

4 June 2020

STRATEGIC REVIEW OF WA ASSETS TO MAXIMISE VALUE OF PILGANGOORA LITHIUM

Highlights

- **Strategic review of Western Australian assets puts focus on exploration within the world-class Pilgangoora lithium district**
- **Joint venture partner, Altura Mining (ASX:AJM) commences field exploration over Earn-In Agreement tenure**
- **Strategy ensures best value return to shareholders from Sayona's Australian portfolio, while Company's focus continues on advancing Québec expansion.**

Emerging lithium miner Sayona Mining Limited (ASX: SYA) announced today plans to focus its Western Australian exploration efforts on projects within the world-class Pilgangoora lithium district, home to Earn-In partner Altura Mining Limited's successful mining operation and other major spodumene deposits.

The strategic review follows last year's Earn-In agreement with Altura Mining aimed at maximising the value of Sayona's Australian exploration portfolio. Under the agreement (refer ASX announcement 8 August 2019), Altura agreed to spend A\$1.5 million on exploration across the project portfolio over three years to earn a 51% interest, with Sayona retaining the remaining project interest.

Altura has progressed the Earn-In assets, commencing a field mapping and sampling program in the northern Mallina (E47/2983), Deep Well (E47/3829), Tabba Tabba (E45/2364) and Red Rock (E45/4716) tenements. The proximity of these tenements to Altura's existing mining and processing infrastructure is expected to significantly enhance the development potential of any discoveries.

With a focus on maximising the value of its Australian assets, Sayona will retain the 10 most prospective Pilbara lithium tenements, spanning 971 sq km and in close proximity to Altura's Pilgangoora mine. Other regional projects include the East Kimberley and Murchison areas, comprising four tenements covering 170 sq km, with the total WA portfolio to consist of 14 tenements covering 1,141 sq km.

Despite the relinquishment of some tenements, key terms of the Earn-In Agreement with Altura remain unchanged.

Sayona’s Managing Director, Brett Lynch, said the refocus would allow management time and Company resources to be focused on projects considered offering the fastest pathway to shareholder returns.

“We are delighted by the results of this strategic review, which has revealed the highest potential value projects in our WA exploration portfolio. Working closely with our Earn-In partner, Altura Mining, we are determined to unlock value from these assets for the benefit of both parties,” Mr Lynch said.

“Importantly, this allows management to focus on our expansion strategy in Québec, where we have a near-term opportunity to advance towards production, delivering value for all stakeholders.”

Altura’s Managing Director, James Brown commented: *“We have been pleased by the developments made with Sayona in advancing the value of these exploration assets and look forward to getting back in the field. The tenements of interest are in relatively close proximity to the established Altura lithium mine, which means any exploration success will benefit our long-term operations.”*

The retained Earn-In Pilbara tenements are shown in Figure 1 below:

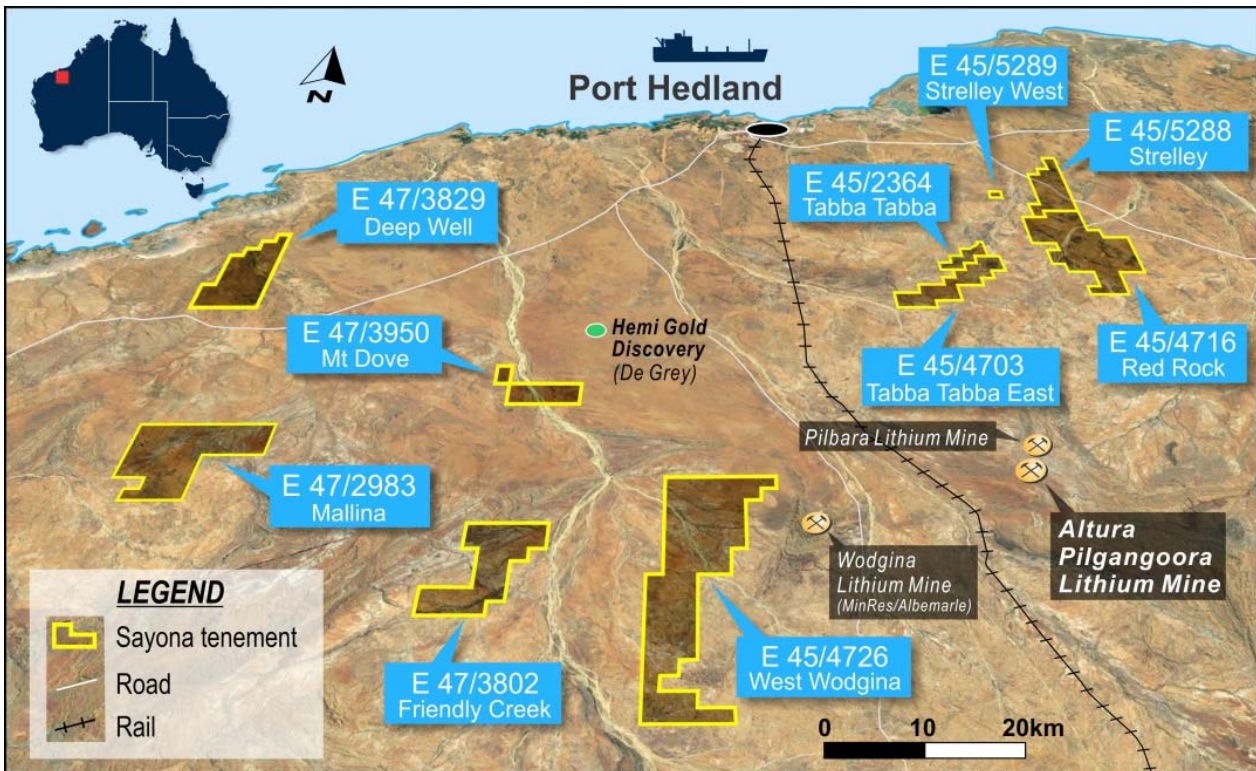


Figure 1: Pilbara tenement holding (Sayona/Altura Earn-In) following strategic review

Five Pilbara leases are being relinquished, including the Moolyella project (E45/4727, E45/4721 and E45/4700), Cooglegong (E45/4738) and Carlindie (E45/4775). Other regional WA tenements are being reviewed to determine the best strategy to maximise their potential value, including leases around the recent De Grey Hemi gold discovery. The Sayona–Altura Earn-In leases include the Mt Dove lease, E47/3950, which is located 12km to the south-west of the Hemi mineralisation.

This announcement has been authorised by Sayona’s Board of Directors.

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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 an earn-in agreement 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