

16 January 2023

NAL RESTART ACCELERATES TOWARDS TARGET

Highlights

- **Progress towards concentrator restart nears 90%, with work continuing during year-end holidays at North American Lithium (NAL) operation in Québec, Canada**
- **All critical equipment received; no recordable injuries or environmental-related incidents reported during the reporting period**
- **Significant progress towards first spodumene (lithium) production in Q1 2023, amid continued demand growth from EV and battery sector in North America.**

Emerging lithium producer Sayona Mining Limited (ASX:SYA; OTCQB:SYAXF) has pushed ahead towards the recommencement of production in Q1 2023 at its flagship North American Lithium (NAL) operation in Québec, Canada, with work continuing during the Christmas holiday period to ensure deadlines are met.

Progress towards the concentrator restart neared nearly 90% by the end of December for engineering and construction, with all critical equipment received, including the Vacuum pump and WHIMS Rectifier-Reducer. Installation of the LIMS was completed, together with the third ore sorter and other key items.

Up to 50 workers from selected contractors continued working during the Christmas holidays to maximise progress. Importantly, there were no recordable injuries during the period, reflecting Sayona's focus on maintaining a Zero-Tolerance policy regarding safety.

Pre-operational verifications and operational readiness continues to progress, including training and process operational support, with 75% of electrical and mechanical inspections completed.

As previously reported, all environmental approvals have been received (refer ASX release 12 December 2022), significantly de-risking NAL's restart. No environmental-related incidents were reported during the period, reflecting Sayona's focus on maintaining the highest environmental standards.

Commitments to end December totalled C\$49 million versus planned commitments of C\$49.3 million, with potential cost savings being further investigated. All equipment required for the restart has been procured, with all major procurement packages received at site.

NAL's advances towards the production of locally sourced lithium in Québec in 2023 follow continued demand growth from electric vehicles (EVs) in North America. In the United States, EV sales nearly doubled from 2021 to 2022, while Canada is targeting 60% of all vehicle sales to be electric by 2030.

Almost US\$300 billion of investment in new lithium-ion battery gigafactories has now been announced, including US\$131 billion in 2022, up 24% on the prior year, according to analysts Benchmark Minerals Intelligence.

Sayona's Managing Director, Brett Lynch commented: *"Sayona continues to advance towards the restart of production at NAL this quarter, and I congratulate the project team for pushing through the holiday period to ensure targets are met. This is particularly noteworthy given widely publicised global supply chain issues and cost pressures, with our team working hard to mitigate any potential issues."*

"We now plan on releasing bimonthly updates on the NAL restart as we accelerate closer towards production."

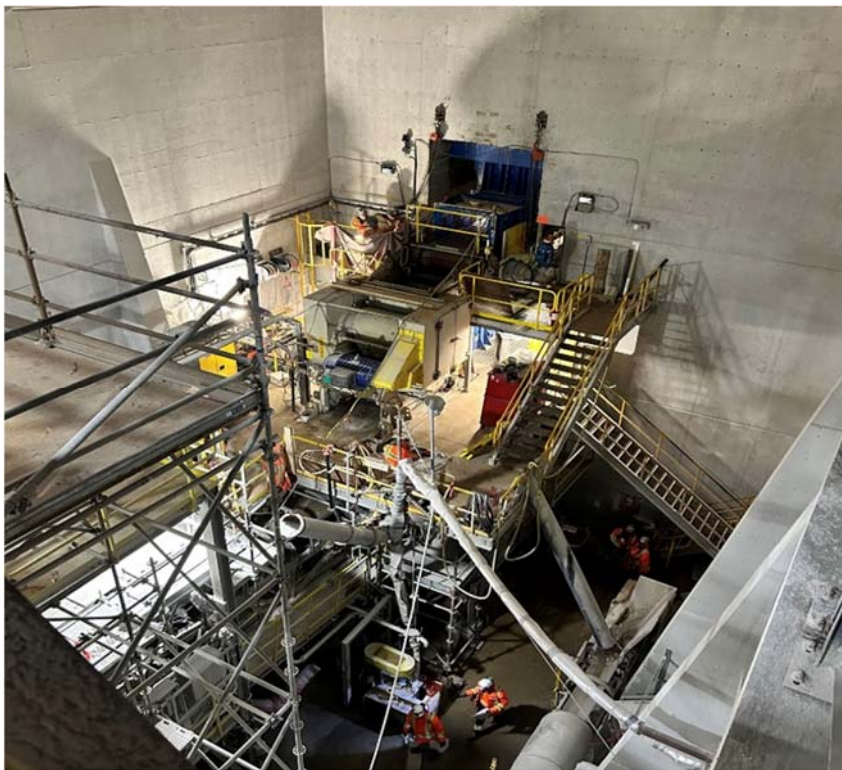
"With demand from North America's EV and battery sector continuing to increase, NAL's outlook is excellent, putting Québec in a highly strategic position as a clean and green, economical and stable supplier of this vital battery mineral."



WHIMS piping installation



3rd Ore Sorter mechanical and electrical installation



Crushing infrastructure

Issued on behalf of the Board.

For more information, please contact:

Brett Lynch

Managing Director

Email: info@sayonamining.com.au

For investor/media queries, contact:

Anthony Fensom

Republic PR

Ph: +61 (0)407 112 623

Email: anthony@republicpr.com.au

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 advances towards target – 20 December 2022
- Final permit awarded for NAL restart – 12 December 2022
- NAL restart picks up speed – 24 November 2022
- Quarterly Activities Report – 31 October 2022

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.