

27 May 2019

SAYONA ADVANCES AUTHIER APPROVAL PROCESS

Highlights

- **Sayona advances approval process for Authier Lithium Project, aiming to create a sustainable and profitable new lithium mine for Québec, Canada**
- **New leadership at Sayona Québec to drive stakeholder engagement and environmental impact study, continuing close consultation with local community and other stakeholders**
- **Authier mine to support Québec's ambitions of becoming leader in fast-growing lithium-ion battery industry, amid U.S. push for increased supply of electric-vehicle (EV) supply chain minerals.**

Emerging lithium miner Sayona Mining Limited (ASX: SYA) announced today plans to further advance its Authier Lithium Project towards mining, amid an increasing push towards securing supply chain minerals that are driving the electric vehicle revolution.

Under the regulatory pathway stipulated by the Québec government, Authier is subject to environmental impact assessment and review procedures as part of the BAPE (bureau d'audiences publiques en environnement). The BAPE process entails further community engagement and environmental studies, including an environmental impact statement (EIS), as per Article 31.1 of Quebec's *Environment Quality Act* (refer ASX announcement 28 March 2019).

The process expected to take approximately 13 to 18 months, including the completion of an EIS, public consultation and review, ultimately leading to a ministerial recommendation and government decision.

As the first part of this process, a Project Notice has been lodged with the Quebec government. Following the filing of the Project Notice, the Minister will issue directives containing, where applicable, the elements to include in the environmental impact study. This is expected within 15 days. Sayona will then hold several information and consultation activities with decision makers and the local community.

"Sayona continues to consult closely with key stakeholders with the aim of ensuring a transparent and timely approval process that satisfies the expectations of the community, investors and other stakeholders key to its development," said Sayona's Managing Director, Dan O'Neill.

“No mining project can be successful without having earned a social licence to operate and that is exactly what we are aiming to achieve.”

Community consultation and engagement efforts will be driven by Sayona Québec’s newly appointed CEO, Guy Laliberté, together with Serge Rouillier, manager, sustainable development.

These consultations include information sessions and consultations with local municipalities, landowners, First Nation communities, non-governmental organisations and other stakeholders, with the aim of providing more information on the project to the community and earning a social licence to operate.

As announced on 28 March, Sayona is seeking approval based on a sustainable development approach for a mine processing in the order of 2,600 tonnes per day, providing for an approximate mine life of 14 years and estimated annual average spodumene concentrate production of around 115,000 tonnes (at 6% Li₂O). The final production level will be confirmed as part of a planned revised definitive feasibility study (DFS).

DFS, EIS and other technical documentation

Sayona will start reviewing the DFS (announced 24 September 2018) under the new parameters. The previously announced DFS showed the potential for a sustainable and profitable new mine, with an estimated pre-tax net present value of C\$184.8 million and initial capital expenditure of C\$89.9 million.

Significantly for Québec and local stakeholders including First Nations communities, the mine is expected to deliver some 150 new jobs in the construction phase and up to 160 jobs in operation, together with other positive economic spin-offs.

The work required to complete the EIS is expected to take approximately five months and will include a number of surveys on-site, including air, water and vegetation. Other activities to complete the public hearing process and impact study analysis documents will also be undertaken as per government requirements.

The Company’s Environmental Assessment Study undertaken in 2018 showed that Authier will have no impact on the water quality of the Esker Saint-Mathieu-Berry.

The project is also favourably located near the established mining support cities of Val d’Or and Rouyn-Noranda, with access to excellent infrastructure including rail and road transport, cost-effective hydro-electric power and skilled labour.

Sayona is also participating in a joint study with the Québec Ministry of Economy and Innovation and other parties on the establishment of an industrial cluster for lithium-ion battery production in Québec (refer ASX announcement 3 December 2018). The study’s results are pending.

Amid U.S. plans to speed the development of EV supply chain minerals such as lithium and continued growth in demand, Québec is well placed to capitalise given its proximity to U.S. markets, including the Tesla Gigafactory in Nevada.

Community engagement

Sayona has continued to engage closely with the local community and other stakeholders as part of a community relations program that clearly identifies all stakeholders and addresses their needs and concerns in a timely manner.

Mr O'Neill added: "Sayona is confident of delivering a sustainable and profitable new mine at Authier, adding to our project pipeline including our nearby Tansim Lithium Project, as well as our holdings in the world-class Pilgangoora lithium district of Western Australia.

"With a Board and management team that has a track record of delivering successful mining projects around the world, Sayona has all the ingredients in place to drive increased shareholder value from mining the metal of the 21st century."

For more information, please contact:

Dan O'Neill

Managing Director

Phone: +61 (7) 3369 7058

Email: info@sayonamining.com.au

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. The Company has lithium projects in Québec, Canada and in Western Australia.

Please visit us as at www.sayonamining.com.au