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## **MANAGING DIRECTOR'S UPDATE: SAYONA BACKS QUÉBEC PLANS TO BOOST LITHIUM SECTOR**

### **Highlights**

- **Québec Government boosts investor confidence by announcing additional C\$90 million budget investment in strategic minerals sector, amid push to develop sustainable and profitable lithium industry**
- **Canadian Government unveils rebates for purchase/rental of electric vehicles (EVs) amid continued growth of EV sector in North America and globally**
- **Sayona progressing bid for North American Lithium (NAL) with aim of combining NAL with Company's Authier Lithium Project to achieve successful turnaround.**

**Emerging lithium miner Sayona Mining Limited (ASX:SYA; OTC:DMNXF)** has welcomed the Québec Government's latest move to support the province's lithium industry, providing increased confidence for investors and other stakeholders in the province's long-term lithium strategy.

In its provincial budget for fiscal 2021, the Québec Government has committed to advancing electrification as a core part of its strategy, with an additional C\$90 million (A\$101m) dedicated to critical and strategic minerals including lithium.

The budget stated the Government would promote the development of critical and strategic minerals including lithium, with the aim of fostering innovation, developing expertise and value chains and contributing to sustainable development.

"Québec has several assets, including a wide variety of minerals, technological expertise as well as clean energy sources at a price which will allow it to benefit from the development of these minerals," the Government said. Specific details of the initiative are to be released by Québec's Minister of Energy and Natural Resources.

Sayona's Managing Director, Brett Lynch, said the Company was fully aligned with Québec's plans to develop a sustainable and profitable lithium industry for the province.

"Sayona and the Québec Government are in complete agreement on the need to transform the province's lithium industry to put Québec at the forefront of the clean energy revolution," Mr Lynch said.

"We look forward to working even more closely with the Government and other key stakeholders as we advance our lithium projects in the province, for the benefit of all."

Full details of the latest budget are available at [www.budget.finances.gouv.qc.ca/budget/2020-2021](http://www.budget.finances.gouv.qc.ca/budget/2020-2021).

Québec's latest backing for the lithium industry follows its 3 February announcement broadening the role of the province's investment arm, Investissement Québec, with the Government increasing its capital to C\$5 billion to allow it to play an even greater role in supporting business development.

The province has a number of competitive advantages, including proximity to established lithium-ion battery markets in North America, access to economical and environmentally friendly hydropower and world-class infrastructure, together with a geopolitical advantage amid the U.S. push to secure supplies of essential battery minerals such as lithium.

Adding to the positive momentum for battery minerals, the Canadian Government has announced rebates for the purchase or rental of electric or plug-in hybrid vehicles, further supporting demand for the growing EV industry. Sales of EVs in Canada grew by 25 per cent in 2019, with further growth expected following the rebates and increasing focus on environmental issues.

Québec has enjoyed strong sales of EVs, with the Government offering various incentives including up to C\$8,000 for the purchase or lease of a new EV, C\$600 for a home charging station and C\$5,000 on the purchase of workplace or multi-unit residential building charging stations.

Sayona is currently bidding for NAL, with the unique competitive advantage of being able to combine lithium (spodumene) produced from the Company's nearby Authier Lithium Project with the lithium at NAL, facilitating a significant improvement in plant performance and economics.

The Company has assembled a world-class team to support its bid, encompassing the necessary operational and technical expertise together with environmental, engineering and financial know-how to ensure a successful turnaround.

Amidst the global coronavirus outbreak, Raymond Chabot Inc, the monitor (administrator) of NAL together with NAL and other parties has been granted by Québec's Superior Court an extension to the stay of proceedings against NAL to 15 May 2020, or such later date as the court may order.

Mr Lynch added: “Sayona is cognisant of current circumstances regarding COVID-19 and its impacts on Québec, Canada and internationally. Ensuring the health and wellbeing of the community is the highest priority during this difficult time.

“We will continue to engage with key stakeholders to the fullest extent possible to deliver the benefits of our bid for NAL and ensure we are ready to hit the ground running as soon as possible.”

For more information, please contact:

**Brett Lynch**

Managing Director

Phone: +61 (7) 3369 7058

Email: [info@sayonamining.com.au](mailto:info@sayonamining.com.au)

For media queries, please contact:

Anthony Fensom

Republic PR

[anthony@republicpr.com.au](mailto:anthony@republicpr.com.au); +61 (0)407 112 623

**About Sayona Mining**

Sayona Mining Limited is an emerging lithium miner (ASX:SYA), with projects in Québec, Canada and Western Australia. In Québec, Sayona is progressing a bid for the North American Lithium mine with the backing of a world-class support team, while advancing its flagship Authier Lithium Project and its emerging Viau-Dallaire prospect (Tansim project).

In Western Australia, the Company has a joint venture with leading lithium producer Altura Mining concerning its exploration portfolio in the world-class Pilgangoora lithium district.

For more information, please visit us at [www.sayonamining.com.au](http://www.sayonamining.com.au)