results have been reviewed by the Competent Person and Sayona’s geologist and personnel.</li> <li>Lithium (ppm) reported in assays is converted to Li<sub>2</sub>O by multiply Li (ppm) X 2.153 (conversion factor)</li> <li>The entire drilling program conducted by Sayona in 2017 was logged by 2 on-site geologist, a Sayona’s employee and Sayona’s Competent Person using technicians from the Company contracted Services Forestiers et d’Exploration GFE (“Services GFE”). Services GFE provided the office, core logging and storage facilities to the Company which are located less than 4 km southeast from the Authier project near the town of La Motte.</li> <li>The core boxes were photographed and are available for verification at Services GFE storage facilities less than 4 km southeast from the Authier project.</li> <li>No twinned holes were drilled during this 2017 drilling campaign by Sayona.</li> <li>Primary data was recorded on laptop computers directly into standardized Excel logging templates with built in look-up codes. This information is merged with the assay certificate data into a Sayona’s in-house database</li> <li>No adjustments to assay data have been undertaken.</li> <li>For Verification of Sampling and Assaying details of all samples before 2016 please refer to Table 1 of ASX release “Authier Lithium Project JORC Resource Estimate” 7 July 2016.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Drill collar locations coordinates were surveyed using handheld Garmin GPS. Drill collar will be surveyed by professional surveyor at the end of this drilling campaign.</li> <li>Collar positions previous to 2016 have been surveyed and the survey values are recorded as the final coordinates and hole orientation in the database by an independent and qualified land surveyor.</li> <li>Downhole surveys (dip and azimuth) were collected as multiple shot readings using a Reflex tool.</li> <li>The grid system used is 1983 North American</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>Datum (NAD83)</p> <ul style="list-style-type: none"> <li>The level of topographic control offered by the collar survey is considered sufficient for the work undertaken at its current stage.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> <li><i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li><i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>Drill holes were drilled perpendicular to the lithium mineralised pegmatite as shown on the attached plan.</li> <li>Drill collars were sited to provide the best geological information possible to test the grade, strike and vertical extensions of mineralisation.</li> <li>The data spacing is sufficient to estimate geological and grade continuity of observed mineralisation and therefore to produce a JORC compliant mineral resource estimate.</li> <li>Sample compositing has not been applied.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li><i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>Drilling grid orientation is perpendicular to the strike of the mineralisation determined by previous mapping and historical drilling.</li> <li>No bias attributable to orientation of sampling upgrading of results has been identified.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>All reasonable measures have been taken to ensure sample security along the value chain. These measures include the sample collection by company's field personnel, recording of sample dispatch and receipt reports, secure delivering of samples to SGS laboratory facilities.</li> <li>For details on Sample Security of all samples before 2016 please refer to Table 1 of ASX release "Authier Lithium Project JORC Resource Estimate" 7 July 2016.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>No audit or review of the sampling techniques and data for this release has been carried out.</li> <li>The quality control protocols implemented at Authier Lithium deposit are considered to represent good industry practice and allow some assessment of analytical precision and accuracy. The assay data is considered to display acceptable precision.</li> <li>For details on Audits or reviews of all samples before 2016 please refer to Table 1 of ASX release "Authier Lithium Project JORC Resource Estimate" 7 July 2016.</li> </ul>



## Section 2 - Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>• <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li>• <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The Authier Lithium Property consists in one block of map designated claim cells located at the border between the La Motte Township and the Preissac Township, totaling 20 claims covering 674.89 ha. The Property extends 3.4 km in the east-west direction and 3.1 km north-south.</li> <li>• From the 20 claims composing the Property, 3 claims were acquired by staking on November 27, 2009 (CDC 21955725) and July 9, 2010 (CDC 2240226 and 2240227), 15 claims were acquired through two separate purchasing agreements and one claim is held under an option agreement. On March 17, 2017 Sayona signed an option-to-purchase agreement to acquire 100 % of tenement CDC 2187652 located along strike to the east of the main Authier deposit.</li> <li>• Sayona is conducting exploration work under valid intervention permits delivered by the Quebec Government, and there is no known environmental liabilities pertaining to the Property. Some of the claims containing mineral resources are subject to mining royalties</li> <li>• Approximately more than 75% of the mineral resources are present inside the 3 claims (CDC 2183454-2183455 and 2194819). About less than 25% of the estimated mineral resources are present inside the claim (CDC2116146). Mineralised pegmatite has been also intercepted in claims CDC 2183454 and 2187652.</li> <li>• The spodumene-bearing pegmatite intrusion is located on claims number CDC 2183454, 2183455, 2194819, 2116146 and 2187652, and extends at surface and shallow levels between approximately 706,800mE and 707,935mE in the East-West direction, and between 5,359,975 mN and 5,360,275 mN in the North-South direction.</li> <li>• The Property is adjacent to a protected area reserved for groundwater catchment supply located just the north of the Property, which has been excluded for exploration and mining activities.</li> <li>• Sayona is conducting exploration work under valid forest intervention permit delivered by the provincial Ministère des Ressources Naturelles et de la Faune ("MRNF"). As of the date of this report, the Company confirmed having valid work permits.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Property has been explored in the 1950's and 1960's for volcanic nickel-copper sulfides mineralisation, and later for lithium mineralisation since the late 1960's with the discovery of a significant spodumene-bearing pegmatite intrusion. The Property saw significant amount of exploration work between 1966 and 1980 with delineation drilling programs from 1991 until 1999 with bulk sampling and metallurgical testing programs.</li> <li>The project has more than 22,000 metres of drilling in 172 diamond holes, and 4,209 assay samples. The project was initially drilled between 1991 and 1999, then by Glen Eagle between 2010 and 2012 and by Sayona since 2016.</li> <li>In 2010, Glen Eagle secured the mining rights and completed exploration work as well as 1,905 m of diamond drilling totaling 18 holes targeting the deposit. During 2011, Glen Eagle drilled a total of 4,051 m mainly on the Authier pegmatite deposit and other areas. In 2012, Glen Eagle drilled a total of 3,034 m mainly on the Authier Pegmatite deposit and other areas.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>The deposit is hosted in a spodumene-bearing pegmatite intrusion. The deposit is 1,100 metres long, striking east-west, with an average thickness of 25 metres, minimum 4 metres and maximum 65 metres, dipping 40 degrees to the north.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> </li> <li><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>In 2017, Sayona drilled 4,104 metres in 31 diamond holes. The aim of the program was to extend the zones of mineralisation along strike and depth, to infill to improve the resource categories and to test the new northern pegmatite discovered in the 2016 diamond drilling campaign.</li> <li>In 2016, Sayona drilled 3,967 metres in 18 diamond holes. The aim of the program was to extend the zones of mineralisation along strike and depth, and to infill to improve the resource categories.</li> <li>Drill holes drilled in 2017 and reported in this release are described in the body of this announcement as TABLE 1.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>No weight averaging or high-grade cut has been applied to any of the sample assay results.</li> <li>Reported intercepts have been calculated as arithmetic averages using a 0.5 % Li<sub>2</sub>O lower cutoff grade, as described in the body text of this</li> </ul>

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	<ul style="list-style-type: none"> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>release.</li> <li>The majority of the lithium assay results show a simple normal population and it is not believed the reporting of intercepts is skewed by the inclusion of high and low grade results.</li> <li>Metal equivalent values have not been reported.</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>Drilling has been sited to intersect the lithium mineralisation orthogonally.</li> <li>Drilling widths reported are downhole intercept widths and true width is approximately 90 % of drilling width.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>A Collar Plan and typical cross-sections are presented in the body of this report. Drill hole details are reported in the body of this announcement as TABLE 1.</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>The reporting is considered to be balanced.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>The Sayona's 2016 and 2017 diamond drilling campaigns were conducted after the Glen Eagle 2010-2012 diamond drilling campaign which was preceded by prospecting, geochemical sampling and geophysical surveys that covered the Property targeted areas. This work confirmed the presence of several pegmatite occurrences across the Property having a similar geochemical signature to the main Authier pegmatite.</li> <li>Details of metallurgical test work are detailed in the body of this release and other Sayona ASX releases.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Sayona's Project Development strategy is detailed as follows: <ul style="list-style-type: none"> <li>Converting the inferred mineral resources to measured and indicated through further drilling;</li> <li>Converting the mineral resources to reserves;</li> <li>Exploring for extensions to the existing mineral resources and other potential mineralisation within the tenement package;</li> </ul> </li> </ul>



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		<ul style="list-style-type: none"> <li>○ Consolidating other potential resources / mineralisation in the district;</li> <li>• Completion of Environmental studies and Pre-Feasibility and Definitive Feasibility Studies;</li> <li>• Negotiating production off-take agreements; and</li> <li>• Sourcing development finance and constructing the project.</li> </ul>