ASX ANNOUNCEMENT

SAYONA MINING LIMITED

16 FEBRUARY 2017

AUTHIER PRE-FEASIBILITY STUDY DEMONSTRATES EXCELLENT RETURNS AND SIGNIFICANT UPSIDE POTENTIAL

Highlights

- **Positive PFS demonstrates opportunity to create substantial long-term shareholder value**
- **Pre-tax NPV of C$140m (AUD $140m), IRR of 39% and payback 2.2 years**
- **LOM revenue C$978m (AUD $978m), 1.45Mt of spodumene concentrate sales**
- **Low start-up capital expenditure of C$66m**
- **Significant potential to expand resource base**
- **Further potential to optimise the mine plan and concentrate grade thereby improving returns**
- **Initial mine life of 13 years based on maiden Ore Reserve**

Sayona Mining Limited (ASX: SYA) ("Sayona" or the "Company") is pleased to announce the results of the Pre-Feasibility Study ("PFS") for the Authier lithium project in Quebec, Canada. The PFS was prepared by SGS Canada and Bumigeme Inc.

The PFS has confirmed the technical and financial viability of constructing a simple, low-strip ratio, open-cut mining operation and processing facility producing spodumene concentrate. The positive PFS demonstrates the opportunity to create substantial long-term sustainable shareholder value at a low capital cost.

Key findings of the PFS include:

- Pre-tax NPV of C$140 million and pre-tax IRR 39% (real terms at 8% discount rate);
- Annual average concentrate production of 99,000 tonnes at 5.75% Li_2O;
- Average annual revenue of C$67 million and EBITDA of C$31 million;
- Life of mine strip ratio of 6:1 (waste to ore) and cash costs of C$367 (US $280) FOB Montreal Port;
- Development capital expenditure of C$66 million; and
- Maiden Ore Reserve of 10.2 Mt @ 1.02% Li_2O (Proven Reserve 4.9Mt @ 0.97% Li_2O and Probable Reserve 5.3Mt @ 1.06% Li_2O) delivers a mine life of 13 years.

The Company is now looking at a number of optimisation options to significantly enhance the value of the project, including drilling (currently underway) to expand the Mineral Resource and Ore Reserves (the deposit is open along strike and at depth), further metallurgical and geotechnical test-work, and other downstream value-adding opportunities.

Sayona is exploring three separate options for the monetisation of the spodumene concentrates, including:

1. Selling concentrates into the Quebec domestic market. Quebec is the only place in the world outside of China that has an established lithium carbonate production facility. The facility is on care and maintenance but is due to be re-commissioned in 2018. In addition, Nemaska Lithium is also planning to establish a lithium carbonate and hydroxide facility in Quebec and could be a potential purchaser of lithium concentrates;
2. Exporting concentrates through a Quebec Port and selling to a Chinese lithium carbonate processing facility; and
3. Processing and producing a lithium carbonate/hydroxide product through an integrated downstream processing facility at Authier.

Corey Nolan, Chief Executive Officer, commented *"The Company is very pleased to demonstrate Authier's potential to create significant shareholder value. A pre-tax NPV of C$140 million has been demonstrated with more upside to come through the phase 2 drilling program and other optimisation programs. The Company plans to progress towards completing a Definitive Feasibility Study, Mining Licence applications, offtake contracts and financing this year".*

Authier PFS Key Study Outcomes and Assumptions

The PFS has been completed to an accuracy of +/-25% and has contributions from a number of leading industry service providers including, SGS Canada and Bumigeme Inc. All of the metallurgical testing has been undertaken at SGS Lakefield. The SGS Lakefield facility has been operating for over 70 years in metallurgical testing and design, and employees have considerable experience in the Canadian lithium industry. Bumigeme Inc is a Canadian firm of consulting engineers based in Montreal, working mainly in the mining and metallurgical sector. Dr Gustavo Delendatti was the Competent Person for the Mineral Resource estimate.

Key outcomes of the PFS include a pre-tax Net Present Value ("NPV") of C$140 million over an initial 13-year mine life, based on the current Proven and Probable Ore Reserve estimate of 10.2Mt @ 1.02% Li_2O at a 0.45% Li_2O cut-off grade (Table 1).

Table 1 – Authier JORC Ore Reserve Estimate (0.45% Li_2O cut-off grade)

Category	Tonnes (Mt)	Grades (%Li_2O)	Contained Li_2O
Proven Reserve	4.9	0.97%	47,821
Probable Reserve	5.3	1.06%	55,904
Total Reserves	**10.2**	**1.02%**	**103,725**

Note: The Ore Reserve estimate is based on the details published in a separate ASX release "Authier JORC Ore Reserves", 16 February 2017.

The pre-tax Internal Rate of Return ("IRR") is estimated at 39% and payback on capital is 2.2 years. The life-of-mine ("LOM") cash operating costs are estimated at C$334 per tonne (mine gate basis) or C$367 per tonne FOB Port of Montreal based on a development capital expenditure of C$66 million and a life-of-mine capital cost estimate of C$113 million.

Table 2 – Authier Lithium Project PFS Highlights		
Description	**Unit**	**Results**
Average Annual Ore Feed to the Plant	tonnes	700,000
Annual Average Spodumene Production	tonnes	99,000
Life of Mine	years	13
Life of Mine Strip Ratio	waste to ore	6:1
Average Spodumene Price	US$/tonne	515
Development Capital Costs	C$ million	66
Total Life of Mine Capital Costs	C$ million	113
Total Net Revenue (real terms)	C$ million	978
Total Project EBITDA (real terms)	C$ million	449
Average Life of Mine Cash Costs (Montreal Port FOB basis)	C$/tonne	367
Net Present Value (real terms @ 8% discount rate)	C$ million	140
Pre-Tax Internal Rate of Return	%	39
Project Payback Period	years	2.2
Exchange Rate	CAD:USD	0.76

The Company is now looking at a number of optimisation options to significantly enhance the value of the project, including:

- Additional definition and expansion drilling to expand the size of the resource and reserves, and extend the project mine life;
- Further geotechnical test work to assess the potential for a steeper hanging wall pit slope. This would reduce the waste removal requirement and LOM waste to ore ratio;
- The current development approach is to initially construct the project with a planned annual production rate of less than 2,000 tonnes of ore per day. This avoids a lengthy and costly Environmental Impact Assessment. Once in production, the Company will assess the technical and economic viability of expanding the production capacity of the project;
- Further metallurgical test work to improve processing recoveries and concentrate grades. The PFS assumes a metallurgical recovery of 80% and a 5.75% Li_2O concentrate grade. However, recovery rates of up to 88% and concentrate grades higher than 6% Li_2O have been achieved in historical metallurgical testing; and
- Other downstream value-adding opportunities including the potential to produce lithium hydroxide.

The Authier deposit will be mined by open cut methods enhanced by the shallow and thick nature of the mineralisation, allowing spodumene ore to be processed from the commencement of mining. The PFS demonstrated a LOM strip ratio of 6:1 (waste to ore) providing a low mining cost. The Company believes with further drilling it can expand the size of the resource, provide better definition of the orebody, and lower the overall waste to ore ratio.

Bumigeme have designed a concentrator plant to process 700,000 tpa of ore feed using conventional flotation technology suitable for a pegmatite orebody. The plant will produce a 5.75% Li_2O concentrate suitable for feedstock to lithium carbonate conversion plants. Further studies will be undertaken to potentially reduce the iron content of the Authier lithium concentrate for sale to the glass or ceramics industries.

The PFS pricing is based on the May 2016 Deutsche Bank Lithium Industry Study and assumes that concentrates are delivered FOB to an export ship at the Port of Montreal. The LOM average price assumption is US$515/tonne for a 5.75% Li_2O concentrate. The modelled price for the PFS is a significant discount to the current market and is considered conservative.

The Company plans to move the project forward with a number of work programs, including:

- Phase 2 resource expansion and definition drilling (in progress);
- Advanced geotechnical and hydro-geological assessments (in progress);
- Metallurgical pilot plant testing;
- Definitive Feasibility Study; and
- Testing of Authier concentrates for the conversion into lithium carbonate.

The Company is also progressing its environmental and Mining Lease permits, and believes the approvals can be achieved within the planned development timetable.

Authier Pre-Feasibility Overview

Introduction

The Authier project area comprises 19 mineral claims totaling 653 hectares, extending 3.4 kilometres in an east-west, and 3.1 kilometres in a north-south direction. The mineral claims are located over Crown Land. The tenure is all in good standing and there is no known impediment to obtaining a license to operate. The claims are subject to a number of underlying vendor royalties.

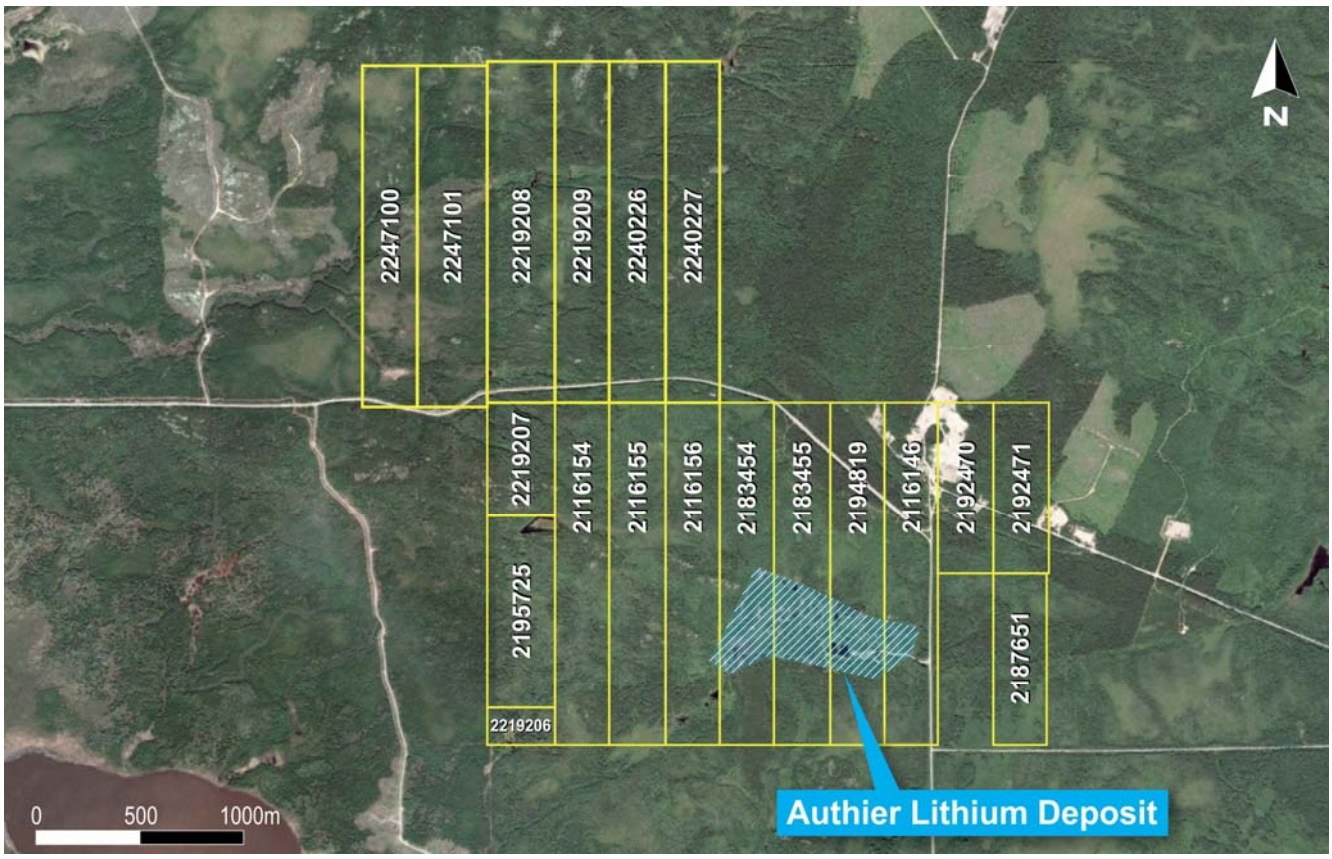

Figure 1: Authier project tenure

The Authier project is situated 45 kilometres north-west of the city of Val d'Or, a major mining service centre, situated in the Province of Quebec. Val d'Or is located approximately 466 kilometres north-east of Montreal. The project is readily accessed by a rural road network connecting to a national highway a few kilometres east of the project site.

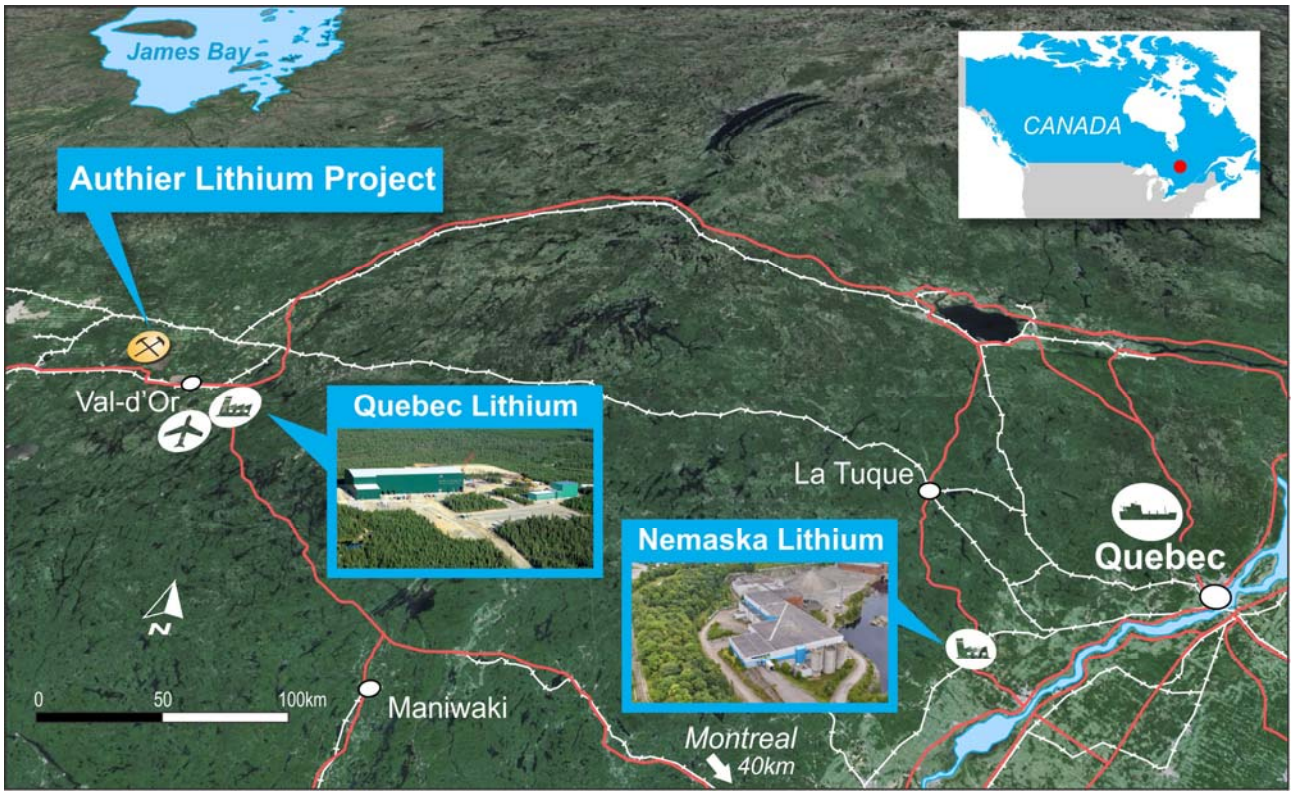

Figure 2: Authier project location and access to infrastructure

Authier is situated 35 kilometres from the North American Lithium Corporation lithium carbonate plant (Quebec Lithium), and approximately 450 kilometres from the proposed Nemaska lithium carbonate plant.

Authier Mineralisation

The Authier deposit is hosted in a spodumene-bearing pegmatite intrusion. The dimensions of the deposit drilled to date are 850 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 up to 10 metres under cover in the western sector. The deposit is open along strike to the west and east, and at depth. The lithium mineralisation at the 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) in a mid-to-coarse grained pegmatite facies.

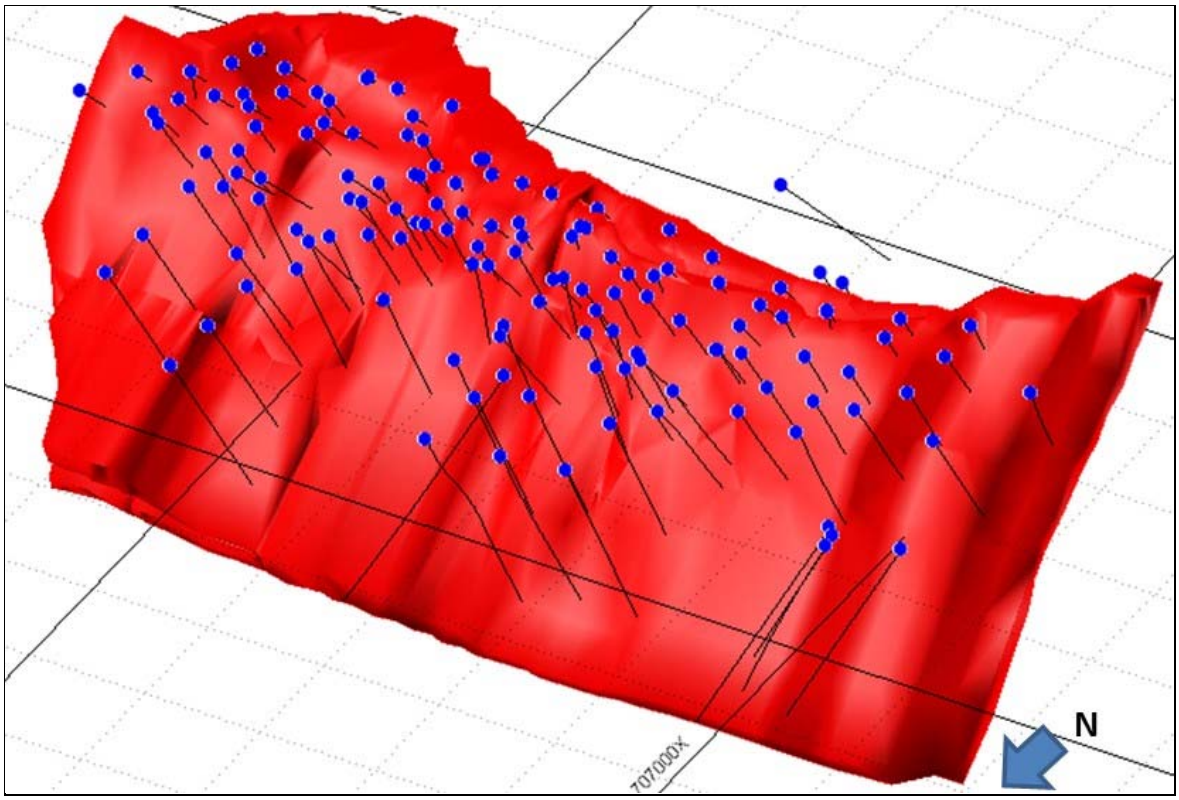

Figure 3: Authier deposit geological envelope at a 0.5% Li_20 cut-off grade

JORC Mineral Resource

The project has more than 18,800 metres of diamond drilling in 141 holes. The project was initially drilled between 1991 and 1999 by Raymor Resources, by Glen Eagle between 2010 and 2012, and Sayona has recently completed 3,967 metres of drilling in 18 holes. Holes were typically drilled perpendicular to the strike of the mineralised pegmatite to provide high confidence in the grade, strike and vertical extensions of the mineralisation.

Following the 2016 drilling program, an independent JORC Mineral Resource (2012) estimate was reported in the ASX release "Authier Lithium Project JORC Resource Significantly Expanded", 23 November 2016 (see Table 3). The estimate was based on reported intercepts calculated using arithmetic averages, no top-cut, and a 0.5% Li_2O cut-off grade. The estimate was based on an Inverse Distance Squared interpolation using Micromine software. The parent block dimensions used were 5 metres x 5 metres x 5 metres with sub-blocks of 2.5 metres x 2.5 metres x 2.5 metres in accordance with the drill spacing and pegmatite body geometry.

Table 3– Authier JORC Mineral Resources Estimate (0.5% Li_20 cut-off grade)

Category	Tonnes (Mt)	Grades (%Li_20)	Contained Li_20
Measured	4.72	1.03%	48,519
Indicated	7.13	1.10%	78,280
Inferred	1.90	1.05%	19,901
Total	**13.75**	**1.06%**	**146,700**

The Company notes that the JORC Mineral Resource has been prepared at 0.5% Li_2O cut-off grade which is higher than the Ore Reserve, which has been prepared at a 0.45% Li_2O cut-off grade. For the purpose of the PFS, the Company believes there is no material difference between the tonnage and grade at the two cut-off grades.

Production Profile

The PFS is based on an annual ore feed rate of 2,000 tonnes per day, or approximately 700,000 tonnes per annum to the process plant, to deliver average annual spodumene concentrate output of 99,000 tonnes (there are year-on-year variances depending on the mined grade of ore) at 5.75% Li_2O. The LOM production target of 10.2 million tonnes is comprised entirely of Proven and Probable Ore Reserves.

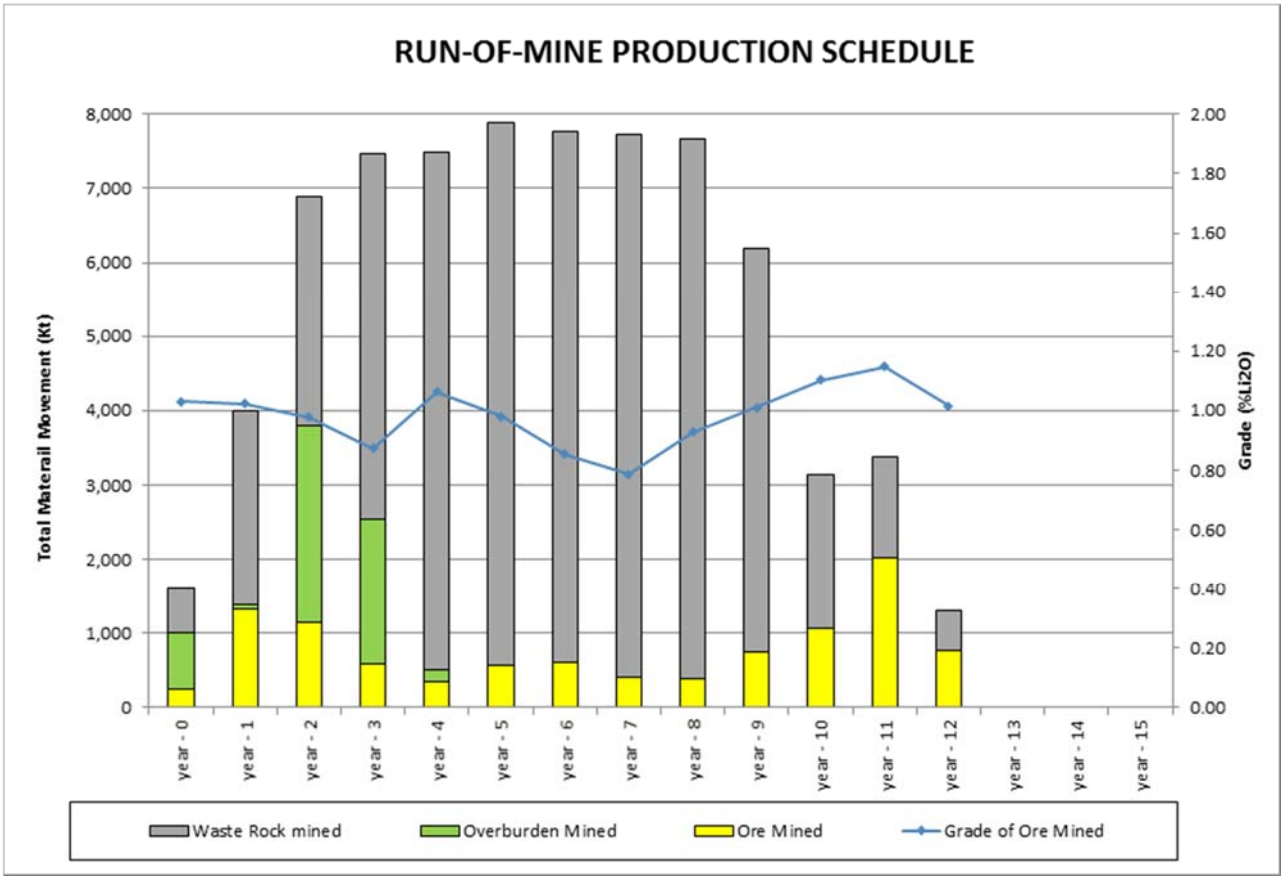

Figure 4: Authier LOM ore, overburden and waste scheduling

Ore Reserves

The Measured and Indicated Resources were used for the optimisation studies to estimate the Ore Reserves. All the mineralised material classified in the Inferred Resource category was considered as waste for the pit optimisation process.

SGS Canada's scope of work for the mining study included:

- Mine planning criteria (dilution, ore losses and cut-off grade criteria);
- Open pit optimisation to determine pit shell for eventual economic extraction of the orebody;

- Mine design and scheduling;
- Mine infrastructure and layout;
- Mine production scheduling;
- Mining capital and operating cost estimation;
- Revenue and cost modelling; and
- JORC (2012) Ore Reserve reporting.

The non-mining related optimisation inputs and modifying factors utilised were derived from the PFS level assessment work, including:

- Processing costs for the plant designed by Bumigeme;
- Metallurgical recovery factor of 80% to a 5.75% Li_2O concentrate by SGS Lakefield;
- Average life of mine selling price of US$515/tonne for a 5.75% Li_2O concentrate (based on discounted benchmark pricing from Deutsche Bank[1]);
- Transport and port handling costs provided by independent consultants; and
- An exchange rate of 0.76 CAD:USD.

Prior to Sayona's Phase 1 drilling program in 2016, there was no geotechnical data available for the project. As part of the 2016 drilling program, the Company drilled 18 holes totaling 3,967 metres of oriented HQ core. Geo-technical work included logging the 18 holes, identifying 2,681 structures and performing 142 point load tests. The Company also collected 10 samples for uniaxial compression strength testing at the Université de Montréal which confirmed the ore as being considered very hard to extremely hard. The information produced was used to define the proposed pit parameters as outlined in Table 4.

Table 4 – Geotechnical Pit Design Parameters

Parameter	Unit	Value
Overall Slope Angle (rock)	degrees	40-45
Overall Slope Angle (overburden)	degrees	30
Bench Height (single bench)	metres	5
Bench Height (double bench)	metres	10
Batter Face Angle	degrees	70/80
Berm Width (double bench)	metres	6

During the Phase 2 drilling program, the company will complete further geotechnical and hydrogeological assessments aimed at demonstrating the potential to steepen the hanging wall slope for future optimisation. This would significantly reduce the total waste movement and improve the LOM waste to ore ratio.

[1] Deutsche Bank, Lithium 101, 9 May 2016.

SGS Canada carried out the pit optimisation utilising Whittle Software based on conventional open pit mining using trucks and a hydraulic shovel, at a 0.45% Li_2O cut-off grade. This cut-off grade is based on the economic assumptions outlined in this PFS.

The basic optimisation principle of the algorithm operates on a net value calculation for each block in the model (i.e. revenue from sales less total operating cost, being mining, processing, and general and administration costs) in order to determine to what extent the deposit can be mined profitably. The Ore Reserve statement outcomes are outlined in Table 5.

Table 5 – Authier JORC Ore Reserve Estimate (0.45% Li_2O cut-off grade)

Category	Tonnes (Mt)	Grades (%Li_2O)	Contained Li_2O
Proven Reserve	4.9	0.97%	47,821
Probable Reserve	5.3	1.06%	55,904
Total Reserves[1]	**10.2**	**1.02%**	**103,725**

[1]: The Ore Reserve Estimate is inclusive of 5% dilution and 5% ore loss.

The implied Ore Reserve demonstrates a very high conversion rate of 86% of the Measured and Indicated Mineral Resources to Ore Reserves.

The design outlines a pit of ~900 metres in length (east-west), an average of 450 metres width (north-south) and down to a final pit depth of 190 metres. The maximum planned total material movement including waste, stockpile reclaim, and ore to the run-of-mine ("ROM") pad is 7.8 Mtpa.

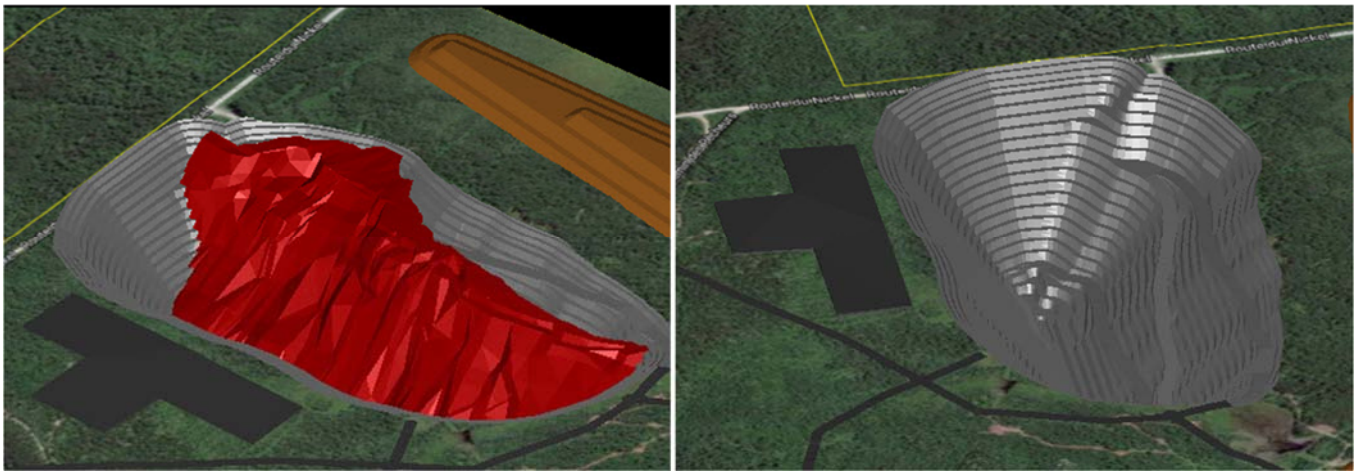

Figure 5: Isometric views of the Authier pit with the mineralised envelope on the left

Mining Process

Mining will be undertaken using drill and blast, and conventional bulk mining methods utilising hydraulic excavators and dump trucks delivering ore to a ROM stockpile. Ore will be trucked directly from the blasted faces to the ROM stockpile and fed to a primary jaw crusher using a front-end loader.

The scale of the project indicates that the operation is best suited to a fleet comprising 46 tonne rigid body dump trucks being loaded by a 125 tonne excavator. A mixed ancillary fleet

will be used to support load and haul operations. Shifts will operate 24 hours per day, 7 days per week, 365 days per year.

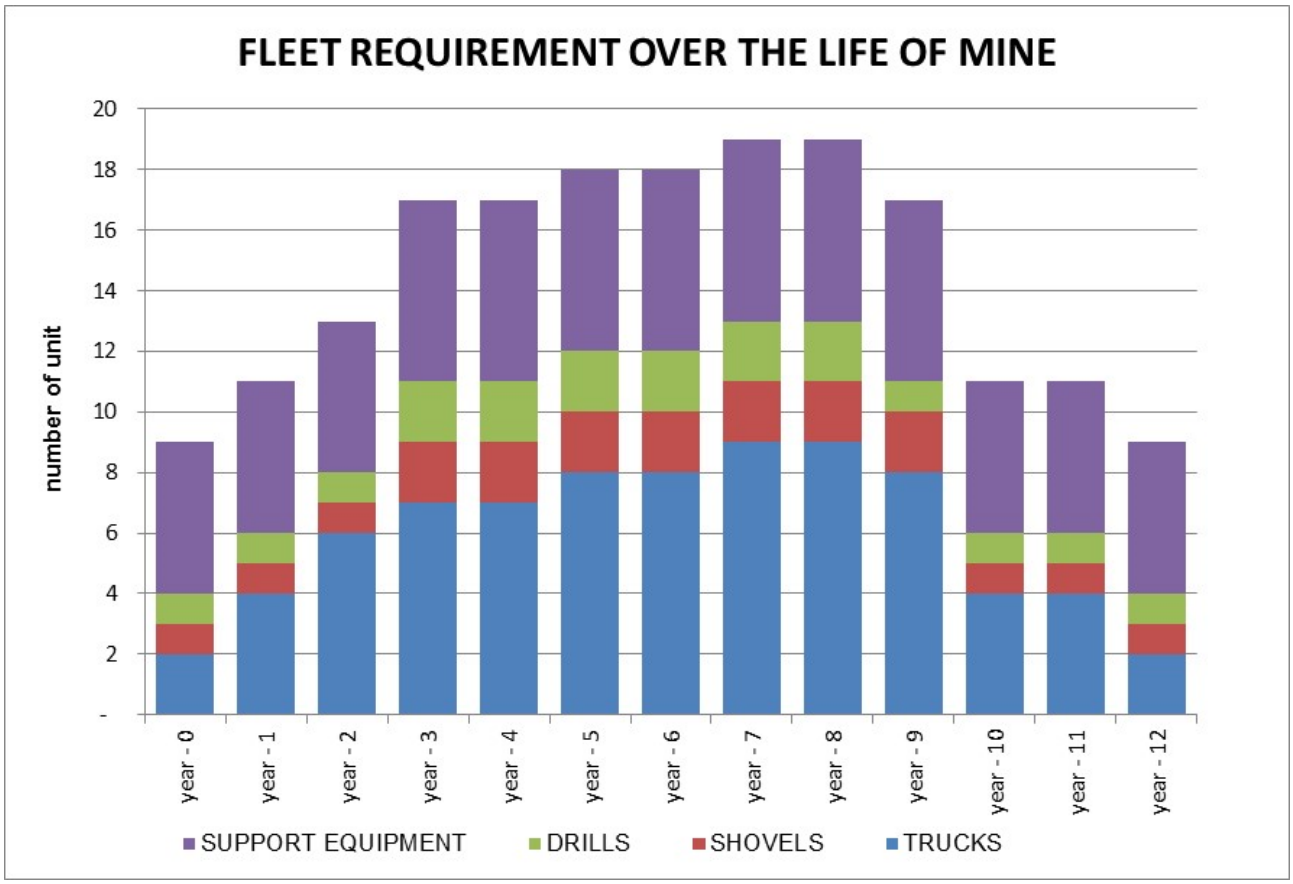

Figure 6: Mining fleet requirements over the LOM

The planned mining activities include:

- Clearing of vegetation, stripping of topsoil and removal to a storage location on site;
- Overburden removal to a separate storage facility. The overburden thickness averages approximately 6 metres and ranges from 0 to 12 metres;
- Haul road construction and sheeting of ramps;
- Drilling and blasting of ore and associated waste including pre-splits on final walls;
- Loading of ore and waste from the pits; and
- Haulage of ore to the ROM pad and waste to the waste dumps.

The mine development used a total of three push-backs, or phases, designed to meet the following objectives:

- Enable the mining of high grade mineralisation as early as possible;
- Effectively reduce the stripping ratio in the initial mining stages;
- Balance the stripping ratio over the period of the mine life;
- Maintain a minimum mining width between two working phases; and
- Blend the high-grade and low-grade ore feeds over the LOM.

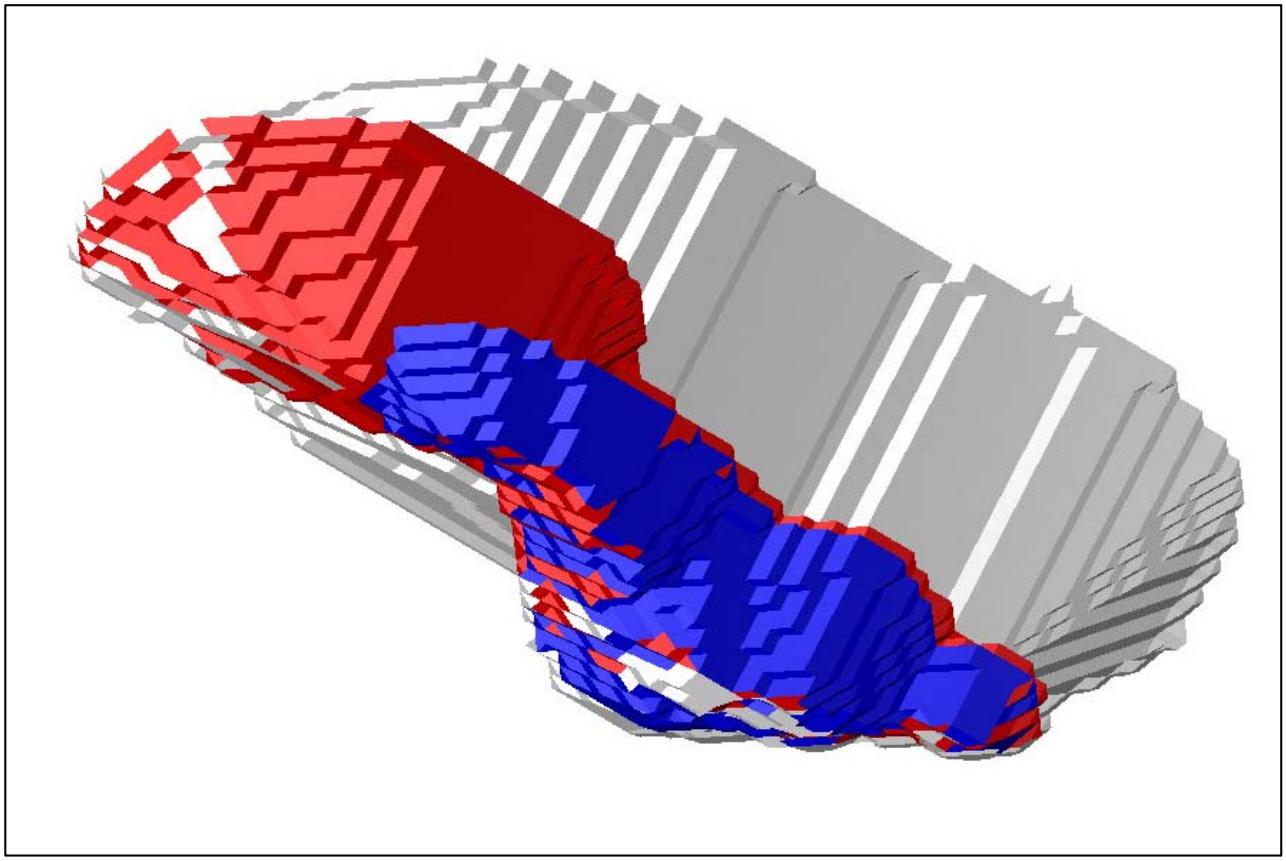

Figure 7: The pit shell coloured in blue was used to guide the design of Phase 1. The pit shell coloured in red was used to guide the design of the Phase 2, and the pit shell colored in light grey was the optimal pit shell used to guide the design of the final pit.

Project Layout

The project has a relatively small footprint of less than 300 hectares. The ore will be mined from a single open pit, and the waste rock and filtered tailings will be co-disposed in order to facilitate water management and reduce the environmental footprint. The waste pile will be located west from the open pit. A collecting pond will be located north from the pit to collect run-off from the waste rock, and tailings pile and water from pit dewatering. The overburden pile will be located close to the waste rock and tailings pile in order to optimise progressive reclamation work.

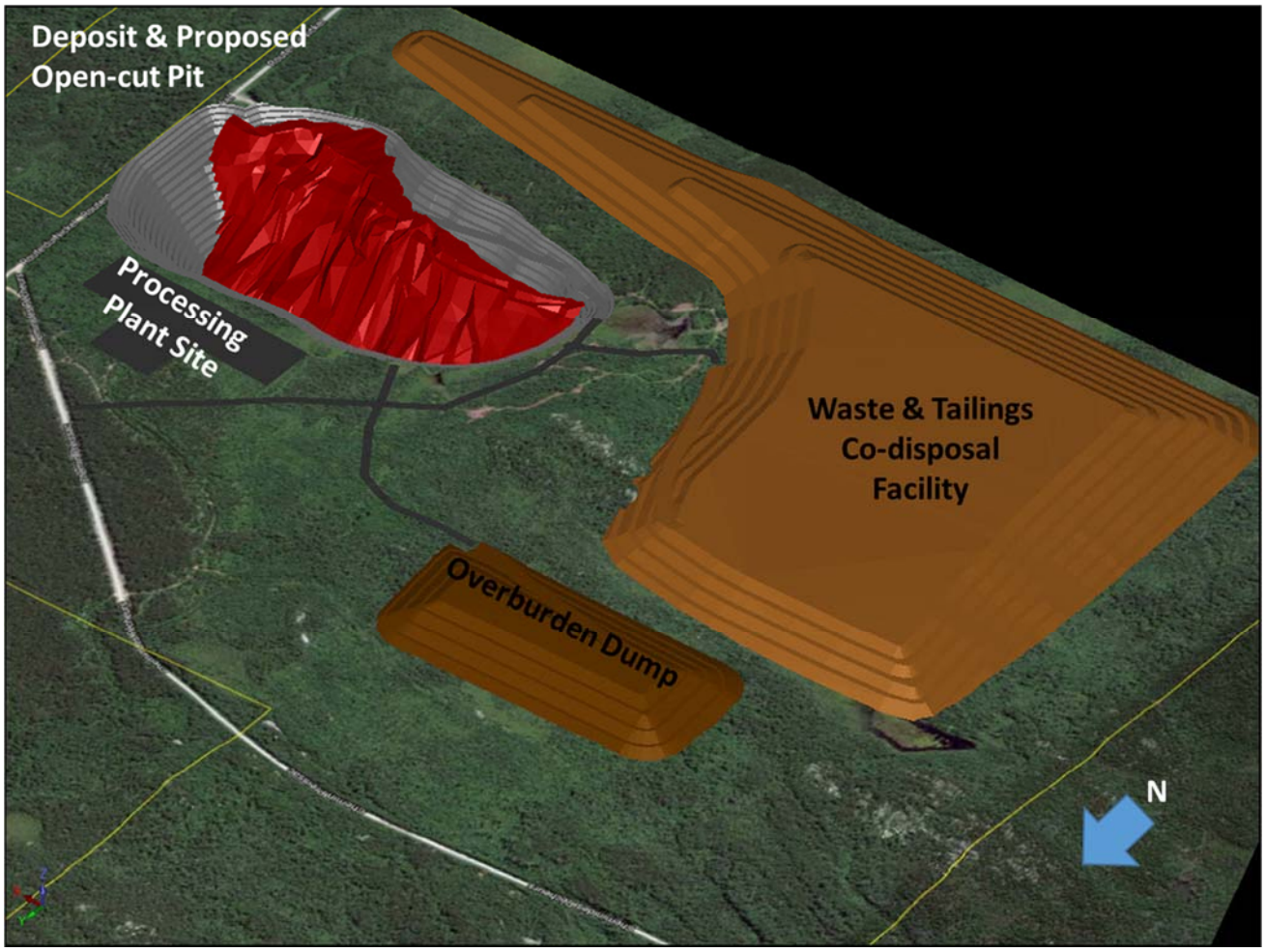

Figure 8: Site layout schematic

Processing Plant

The processing plant has been designed based on a number of metallurgical testing programs. Authier has been subjected to three metallurgical test work programs in 1999, 2012 and 2016. In 1999, Bumigeme Inc, processing consultants, conducted metallurgical testing on a 40 tonne sample and produced concentrate grades between 5.78% and 5.89% Li_2O at metallurgical recoveries between 67.52% and 70.19%, with an average head assay of 1.14% Li_2O. At an average head grade of 1.35% Li_2O, test work demonstrated a recovery of 75% and a concentrate grade of 5.96% Li_2O.

In 2012, further testing on a 270 kilogram composite sample achieved very attractive results including an 88% metallurgical recovery to a 6.09% Li_2O concentrate. The results were achieved in batch flotation after passing the concentrate through WHIMS and two-stage cleaning without mica pre-flotation. Bumigeme used the results of the program to design a conventional process flowsheet incorporating crush, grind and flotation for the 2013 Authier NI43-101 Preliminary Economic Assessment. The flowsheet contemplated the processing of 2,200 tonnes of ore per day at 85% metallurgical recovery to produce a 6% Li_2O spodumene concentrate.

In 2016, Sayona completed a metallurgical testing program using core from twenty-three historical diamond holes totaling 430 kilograms, representing the entire deposit geometry

(including the anticipated 5% mine ore dilution) at SGS Lakefield in Canada. The program included:

- Mineralogical analysis using QEMSCAN;
- Heavy Liquids Separation testing to demonstrate whether Authier spodumene ore is amenable to concentration using Dense Media Separation;
- Further grind-ability testing;
- Batch flotation testing (completed); and
- Variability and locked cycle flotation testing (ongoing).

Based on the results of the study, Bumigeme have designed a concentrator plant to process 700,000 tpa of ore feed using conventional flotation technology suitable for a pegmatite orebody (see Figure 9). The processing plant comprised seven key areas including:

- Three-stage crushing (jaw and two-stages of cone crushing);
- Ball mill grinding;
- Mica-flotation;
- Spodumene flotation;
- Magnetic separation to reduce the iron content of the concentrate;
- Concentrate dewatering and drying; and
- Tailings filtering.

The plant will produce a 5.75% Li_20 concentrate suitable for sale to lithium carbonate conversion plants that supply feed-stock to the lithium battery manufacturers. Further metallurgical testwork will be undertaken to increase the concentrate grade and further reduce the iron content.

Table 6 – Authier Metallurgical Parameters Summary

Parameter	Unit	Value
Process Plant Throughput Rate	tonnes pa	700,000
Metallurgical Recovery	% of mill feed	80%
Average Annual Concentrate Produced	tonnes	99,000
Lithium Concentrate Grade	Li_20	5.75%
Iron Grade in Concentrate	% Fe_2O_3	1.41

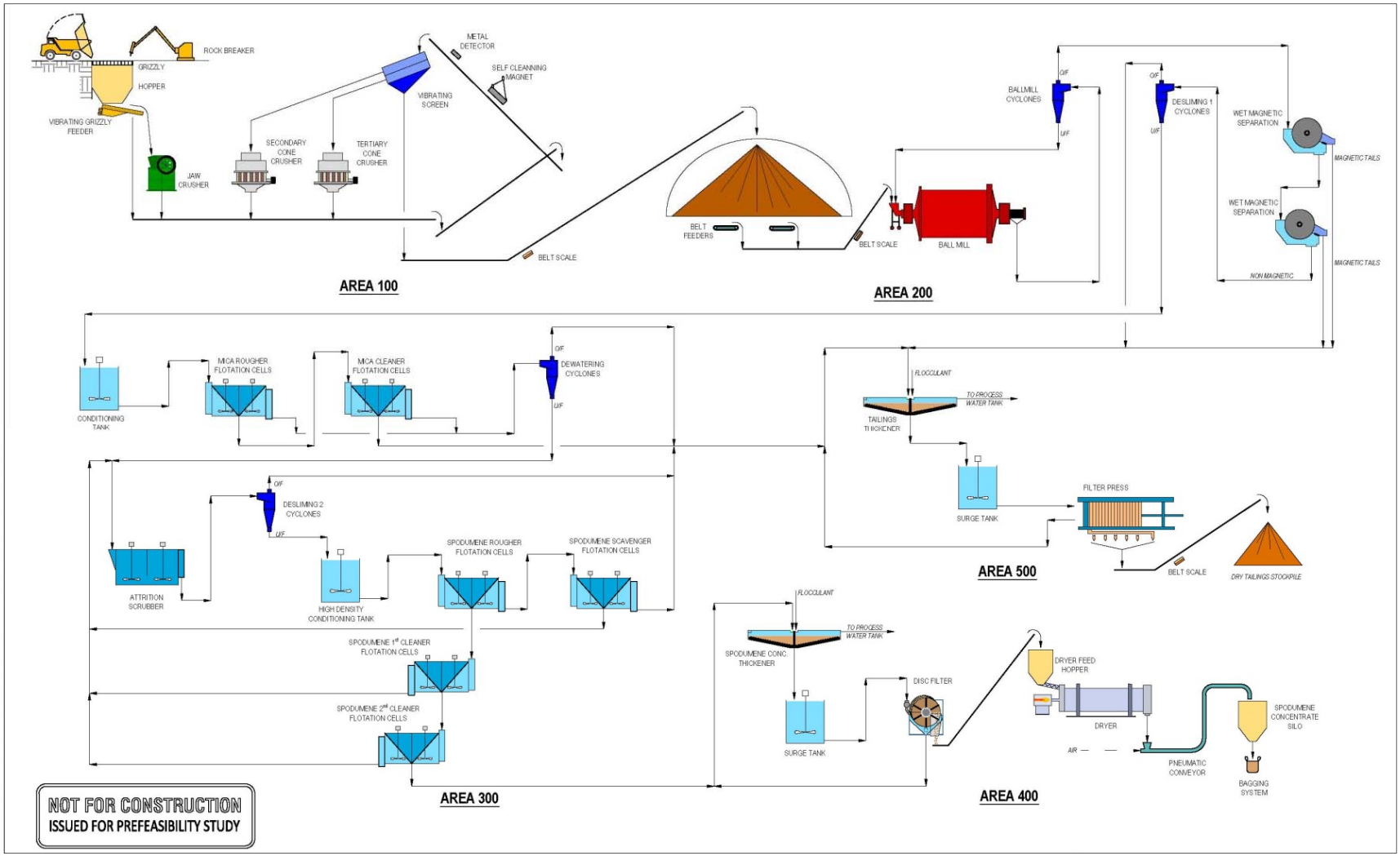

Figure 9: Processing plant flowsheet

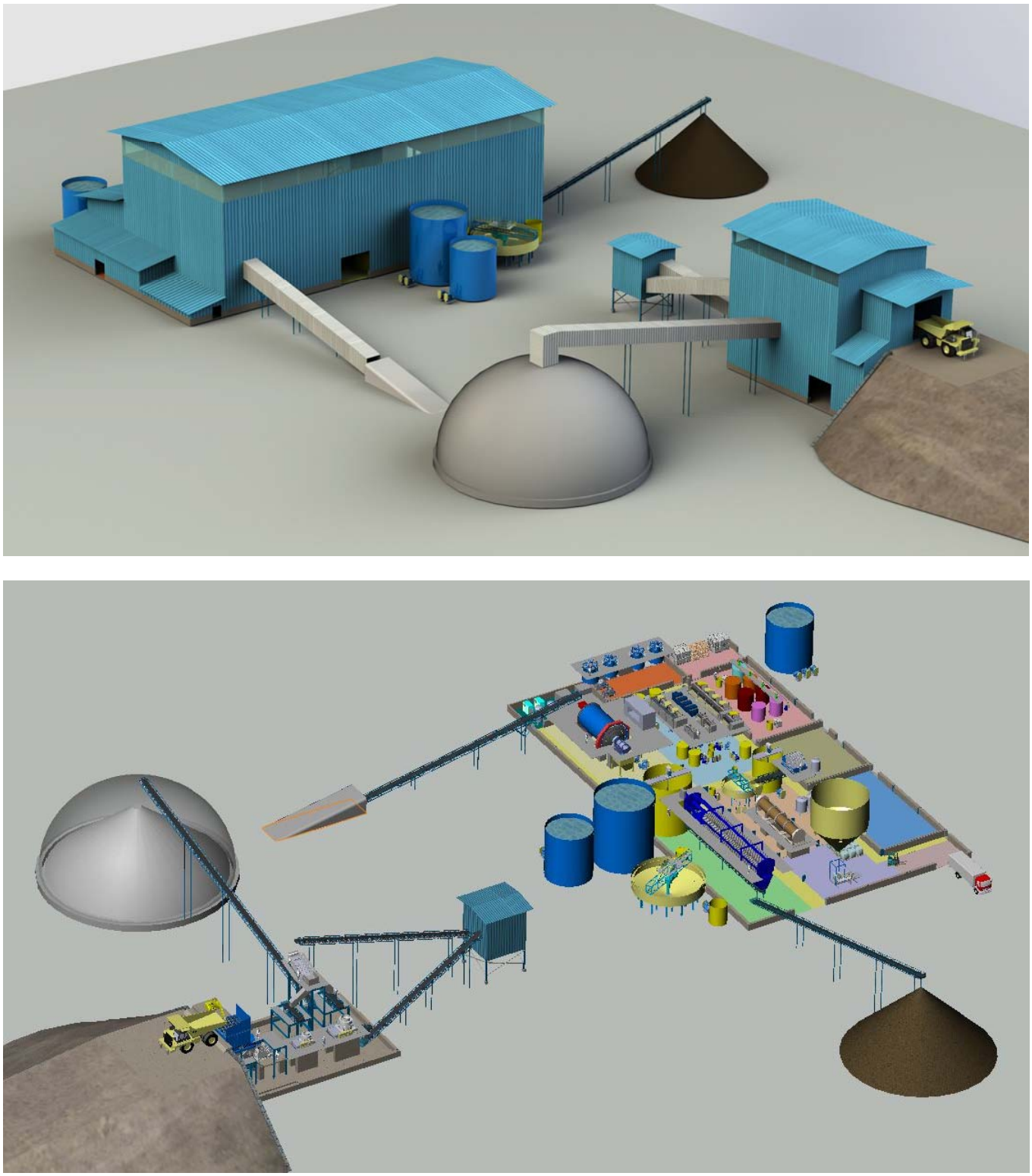

Figure 10: 3D schematics showing the proposed processing plant layout. All of the facilities are housed in sheds for protection from the environment during winter.

Tailings generated from the processing plant will be filtered and dry stacked, and co-disposed in the mine waste stockpiles.

Further metallurgical optimisation and enhancement to improve the metallurgical recoveries and concentrate grades is planned following the completion of the variability and locked cycle test work. Historically, selective sampling for metallurgical testing has generated metallurgical recoveries of up to 88% to concentrates grading higher than 6% Li_2O. Further testing in 2017 is planned to validate the potential improvements.

Logistics and Infrastructure

Authier is located close to the established mining support city of Val d'Or 45 kilometres to the south-east, and the city of Amos 20 kilometres to the north. The project is readily accessible from Val d'Or or Amos by national highway and a high-quality rural road network five kilometres east of the project site. Val d'Or is a major mining centre in northern Quebec, and coupled with other nearby cities, can provide an experienced mining workforce and other mining related support services.

Other infrastructure in close proximity to the project include:

- The Canada National Rail has an extensive rail network throughout Canada. The closest rail connecting to export shipping ports is at Cadillac, 20 kilometres to the south-west. The rail network connects to Montreal and Quebec City, and to the west through the Ontario Northland Railway and North American rail system;
- Quebec is a major producer of electricity as well as one the largest hydropower generators in the world. Green and renewable is well distributed through a reliable power network. Power will be accessed 5 kilometres to the east of the project site via an electricity grid supplied by low-cost hydro-electric power. The estimated total power consumption for the project in full operation is 7.2 MW; and
- Val d'Or is serviced several times daily by various airlines from Montreal.

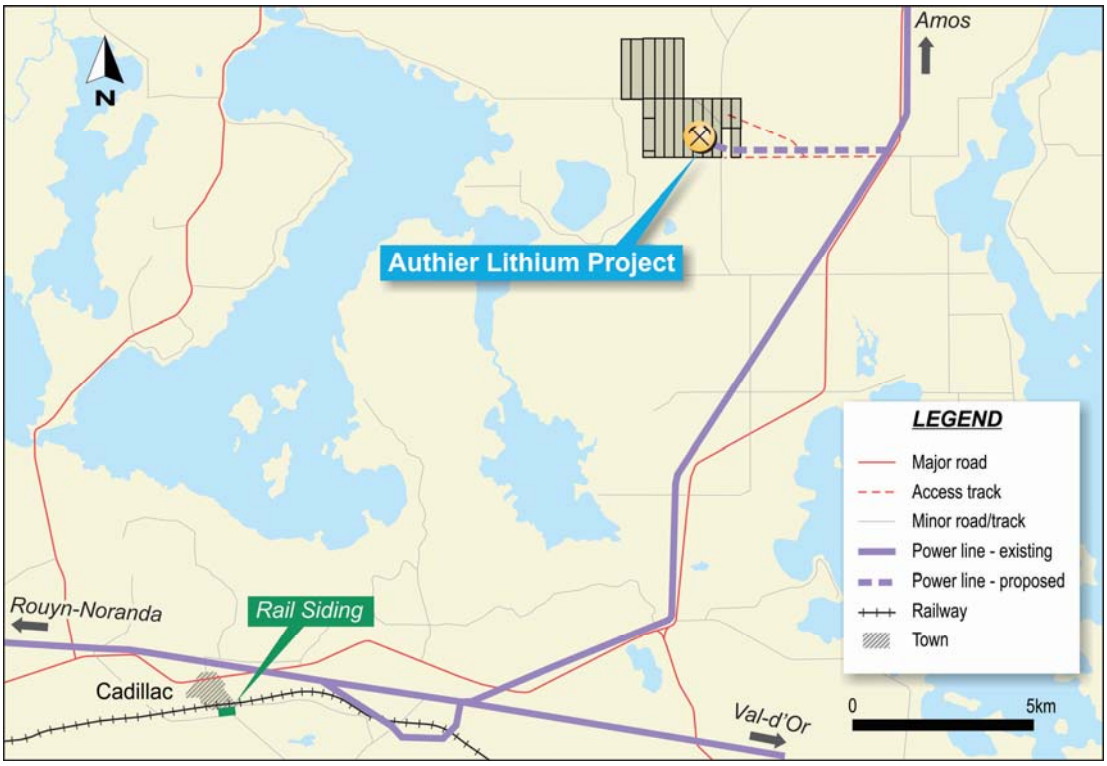

Figure 11: Location of nearby infrastructure

Financial Outcomes

The key parameters and financial outcomes for the PFS are set out below in Table 7.

Table 7– Authier Lithium Project PFS Highlights

Description	Unit	Results
Average Annual Ore Feed to the Plant	tonnes	700,000
Annual Average Spodumene Production	tonnes	99,000
Life of Mine	years	13
Life of Mine Strip Ratio	waste to ore	6:1
Average Spodumene Price	US$/t	515
Development Capital Costs	C$ million	66
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Total Net Revenue (real terms)	C$ million	978
Total Project EBITDA (real terms)	C$ million	449
Average Life of Mine Cash Costs (FOB Port of Montreal)	C$/tonne	367
Net Present Value (real terms @ 8% discount rate)	C$ million	140
Pre-Tax Internal Rate of Return	%	39
Project Payback Period	years	2.2
Exchange Rate	CAD: USD	0.76

Summary of the main assumptions:

1. **Exchange rates** - An exchange rate of 0.76 USD per CAD was used to convert the USD market price projections into Canadian currency. The sensitivity of the base case financial results to variations in the exchange rate was examined. Those cost components which include U.S. content originally converted to Canadian currency using the base case exchange rate were adjusted accordingly;
2. **Corporate tax** - The current Canadian tax system applicable to Mineral Resource Income is used to assess the project's annual tax liabilities. This consists of federal and provincial corporate taxes as well as provincial mining taxes. The federal and provincial corporate tax rates currently applicable over the project's operating life are 15.0% and 11.9% of taxable income, respectively. The marginal tax rates applicable under the recently adopted mining tax regulations in Quebec (originally proposed as Bill 55, December 2013) are 16%, 22% and 28% of taxable income and depend on the profit margin. The analysis for the PFS is done on a pre-tax basis;
3. **Discount rate** – a discount rate of 8% has been applied for the NPV calculation;
4. **Inflation** – All the forecasts within the financial analysis are on a real basis, i.e. with no inflation adjustments; and
5. **Royalties** – The Quebec Government does not impose any royalties on mineral production. However, Authier is subject to a number of vendor royalty payments and a 2% Gross revenue royalty was assumed in the cut-off grade calculations and financial modeling undertaken for the PFS.

Sensitivity Analysis

The sensitivity of the pre-tax NPV and IRR was evaluated for changes in key driven variables and parameters such as:

- Mill and infrastructures capital investment;
- Processing recovery;
- Spodumene concentrate selling price;
- Open pit mining cost;
- Processing cost; and
- And exchange rate between $CAD and $USD.

Table 8 – Sensitivity to Main Assumptions

Variation		**30%**	**-20%**	**-10%**	**0%**	**10%**	**20%**	**30%**
Capital Expenditure								
Capex	$M	**40**	**46**	**52**	**58**	**64**	**69**	**75**
NPV	$M	156	151	146	140	135	130	125
IRR	%	56%	49%	43%	39%	35%	32%	30%
Processing Recovery								
Recovery	%	**56%**	**64%**	**72%**	**80%**	**88%**	**96%**	
NPV	*$M*	-4	44	92	140	188	236	
IRR	%	7%	17%	27%	39%	51%	63%	
Selling Price								
Price	$/t	**361**	**412**	**464**	**515**	**567**	**618**	**670**
NPV	$M	-12	38	89	140	191	242	293
IRR	%	6%	16%	27%	39%	52%	65%	78%
Unit Mining Costs								
Unit Cost	$/t	**2.01**	**2.30**	**2.59**	**2.88**	**3.16**	**3.45**	**3.74**
NPV	$M	179	166	153	140	127	115	102
IRR	%	50%	46%	43%	39%	33%	32%	29%
Processing Costs								
Unit Cost	$/t	**13.60**	**15.55**	**17.49**	**19.43**	**21.38**	**23.32**	**25.26**
NPV	$M	172	162	151	140	130	119	108
IRR	%	47%	44%	42%	39%	36%	34%	31%

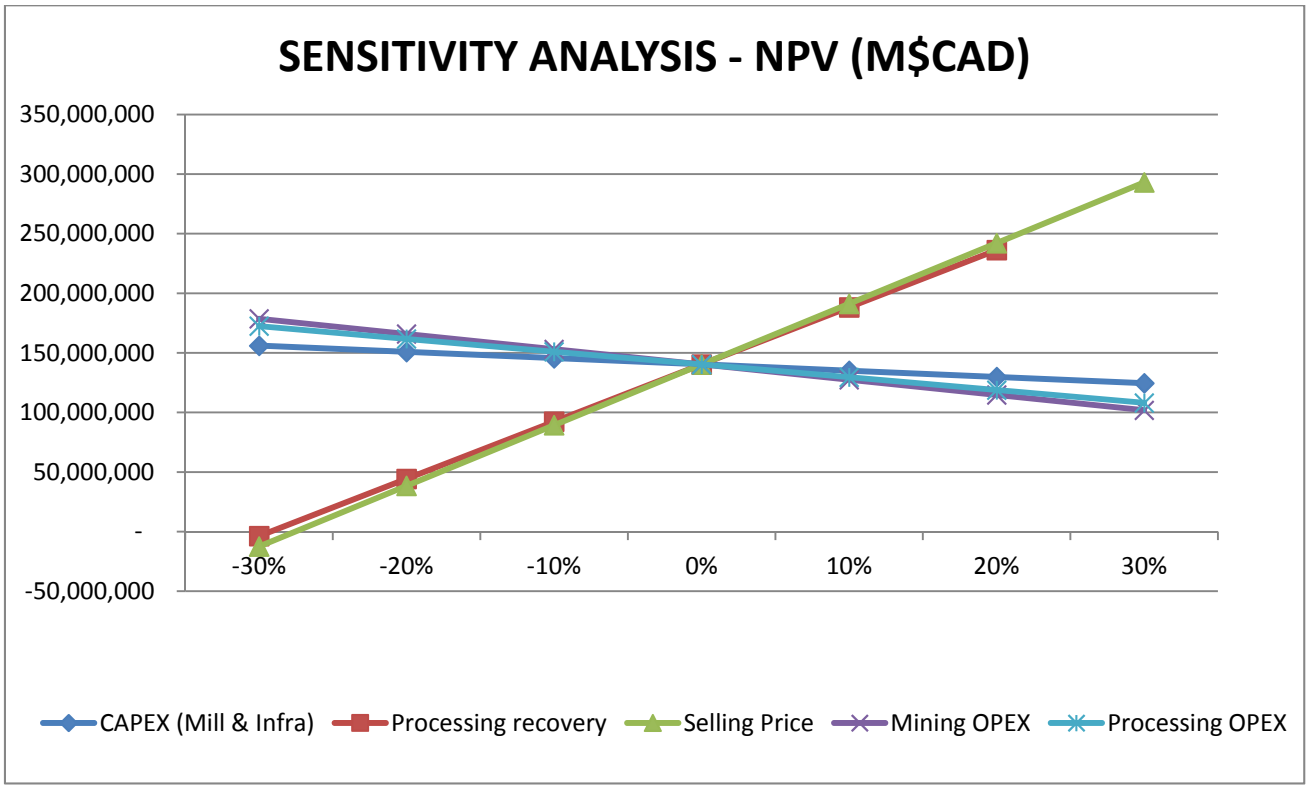

Figure 12: Sensitivity graph of NPV to variations in key factors

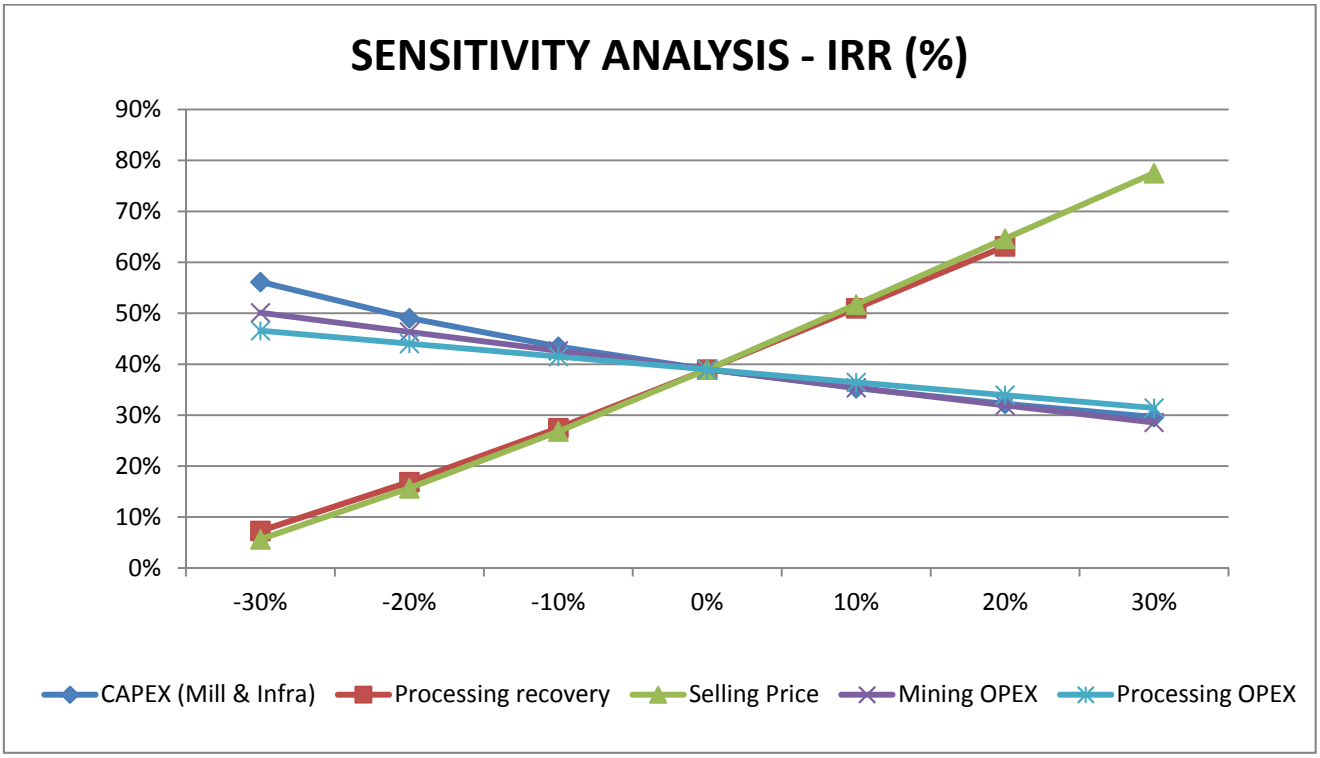

Figure 13: Sensitivity graph of IRR to variations in key factors

The sensitivity analysis demonstrates that the project is mainly sensitive to the processing recovery rate and the spodumene concentrate selling price.

Table 9 (below) shows the sensitivity of the project to the exchange rate used between CAD and USD.

Table 9 – NPV/IRR Sensitivity to the Exchange Rate								
FX Rate	CAD:USD	**0.60**	**0.65**	**0.70**	**0.76**	**0.80**	**0.90**	**1.00**
NPV	$M	237	202	171	140	122	84	53
IRR	%	55%	50%	45%	39%	35%	27%	20%

Capital Costs

The capital cost estimate to construct a new 700,000 tpa process plant, including selected mobile equipment, site infrastructure, and all direct and indirect costs is C$66 million (see Table 10). This estimate includes a contingency of 10%.

The major capital cost item for the project is the processing plant and associated infrastructure. The processing plant capital cost contains an estimate of the equipment cost, installation, instrumentation and control, piping, electrical and building costs. Process equipment costs were either obtained from budgetary quotes or the Bumigme Inc. equipment cost database. Minor equipment costs were estimated based on historical data or with an allowance.

The study assumes that the majority of the mining fleet is leased to keep the overall up-front development capital cost as low as possible.

The project's low capital costs are attributable to a range of factors including:

- Close proximity to established infrastructure – power lines (5 kilometres), sealed national highways (5 kilometres), rail (20 kilometres), local water supplies, and skilled workforce (Val d Or and Amos);
- No requirement for on-site infrastructure such as accommodation camps and power plants;
- Low electricity costs in Quebec; and
- Simple deposit geology, mining and production processes.

The costs presented have been estimated to an overall accuracy of +/-25%, which is typical for this level of study. The estimates exclude any escalation over the LOM. The costs are derived from a combination of quotations from vendors and suppliers specifically sought for this project, and in some instances data sourced from other projects.

Table 10 – Authier Initial Capital Cost Estimates	
Cost Area	**Cost C$ million**
Site Establishment	3.7
Mine Development (pre-stripping)	5.6
Process Plant Supply and Install	34.9
Process Plant Support Infrastructure	1.1
Non-Process Infrastructure	4.6
In-directs Costs (including EPCM and working capit	9.2
Contingency	4.3
Mining Fleet Leasing (1st year – pre-production)	2.2
Total Development Capital Costs	**65.6**

Sustaining costs over the life of the project total C$47.1 million (Table 11).

Table 11 – Authier Sustaining Capital Cost Estimates

Cost Area	Cost C$ million
Mining Fleet Leasing (after commencement of commercial production)	35.2
Mine Sustaining Capital	4.6
Mill Sustaining Capital	4.8
Rehabilitation and Closure Costs	2.5
Total Sustaining Capital Costs	**47.1**

Project LOM capital costs total approximately C$113 million.

Operating Costs

The operating costs for the PFS have been prepared by the study participants. The majority of costs are associated with the mining operations (43%) which were prepared by SGS Canada, and the processing plant facilities (42%) which were estimated by Bumigeme. The balance of the costs (15%) are attributable to vendor royalties, administration and marketing costs.

SGS Canada has estimated the mining costs based on the leasing of the majority of the mining equipment to significantly reduce the initial capital expenditure of the project. Budgetary quotes and hourly rates were received from Caterpillar, Komatsu and Atlas Copco. The total unit mining costs of the project have been estimated at C$2.88/tonne mined over the life of mine. This unit cost can be broken down into C$0.97/t for the drilling and blasting activities, C$1.04/t for the loading and haulage activities, and C$0.87/t for the mine services and ancillary fleet costs.

Bumigeme has prepared the operating costs based on processing 2,000 tonnes per day of ore and using budgetary quotations. The process operating costs consist of manpower, energy, consumables, reagents, spares and other costs required for operation of the mineral processing plant.

The average life-of-mine cash operating cost is approximately C$367/tonne of concentrate mine gate.

Table 12 – Authier Cash Operating Cost Estimates (LOM average)

Cost Area	Cost C$/tonne
Mining	141
Processing	137
Transportation FOB Port of Montreal	38
Vendor Royalties	37
General, Administration and Marketing	14
Total Cash Operating Costs	**367**

Markets and Pricing

Markets

Lithium concentrate produced from Authier will be classed as Chemical Grade specification. The principal markets for Chemical Grade concentrates are battery, lubricants, aluminum smelting and pharmaceuticals applications. The lithium market is currently experiencing a major demand shift driven by the increasingly critical role of the lithium-ion battery technology for storage applications in the automotive, consumer electronics and electricity storage/distribution sectors. The electrochemistry of lithium based batteries provide higher voltage, higher power density and lower discharge rates with no memory effect, when compared to competing technologies.

The lithium-ion battery or rechargeable market represented 38% of total lithium consumption or 70,000 tonnes of Lithium Carbonate Equivalent ("LCE") in 2015, a year-on-year increase of 38%[2]. According to Deutsche Bank, consumption of lithium in volume terms will continue to be driven by the rechargeable battery sector, with total lithium consumption increasing from 181,000 tonnes to 535,000 tonnes LCE by 2025. Key macro drivers include carbon emissions legislation aimed at reducing the reliance on fossil fuels, government incentives, environmental concerns, technological advancements, and the improved product offerings utilising lithium-ion batteries.

According to Deutsche Bank ("DB"), within the battery segment key drivers, include:

- Electric vehicles ("EV") – the adoption of electric vehicles is poised to rapidly expand over the next decade. DB forecasts global EV penetration (including hybrids and plug-in-hybrids) to increase from 4% of 2015 global auto sales (of which EV accounted for 0.6%) to 14% market share by 2025, of which EV makes up 2.6% of sales. This implied the EV market would grow from 0.5 million units in 2014 to 3 million global sales within ten years. This represents growth in lithium demand from 25Kt LCE in 2015 to 205kt in 2025 (23% CAGR over the next ten years);
- Grid scale battery storage – whilst at an early-stage, lithium-ion batteries have the capability to increase energy reliability in undeveloped grids, balance short term grid fluctuations, reduce grid congestion and load shift power requirements from peak periods. The introduction of the Tesla power wall has the potential to revolutionise this market as pricing becomes more affordable. DB forecasts battery use in energy storage will grow to 50GWhpa by 2025, a 46% CAGR over 10 years. As a result, lithium demand will increase from virtually nil in 2015 to 34kt LCE in 2025; and
- Consumer electronics – lithium-ion batteries remain the dominant technology for consumer electronic applications. According to DB, this segment could raise annual consumption from 42kt in 2014 to 63kt LCE by 2020, representing a CAGR of 3.5%. This will be driven by the increased power intensity of mobile headsets as the developing world transitions to smart phones.

Global lithium supply, representing 83% of supply in 2015, is dominated by four key producers: Albermale, SQM, FMC and Sichuan Tianqui. In 2016, Olaroz, Mt Cattlin, Mt Marion and La Negra were new entrants to the market. However, other supply responses have been slower than

[2] Deutsche Bank, Lithium 101, 9 May 2016.

anticipated, and prices have soared to record highs. Galaxy Resources Ltd ("Galaxy") achieved sales contracts at US$600 per tonne FOB Esperance for 5.5% Li_2O concentrate in 2016. In December 2016, Galaxy announced sales contracts for 2017 at US$905 per tonne FOB Esperance for 6% Li_2O concentrate. The potential supply response from other potential new entrants looks to be slow due to funding constraints, and the potential for delays and cost overruns. This could result in a tight supply and demand outlook, and may support the continuation of the high prices currently being contracted.

Prices

Lithium product prices respond to variations in supply, demand and the perceived supply/demand balance in a similar way to most raw materials. The most commonly referenced currency for lithium sales transactions is the USD, although most domestic transactions between Chinese domestic producers and consumers are conducted in the Chinese currency - Renminbi (RMB). The units of measure used in transactions vary from region to region and between product types.

There is no exchange traded market for hard-rock lithium concentrates or other lithium compounds. Predicting pricing for lithium is also difficult as many of the transactions are between private buyers and sellers for small quantities. Spot prices for lithium have become more widely quoted, although they are not thought to influence contract pricing, rather they reflect material available off-contract in small volumes and are likely higher (when the market is good) or lower (when the market is poor) than contract prices.

There are a number of pricing benchmarks for various lithium products (lithium carbonate or lithium hydroxide whose prices can vary significantly depending on grade). However, the most relevant benchmark for spodumene concentrate pricing is the Lithium Carbonate Equivalent price. This pricing data is typically only available via paid subscription services, such as Benchmark Mineral Intelligence, and the quality of the data is limited by the number of transactions available in the public domain.

There is more information available for the pricing of lithium carbonate and lithium hydroxide. There is no direct link between concentrate prices and lithium carbonate price. However, the Li_2O contained in spodumene concentrates allows production of LCE material on a ratio of 1:2.47 (i.e. 100kt of 6.0% Li_2O concentrate containing 6,000t of Li_2O will contain enough lithium to produce 14,840t of lithium carbonate). Concentrate prices will reflect this value, less other processing and input costs borne by the downstream processor.

In recent years, concentrate prices reported to the market have risen with LCE pricing. In March 2016, Galaxy announced details of an off-take contract with Chinese buyers to sell in advance 60,000 tonnes of 5.5% Li_2O concentrate for US$600 per tonne FOB. In December 2016, Galaxy announced it entered into contracts for all of 2017 at a base price of US$830 per tonne FOB for 5.5% Li_2O concentrate (the contract stipulated that should Galaxy produce 6% Li_2O concentrate then the pricing would be US$905 per tonne FOB). The current modelled price for the PFS is a significant discount to the current market and is considered conservative.

Forecasts for lithium concentrate prices are available from independent industry analysts and investment banks and/or brokers. The following Figure 12 demonstrates three investment group spodumene concentrate price forecasts including Deutsche Bank, Canaccord and Edison Research.

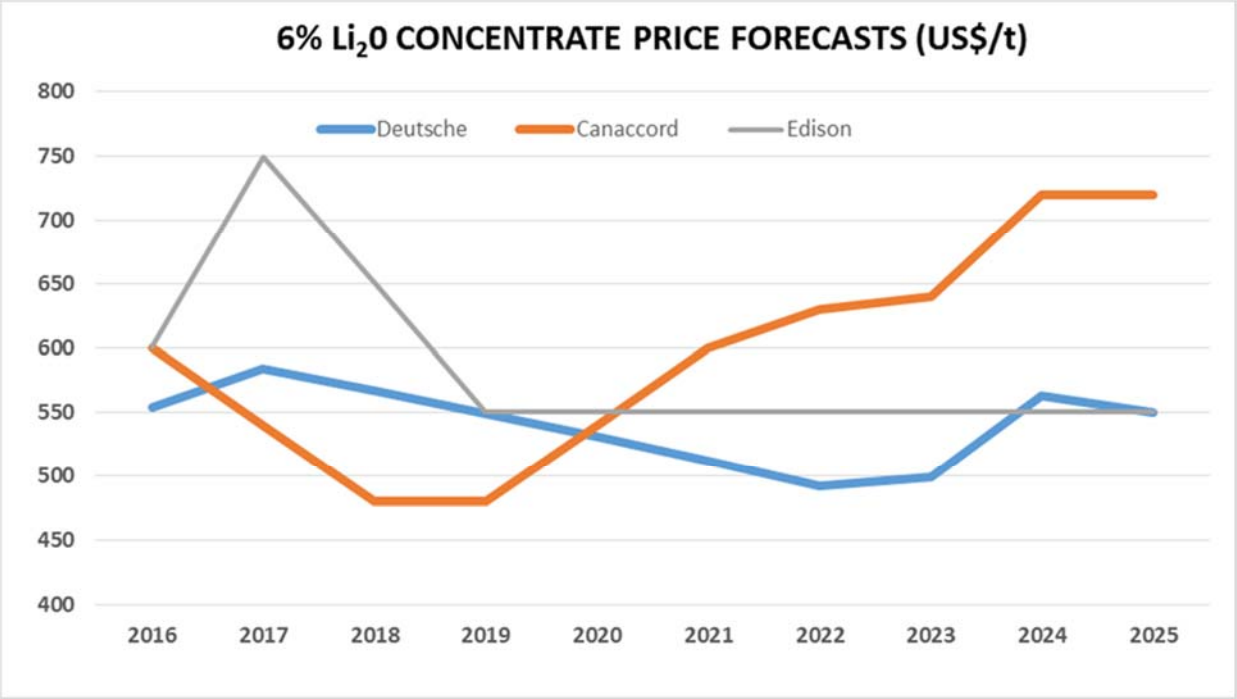

Figure 14: Various lithium spodumene concentrate price forecasts

For the Authier PFS, Deutsche Bank price forecasts from a comprehensive lithium study prepared on the 9th May 2016 have been used as the base case forecast (see Table 13).

For the PFS price forecast, it is assumed that the Authier 5.75% Li_2O concentrate sells at a US$20/t discount to the Deutsche Bank 6% Li_2O concentrate price forecast. The Authier PFS financial outcomes are based on a life-of-mine average spodumene price of US$515/tonne for 5.55% Li_2O concentrate, which equates to a total revenue of C$961 million in real term.

Table 13 – Deutsche Bank Spodumene Concentrate Price Forecast US$/tonne 6% Li_2O

2018	2019	2020	2021	2022	2023	2024	2025 LT
567	549	531	512	492	499	563	550

Source: Deutsche Bank Markets Research, Lithium 101, 9 May 2016.
LT – long term, real terms

Offtake

The Company is exploring a number of options for selling high quality spodumene concentrate that would be produced from a future operation at Authier. This includes direct sales of concentrate to converters that produce lithium products suitable for the global battery markets. Strong demand for lithium products has driven concentrate prices to record levels.

The Company has undertaken discussions with companies that have or are proposing to construct lithium carbonate plants in Canada, and have received strong interest for the supply of new concentrates to these facilities.

In addition, in early November 2016, the Company attended a global lithium conference in China and held a number of discussions with interested parties seeking to establish long-term spodumene sales contracts. China is the global centre for the production of value-added

lithium products and one of the potentially largest markets for the consumption of lithium-ion batteries. The Chinese Government has a stated clean energy policy, which includes significant investment subsidies, for growing electric vehicle sales from less than 500,000 in 2016 to over 5 million by 2020.

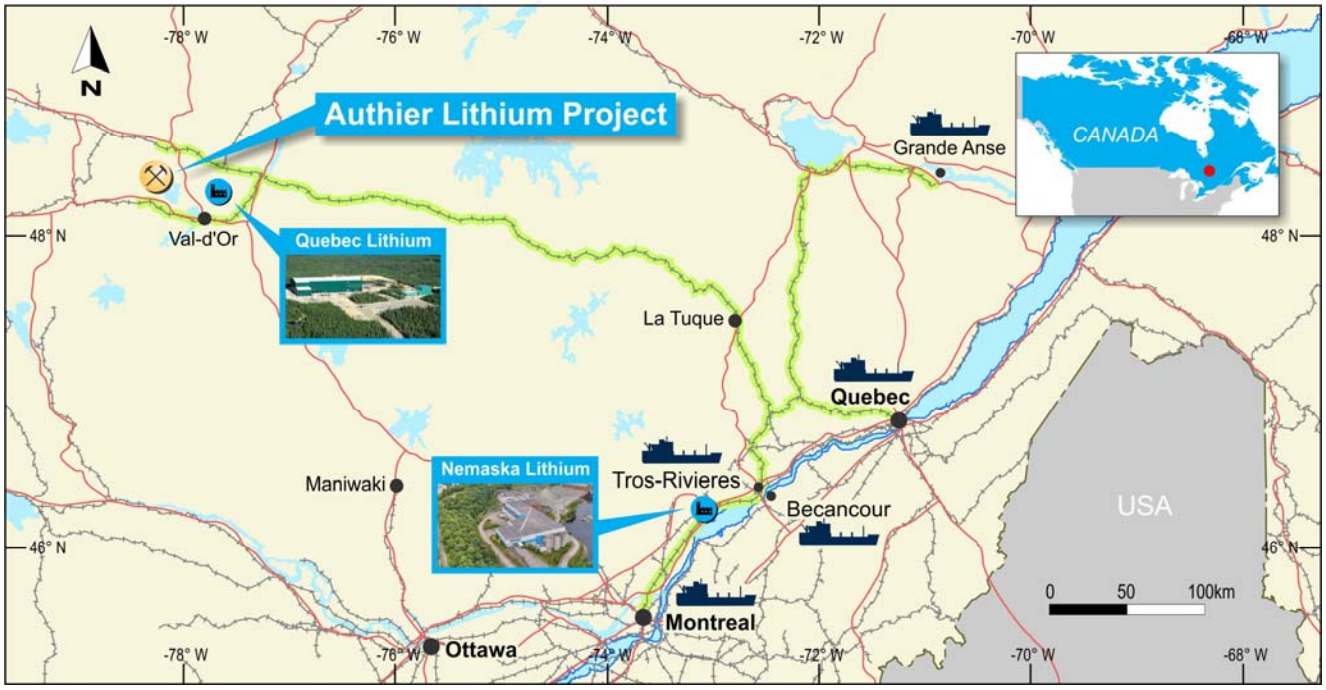

Figure 15: Location of the rail network and potential export ports in Quebec

Optimisation Potential

A number of areas have been identified that could have a significant impact on the base economics of the project, including:

- Continuing to increase the size of the Mineral Resource by testing extensions of known mineralisation along strike as well as by conversion of Inferred Mineral Resources to Reserves and extending the mine life (see Figure 16);
- Infill definition drilling within the main resource zone where the mineralisation is not well defined and is currently treated as waste (see Figure 16);
- Further geotechnical and hydrogeological test work to assess the potential for a steeper hanging wall pit slope. This would reduce the waste removal requirement and LOM waste to ore ratio;
- Increase the size of the Mineral Resource at depth by testing the deep extensions of the known mineralisation, especially those located on the western portion of the deposit. A significant portion of the higher-grade known Mineral Resource is relatively deep and located below the economical open pit depth. The potential for an underground operation could be evaluated during the next phase of studies;
- The Company's current development approach is to initially construct the project with a planned annual production rate of less than 2,000 tonnes per day of ore and avoid a lengthy and costly full Environmental Impact Assessment. Once in production, the

Company will assess the technical and economic viability of expanding the production capacity of the project;

- Further metallurgical optimisation and enhancement to improve the metallurgical recoveries and concentrate grades. Historically, metallurgical recoveries of up to 85% and concentrate grades higher than 6% Li_20 have been achieved in certain parts of the deposit and further testing is required to ascertain whether this can be extended homogenously across the deposit;
- Reduction in the capital cost through the use of high-quality refurbished used equipment. Val d'Or district is situated in a major mining district and may present opportunities for identifying suitable equipment; and
- Completion of binding off-take agreements that could potentially offer high spodumene prices in line with the current market prices which are higher than modelled in this study.

In addition, the Company is actively evaluating value-adding opportunities in the downstream lithium sector. Currently there are significant financial margins being achieved by the processing of spodumene concentrates into lithium carbonate. The Company is evaluating the technical and economic viability of building a lithium carbonate and/or hydroxide production conversion facility to enhance the project value, and improve the long-term competitive position of the project. Quebec is uniquely positioned with a number of significant commercial and market advantages. Quebec has excellent infrastructure including globally competitive, low-cost gas and electricity prices, skilled labour, road and rail transport networks, a supportive government, and is in close proximity to the US markets including the Tesla Giga factory in Nevada.

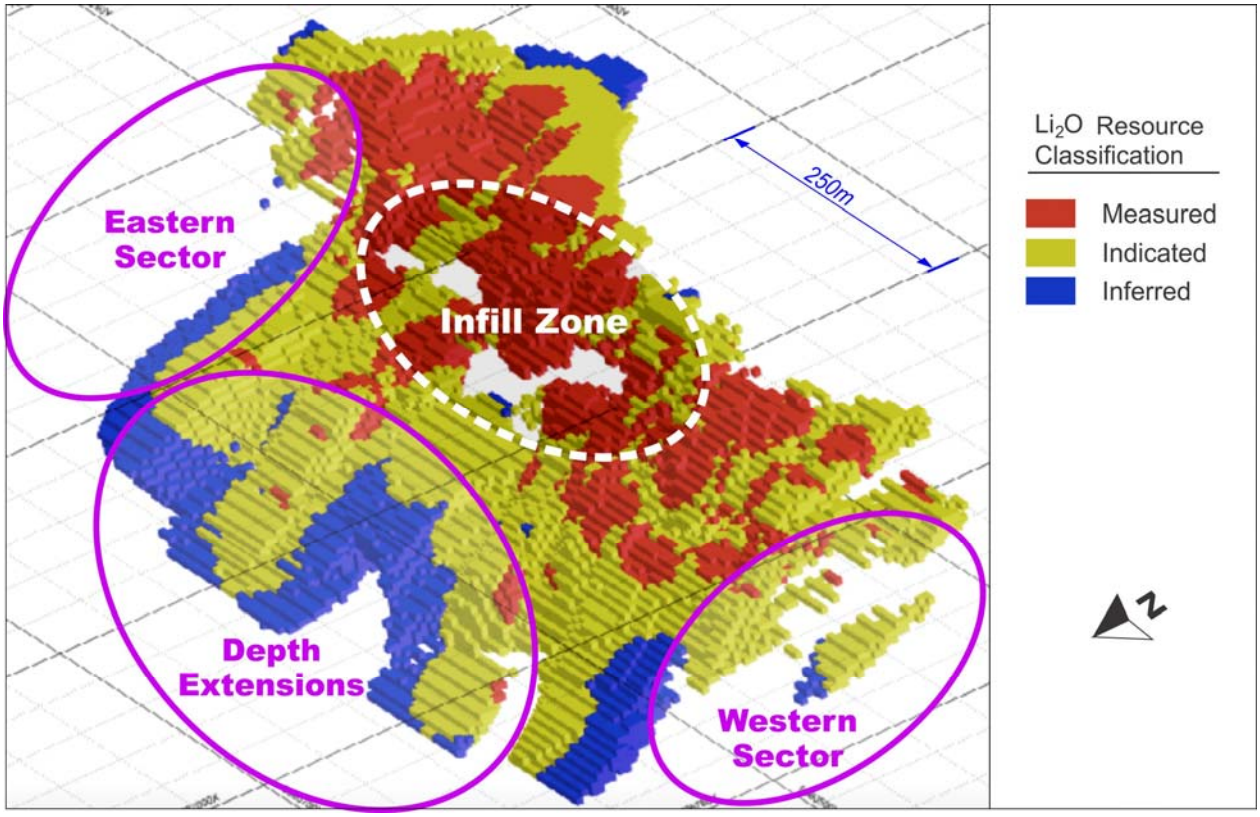

Figure 16: Target zones for the in-fill and expansion zones

Environmental Assessment and Approvals

Environmental Permitting

The Regulations Designating Physical Activities (SOR/2012-147) identify the physical activities that constitute the "designated projects" that may require an environmental assessment by the Canadian Environmental Assessment Agency ("CEAA"). The CEAA is responsible for the Canadian Environmental Assessment Act (2012). As the project did not generate any "designated activity", an impact study under the Canadian Environmental Assessment Act is not required.

On the Provincial side, no Environmental Impact Assessments ("EIA") will be required for the Project as the proposed output remains less than 2,000 tpd (EQA Q-2, r.23). Mainly two provincial ministries will issue permits: the MERN and the MDDELCC. The Company is currently engaged with the local provincial authorities to establish the permitting regime for Authier.

Certificates of authorisation under provincial Environmental Quality Act (LQE), art.22, will have to be obtained from the MDDELCC for most of activities that may result in a change in the quality of the environment. In order to expedite the start of construction, preparation of the permit applications can begin before the completion of the detailed project engineering. The following principal permits that may be required from both federal and provincial governments:

Government of Canada

- License and Permit under Explosives Act, art. 7(1) – license for explosives factory and permit for transportation of explosives;
- Approval under Transportation of Dangerous Goods Act, 1992, art. 7 – emergency response assistance plan to import, offer to transport, handle or transport dangerous goods; and
- Agreement with Competent Minister or Permit under Species at Risk Act, art. 73 – activity affecting a listed wildlife species, any part of its critical habitat or the residences of its individuals.

Government of Québec

- Certificate of Authorisation under Loi sur la qualité de l'environnement ("LQE"), art. 22 – activities that may result in a change in the quality of the environment;
- Depollution Attestation under the LQE, art. 31.11 (see Règlement sur les attestations d'assainissement en milieu industriel) – emissions of a metal ore mining establishment with a mining capacity greater than 2,000,000 metric tonnes per year of ore or mine tailing processing capacity greater than 50,000 metric tonnes per year (operations involving ore beneficiation are included in ore processing operations);
- Authorisation under LQE, art. 32 – establish waterworks or install devices for waste water treatment;
- Authorisation under LQE, art. 48 – install atmospheric depollution equipment;
- Authorisation under Loi sur les espèces menaces ou vulnérables, art. 17 – activity carried out in threatened/vulnerable plant species habitat;
- Wildlife Management Permit under Loi sur la conservation et la mise en valeur de la faune, art. 26 – disturbance to beaver dam, eggs, nest or den;

- Authorisation under Loi sur la conservation et la mise en valeur de la faune, art. 128.6 – activity carried out in wildlife habitat pursuant to Règlement sur les habitats fauniques;
- Lease under Loi sur les mines, art. 100 – Mining Lease (the application must be accompanied by, among other things, a closure and rehabilitation plan and a scoping and market study on processing in Québec);
- Approval under Loi sur les mines, art. 241 – tailings and waste storage and concentrator site;
- Authorisation under Loi sur les mines, art. 232.2 – land rehabilitation and restoration work;
- Lease under Règlement sur la vente, la location et l'octroi de droits immobiliers sur les terres du domaine de l'État, art. 39 – occupation of Crown land;
- Forestry Permit under Loi sur l'aménagement durable du territoire forestier, art. 73 – forest development activities (related to timber felling, construction of infrastructure) by mining rights holder;
- Certificate of Authorisation (in accordance with LQE, art. 22) under Règlement sur les carrières et sablières, art. 2 – pit or quarry operation;
- Approvals under Loi sur le régime des eaux, arts. 57 and 71 – construction/ maintenance of reservoirs for storage of water from waterbodies/ watercourses and construction/maintenance of dams and other water-retaining works respectively;
- Authorisation under LQE, art. 46 s) (Règlement sur le captage des eaux souterraines, art. 31) – wells (groundwater extraction for industrial water supply) if collection exceeds 75 m3 per day;
- Permits under Règlement d'application de la Loi sur les explosifs, arts. 3, 4 and 6 respectively – possess, purchase, store and transport explosives;
- Approval under Loi sur le Bâtiment (Code de Construction), art. 8.08 – installation of petroleum equipment (storage of petroleum products);
- Certificate of Conformity under Loi sur le Bâtiment (Code de Construction), art. 8.12 – installation of high-risk petroleum equipment; and
- Maintaining a Register, Certificate of Conformity and Permit under Loi sur le Bâtiment (Code de sécurité), arts. 114, 115 and 120 respectively – installation and operation of petroleum equipment (including high-risk petroleum equipment).

Authier Environmental Studies

A detailed base-line environmental study was completed for Authier in 2013 by Dessau. The study reviewed available information across a number of disciplines, including geology and soils, hydrogeology, hydrology, air quality and noise, flora and fauna, socio-economic setting and archaeology.

Whilst the environmental study did not highlight any significant environmental issues, it recommended a high-level focus on water and tailings management. As such, the Company has engaged consulting firms to undertake a number of updated studies as part of this PFS, including:

- Best practice tailings and waste rock disposal options. The PFS contemplates that the best practice is to produce filtered tailings which will be co-disposed with the waste rock in order to facilitate water management and reduce the footprint;

- Progressive site reclamation and remediation planning during operation and for end of mine activities;
- Geochemical characterisation program of waste rock and tailings. Preliminary results showed that the waste rocks and tailings are not acid generating. This is consistent with the experience of other nearby similar deposits and operations; and
- A hydrogeological study to assess the hydrogeological conditions prevailing in the area, the current quality of the groundwater, and identify any potential impacts on the project groundwater, plan the pumping activities, and to provide information for the geotechnical engineering and geo-mechanics of the project (note – this study is planned to commence in early 2017).

The Company remains committed to reducing any negative impacts of its operations during the exploration, development and operational phases.

First Nations

The Company is planning to engage with the First Nations in early 2017.

Mining License

Mining Lease Applications are initiated through the Ministère de l'Énergie et des Ressources Naturelles ("MERN"). A Mining Lease will be granted only when the following conditions are fulfilled:

- Completion of a feasibility study;
- Completion of a scoping and marketing study for processing within Quebec;
- Rehabilitation and restoration plans have been approved;
- Certificate of authorisation stipulated in sections 22, 31.5, 165 and 201 of the Environment Quality Act has been issued; and
- A survey plan has been formalised by the Office of the Surveyor-General of Québec.

The initial term of the lease is 20 years. The lease may then be renewed no more than three times for a period of 10 years each time. After the third renewal, it may be renewed for periods of five years. Within 30 days after the lease is issued, the lessee must establish a monitoring committee to foster the involvement of the local community in the project as a whole.

Before a Mining Lease can be granted for a metal mine project where the mine has a production capacity of less than 2,000 metric tons per day, a public consultation initiated by the proponent must be held in the region in which the mine will be located. The Company has initiated early discussions with the La Motte Council outlining the plans for the development of the Authier project, and further consultation is planned for 2017.

Project Implementation

The Company's project development plan encompasses the following activities, and is targeting construction commencing early 2018 and commissioning at the end of 2018:

- Continuing resource expansion and definition drilling;
- Mineral Resource and Ore Reserve upgrades;
- Pilot plant metallurgical testing;

- Preparation of a Definitive Feasibility Study;
- Completion of Environmental and Mining Lease permitting;
- Community and First Nations consultation;
- Off-take agreements; and
- Selection of an Engineering, Procurement and Construction group.

Pre-Feasibility Study Team and Scope

The PFS has been prepared by a number of well credentialed organisations including SGS Canada and Bumigeme, who together have significant experience and expertise in all aspects of lithium resource definition, mining, processing and infrastructure requirements in Quebec, Canada. Both SGS Canada and Bumigeme were involved in the preparation of the Authier NI43-101 Technical Report, Preliminary Economic Assessment, completed in 2013.

Lamont Expert Conseil has assisted in the preparation of the PFS in relation to water management, closure plan, environmental and licensing.

Dr Gustavo Delendatti has been involved in the preparation of the JORC (2012) Mineral Resource estimate. Dr Delendatti is 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 campaign (3,967 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 on the subject matter.

Study Area	Contributor
Metallurgical Test Work	SGS Lakefield
Process Engineering	Bumigeme
Waste Rock Characterisation	SGS Lakefield
Mining	SGS Canada
Tailings and Water Management	Lamont Expert Conseil
Mine Closure Plan	Lamont Expert Conseil
Mineral Resource Estimation	Dr Gustavo Delendatti
Market Studies	Sayona Mining Ltd
Financial Modelling	Sayona Mining Ltd

The study has been completed to an accuracy level of +/- 25%.

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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 as at www.sayonamining.com.au

COMPETENT PERSON STATEMENTS

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 this exploration drilling campaign, supervised the preparation of the technical information 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.

FORWARD LOOKING STATEMENTS

This presentation may contain certain forward looking statements. Such statements are only predictions, based on certain assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond Sayona Mining Limited's control. Actual events or results may differ materially from the events or results expected or implied in any forward looking statement. The inclusion of such statements should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions or that any forward looking statements will be or are likely to be fulfilled. Sayona Mining Limited undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this presentation (subject to securities exchange disclosure requirements). The information in this presentation does not take into account the objectives, financial situation or particular needs of any person. Nothing contained in this presentation constitutes investment, legal, tax or other advice.

REFERENCE TO PREVIOUS ASX RELEASES

This ASX release refers to the following previous ASX releases:

- "Authier JORC Resource Estimate", 7 July 2016
- "Authier Maiden JORC Ore Reserves", 16th February 2017

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.