

*Sourcing the
raw materials
of the future*

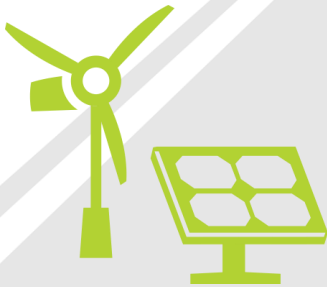
ASX: SYA

The Green Energy Revolution



Creating Demand for **Graphite & Lithium** for Use in Batteries

The Company's strategy is to **change the world and power the future** by sourcing and developing the raw materials essential for lithium-ion battery production

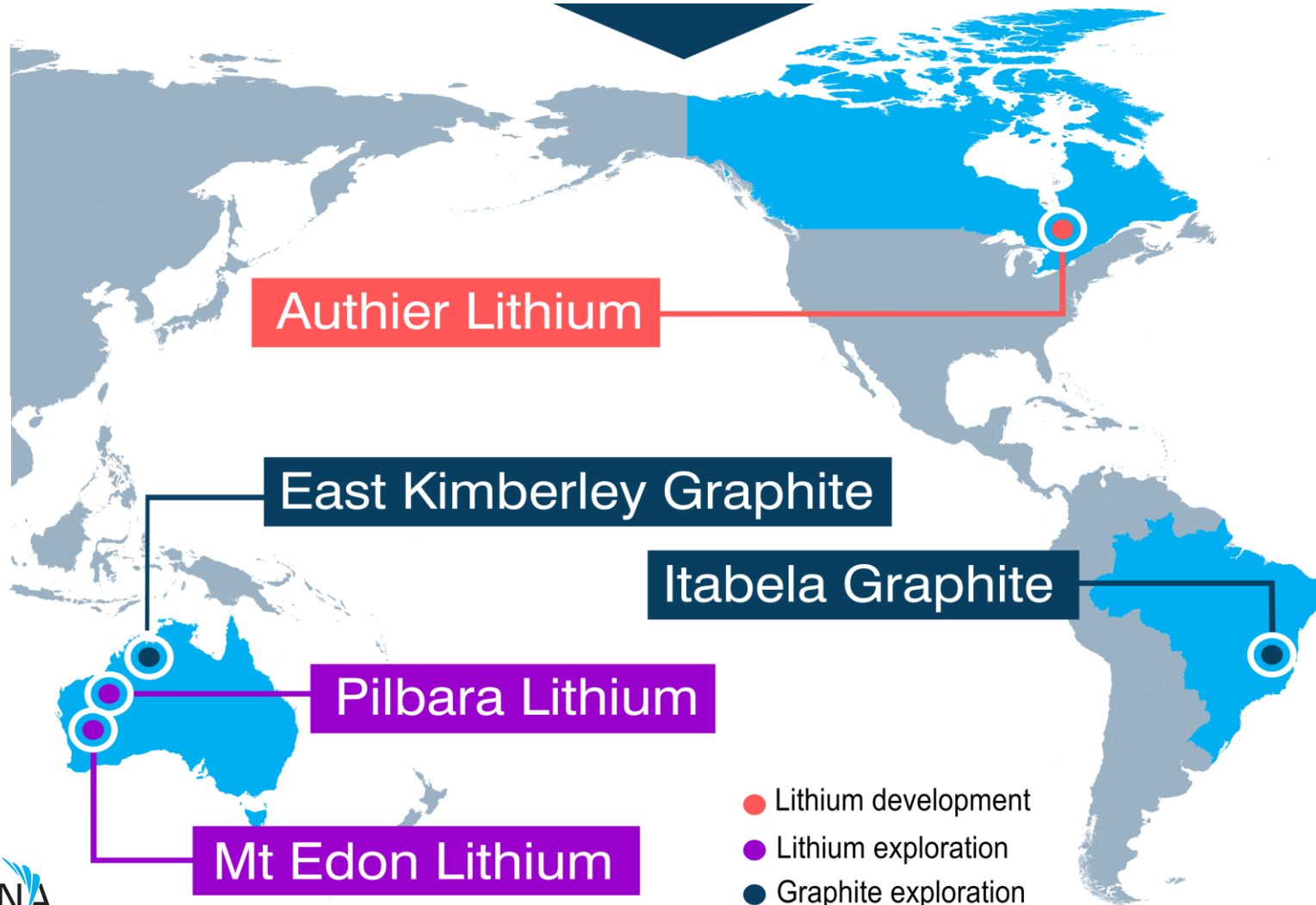


Sayona Project Portfolio

Lithium

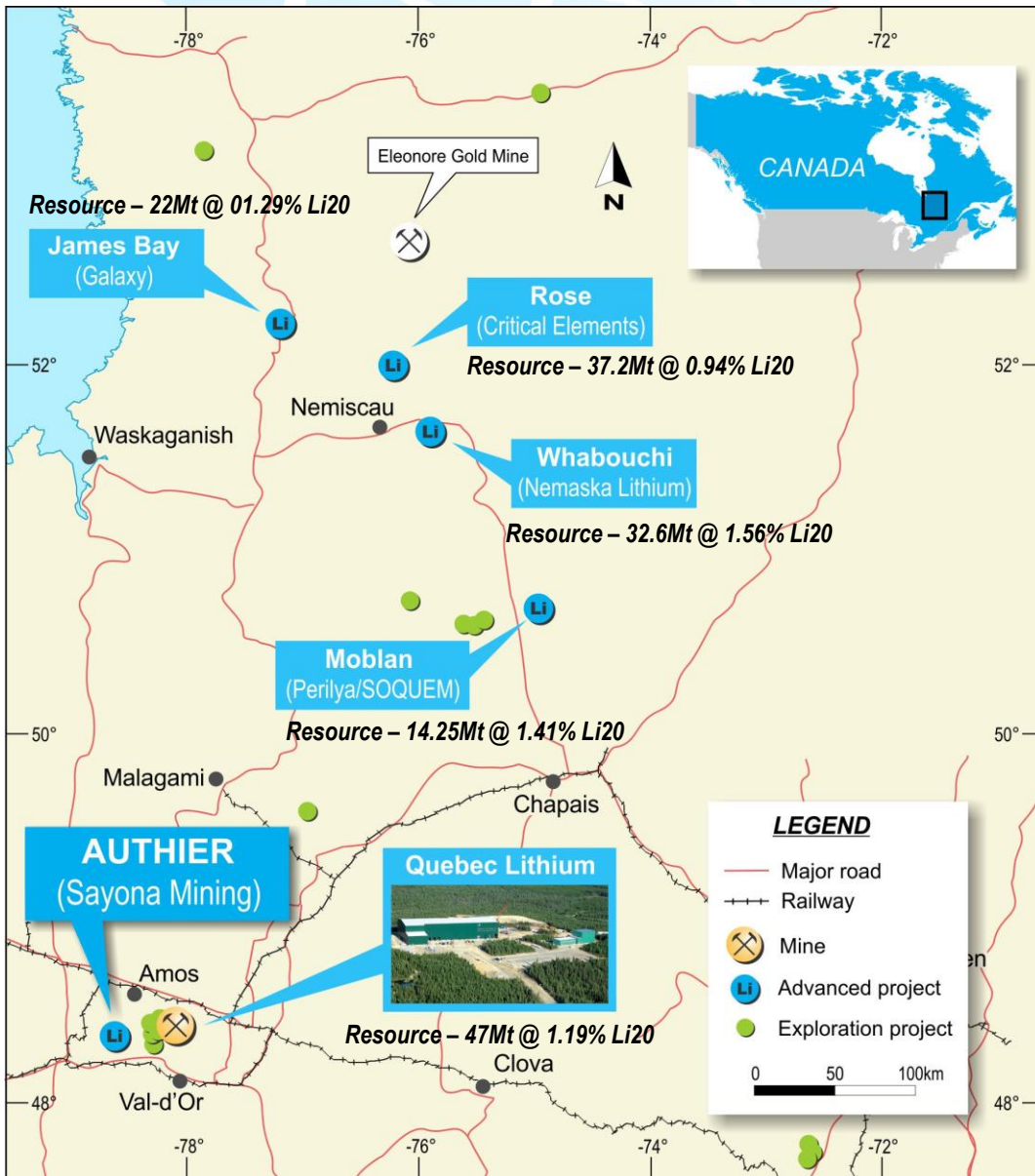


Graphite



Quebec, Canada

A globally significant region for lithium deposits



Quebec has a well developed mining industry

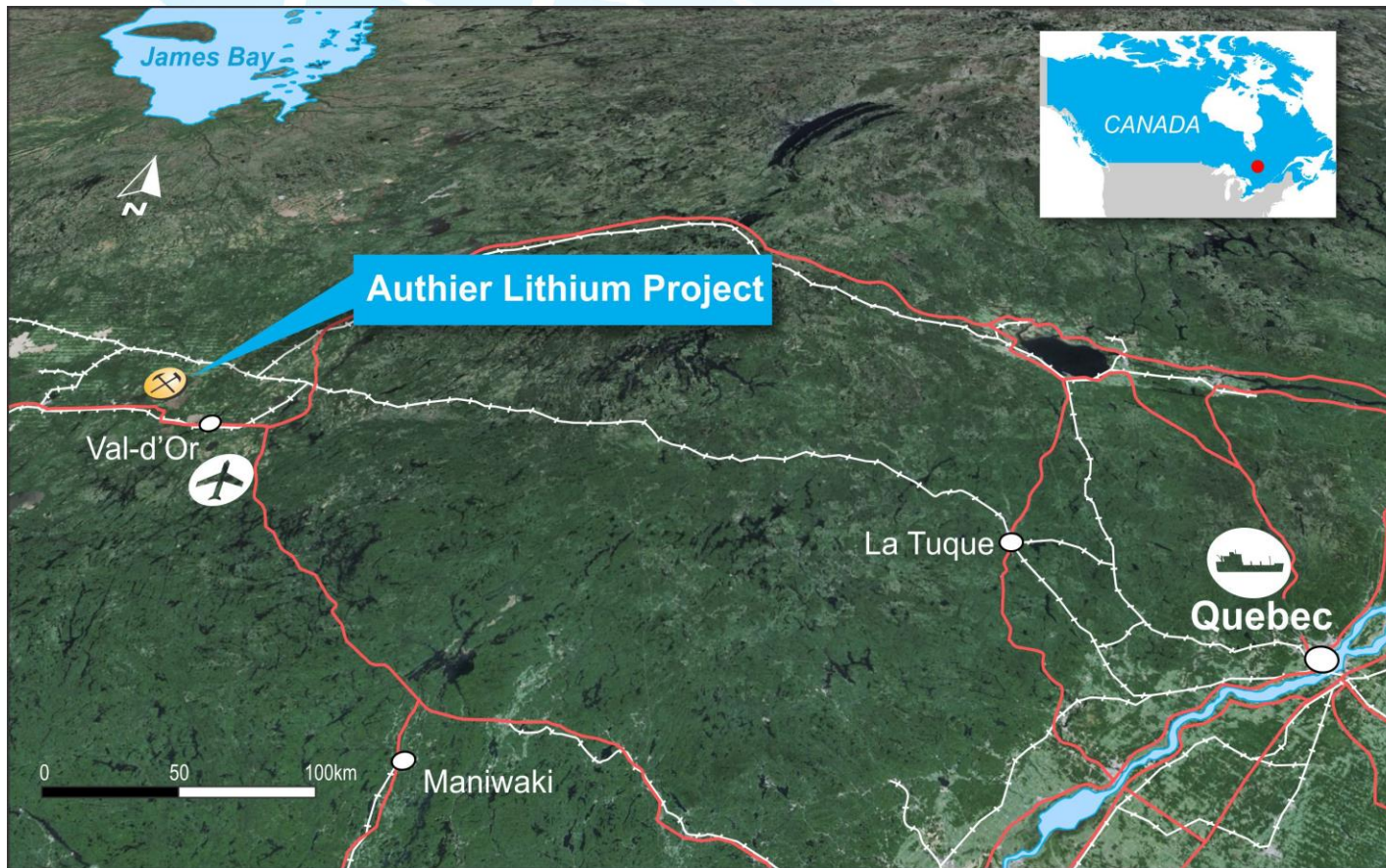
Host to a number of large high-grade Lithium deposits

TOP rated mining jurisdiction by Fraser Institute (no. 6 in world)

Strong Government Support for Mining

Proposed Acquisition of Authier

Well established development infrastructure



Excellent Infrastructure

Low cost **hydro power**
Road and rail access
Experienced **local**
mining workforce

653 ha
tenement
package

Located in a major
mining district



Authier Resources

Large resource of contained lithium

Authier Global Mineral Resource Estimate*

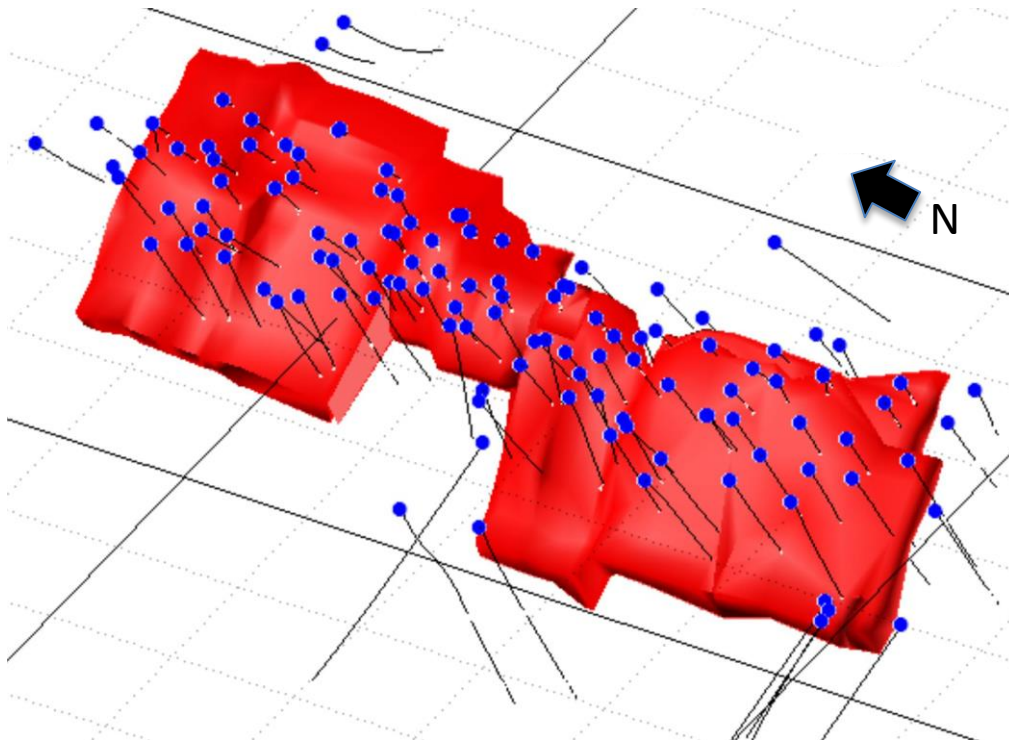
Category	Tonnes (Mt)	Grades (Li₂O)	Contained Li₂O
Measured	2.24	0.95%	21,318
Indicated	5.43	0.97%	52,681
Inferred	1.52	0.96%	14,899
Total	9.22	0.96%	88,898

* (0.5% Li₂O cut-off grade)

Cautionary Note - National Instrument 43-101 is a national instrument for the Standards of Disclosure for Mineral Projects within Canada. The Mineral Resources stated are foreign estimates and are not reported in accordance with JORC Code. A competent person has not done sufficient work to classify the foreign estimates as Mineral Resources in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimates will be able to be reported as Mineral Resources in accordance with the JORC Code.

Authier Lithium Deposit

Extensively drilled, simple deposit



Looking south-east

Spodumene
Bearing
Pegmatite

15,000m
drilled

123 holes

2,143
lithium assays

**Authier
Deposit**

825m long
25m average width

**200m deep and
still open**

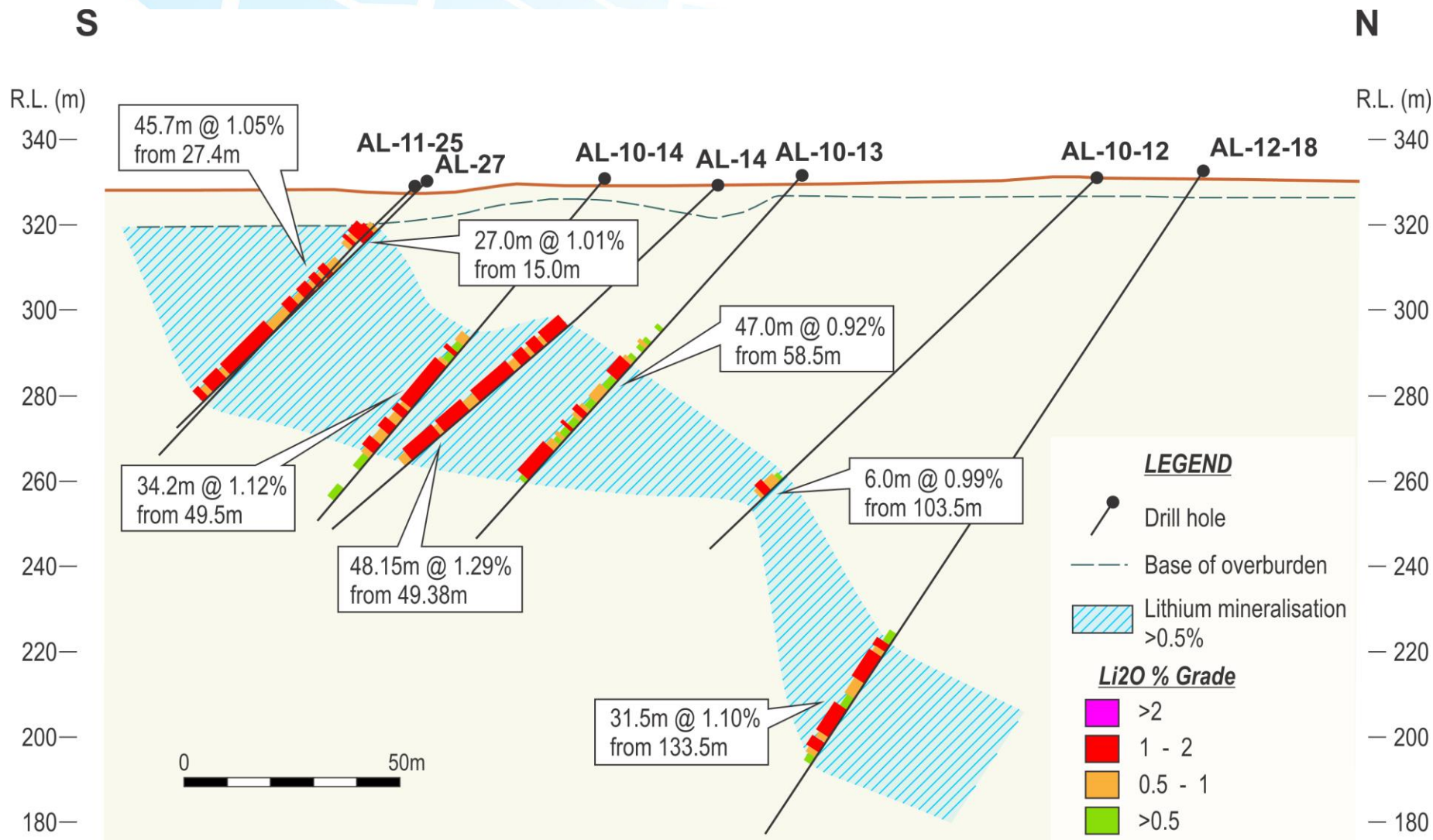
Well studied

NI43-101
completed in 2013

**Commercial and
technical viability
confirmed**

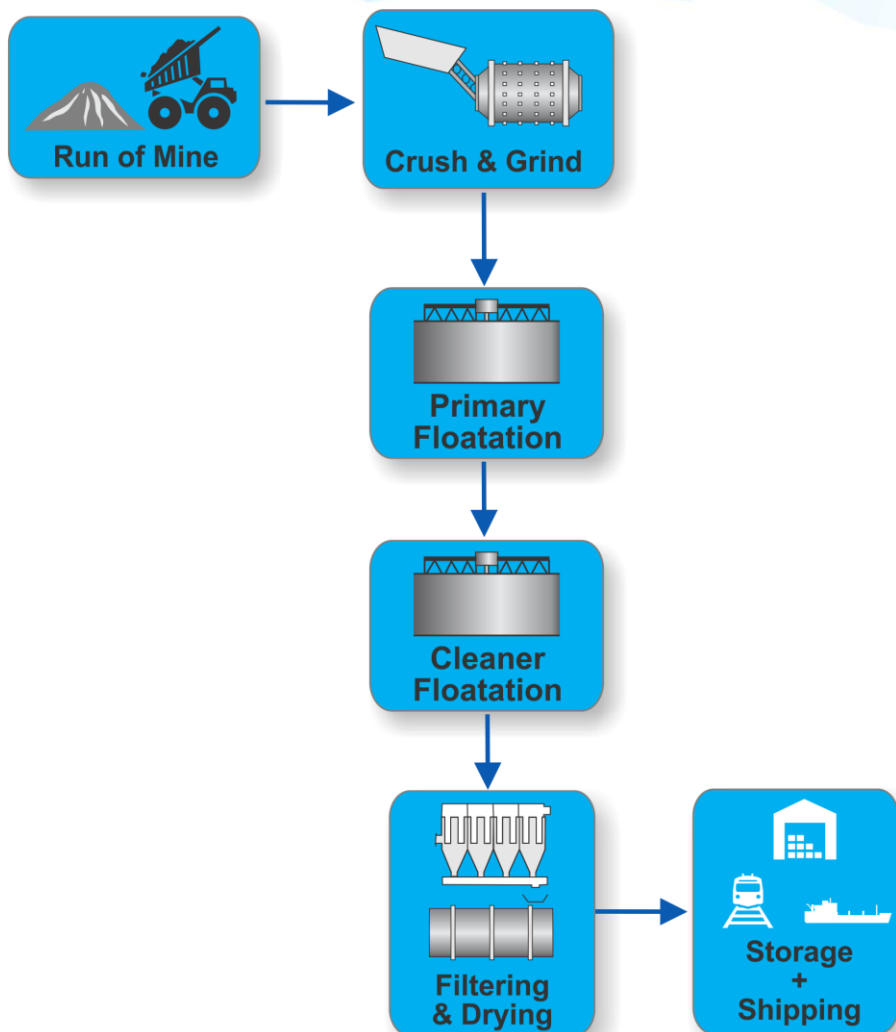
Authier Lithium Deposit

Amenable to low-cost, open-cut mining techniques



Authier Metallurgy

Extensive metallurgical testing completed



Conventional Processing Route

Flowsheet Design

85% recovery
5-6% Li₂O concentrate

No mica pre-float

Concentrate Pricing

Galaxy selling at **US\$600/t**

Significant upside to 2013 NI-43101

Optimisation Options

Optical sorting

Downstream processing into intermediate products

Authier Acquisition Attractions

More than 15,000 metres
of drilling in 123 holes –
established resource



Well studied – proven
technical and
economic viability –
fast track to production

Deposit amendable to
simple, open-cut
mining techniques



Located in top-tier
mining jurisdiction with
stable taxes and
royalties

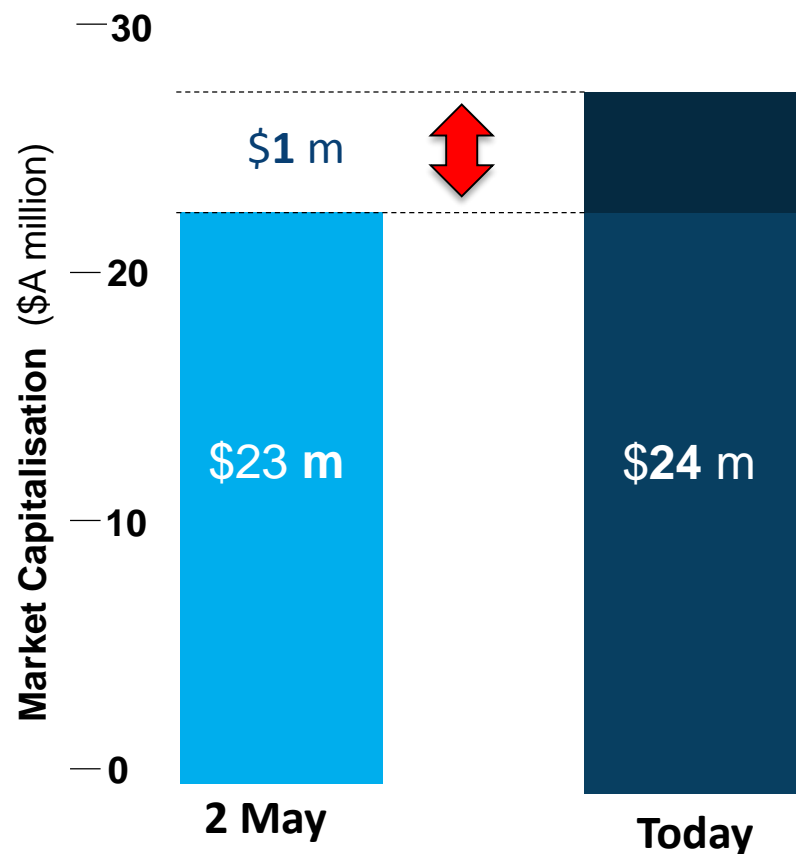
Extensive metallurgical
testing - flowsheet
designed to produce
5-6% Li₂O concentrate



Well established
mining district with
excellent infrastructure

Low Value Attributed to Authier Acquisition

*Sayona market capitalisation
pre and post Authier
acquisition announcement**



TRANSACTION RATIONALE



Large sunk cost in exploration, drilling, metallurgy and studies



Positive price outlook for lithium



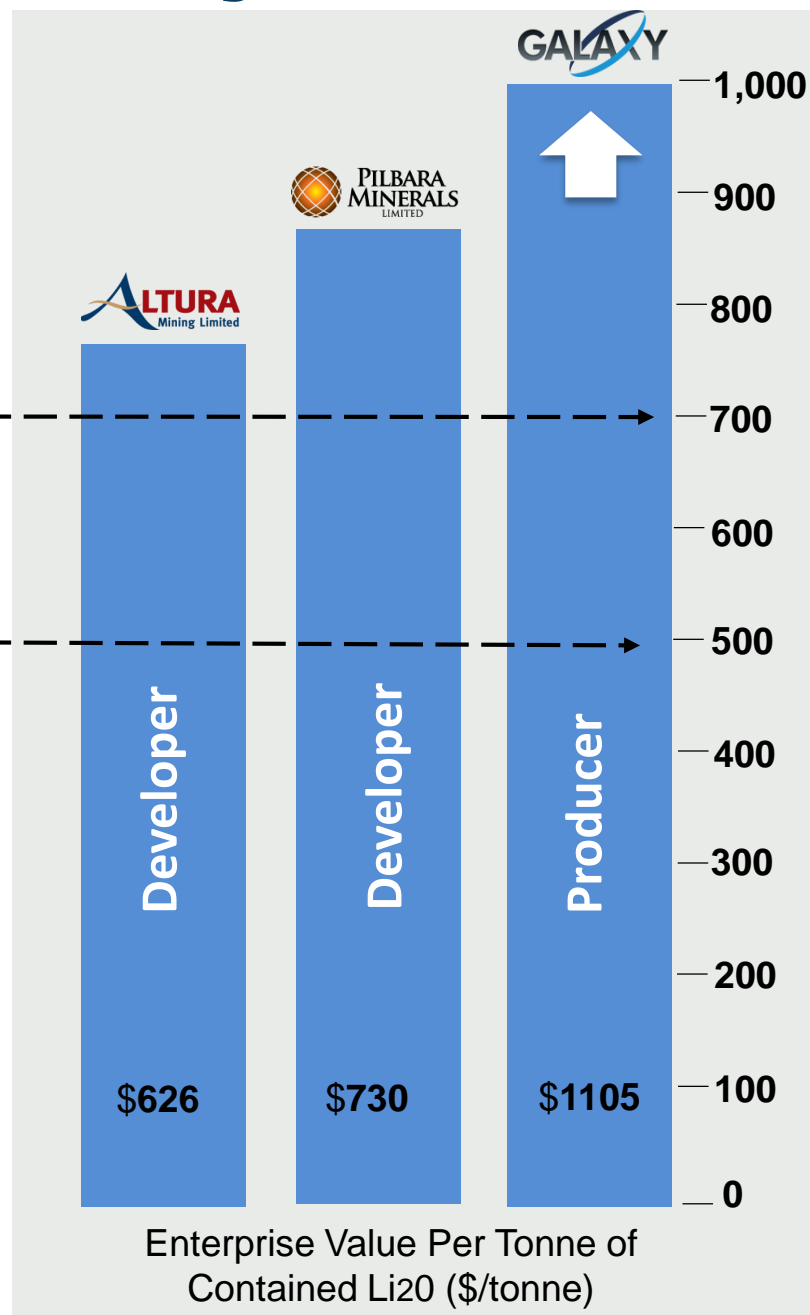
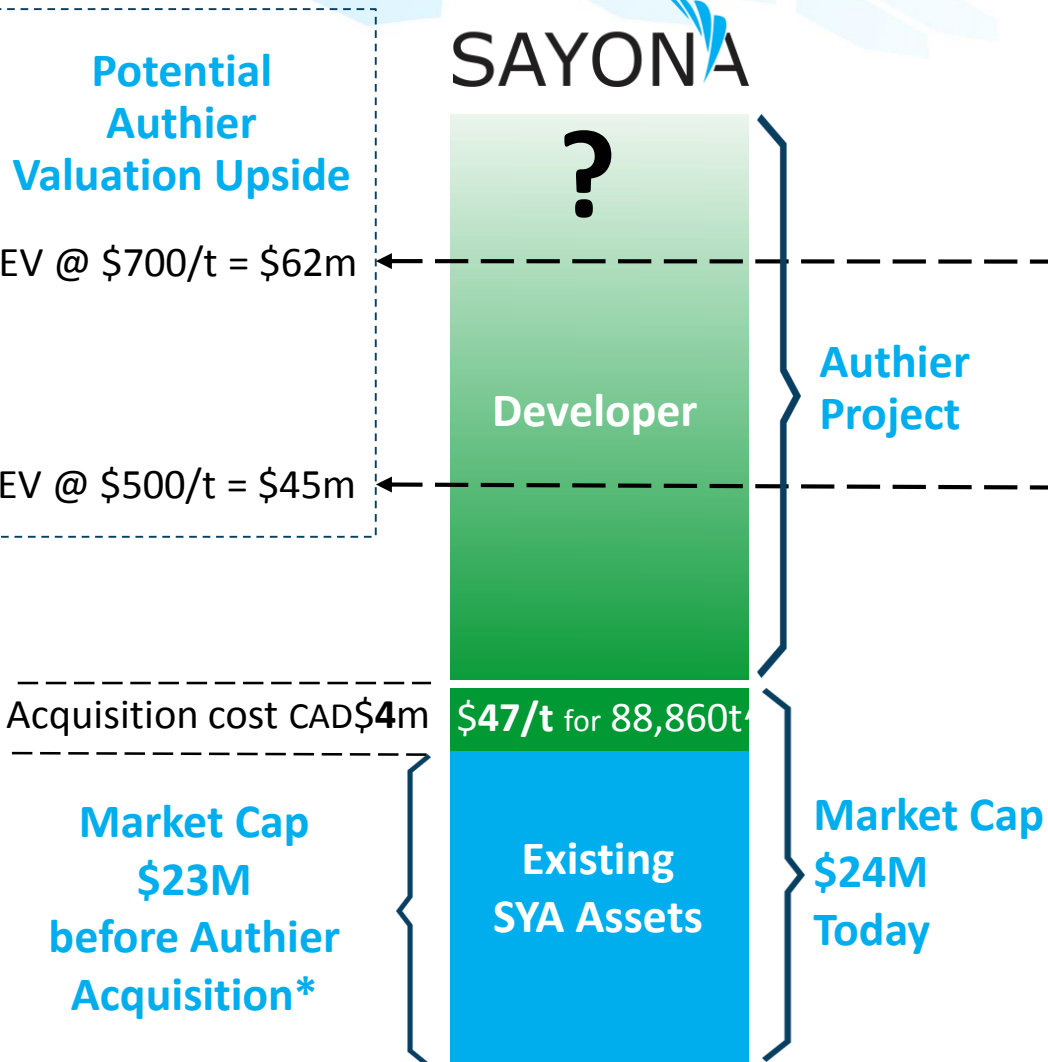
Near term development and cash flow potential



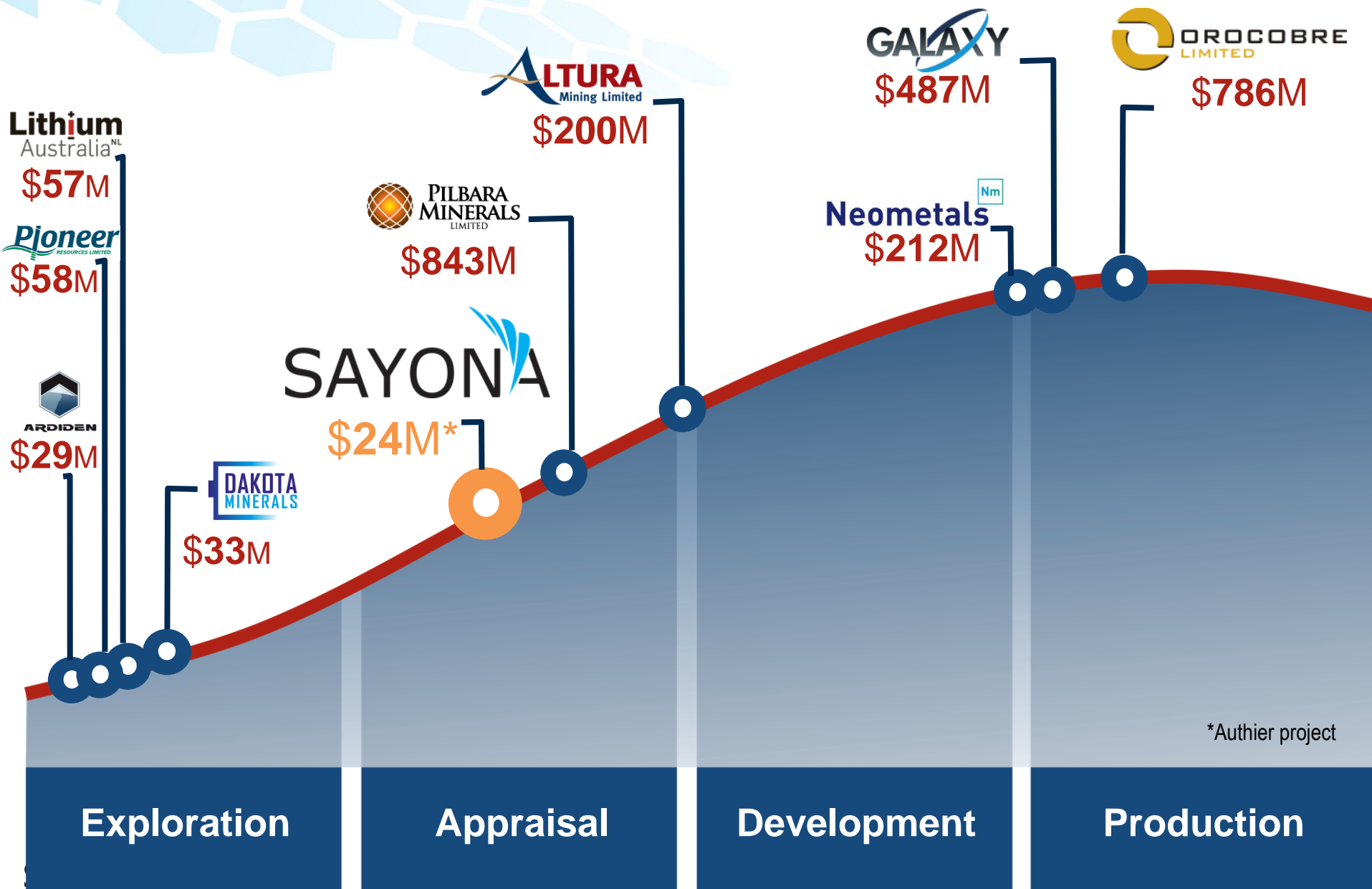
Value proposition - low purchase price and large value uplift potential

Authier Acquisition Attractively Priced

Sayona is paying AUD\$47/t of contained Li20

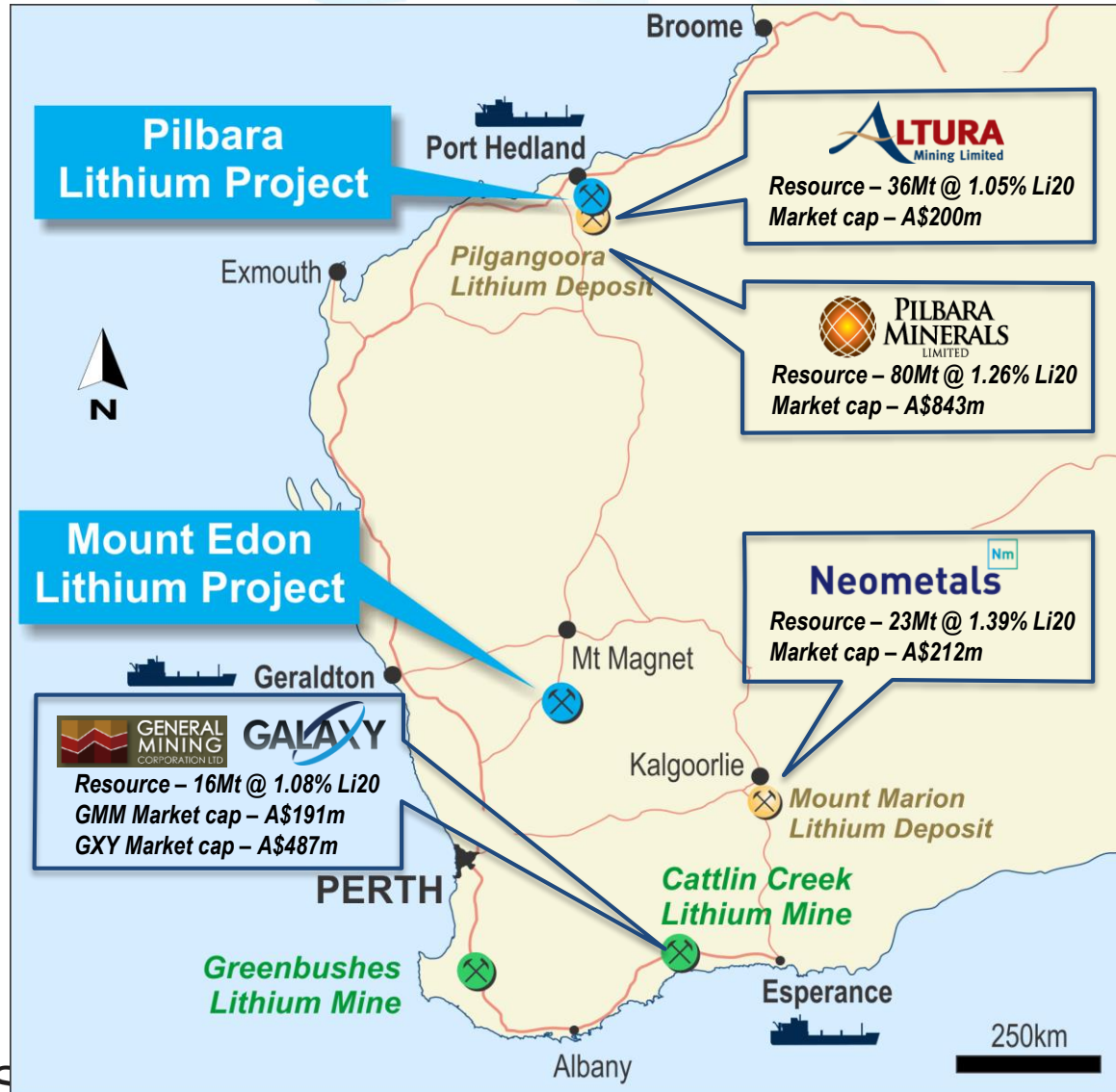


Authier Value Up-lift Potential



Western Australia

A Globally Significant Region for Production of Lithium



Low-cost entry with

1,065 km²

tenement holding,
including granted tenure

**Western
Australia**

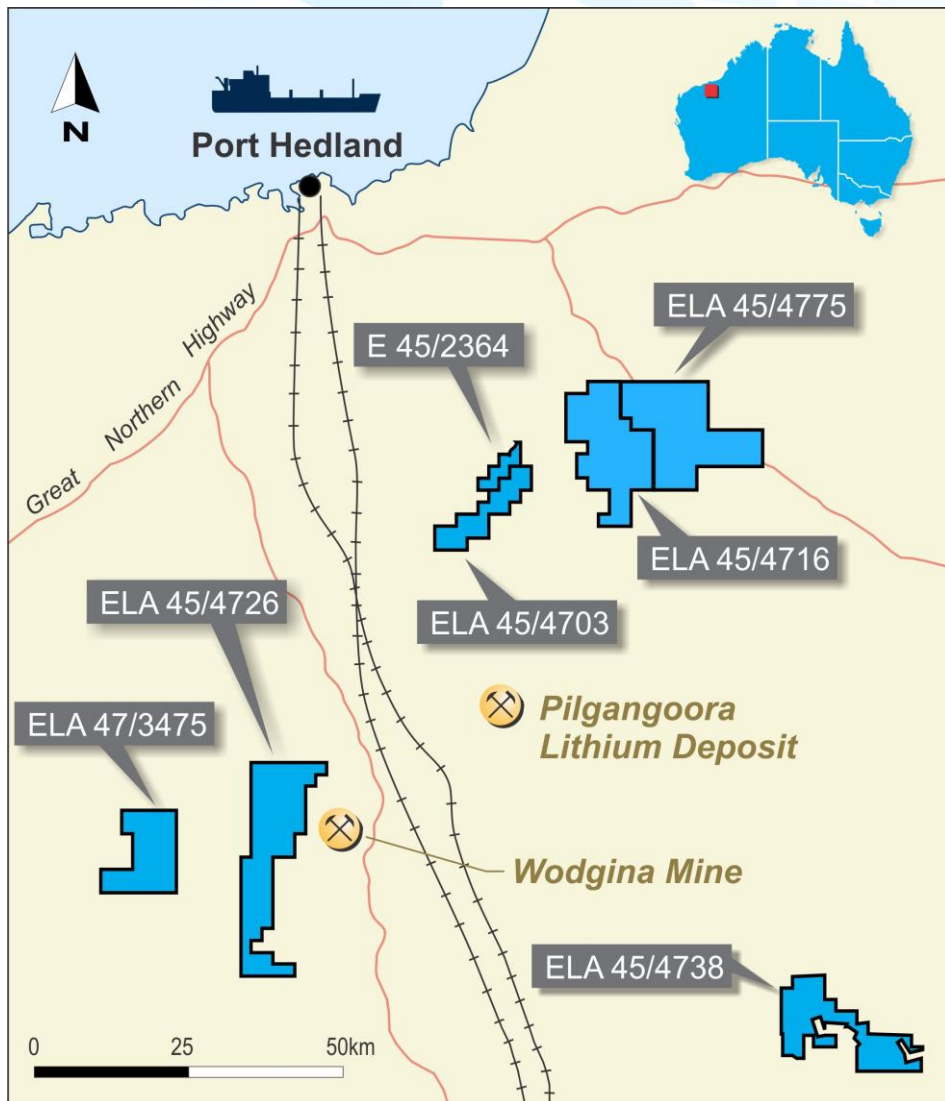
a dominant global
producer of Lithium from
high-grade, hard-rock
PEGMATITES

Simon Attwell – Exploration Manager
with 29-years experience including
exploring for lithium and tantalum



Pilbara Lithium Projects

Tenement package secured in proven lithium district



Located in close proximity to large, high-grade **lithium deposits** at Pilgangoora

986km²
tenement package
unexplored for lithium

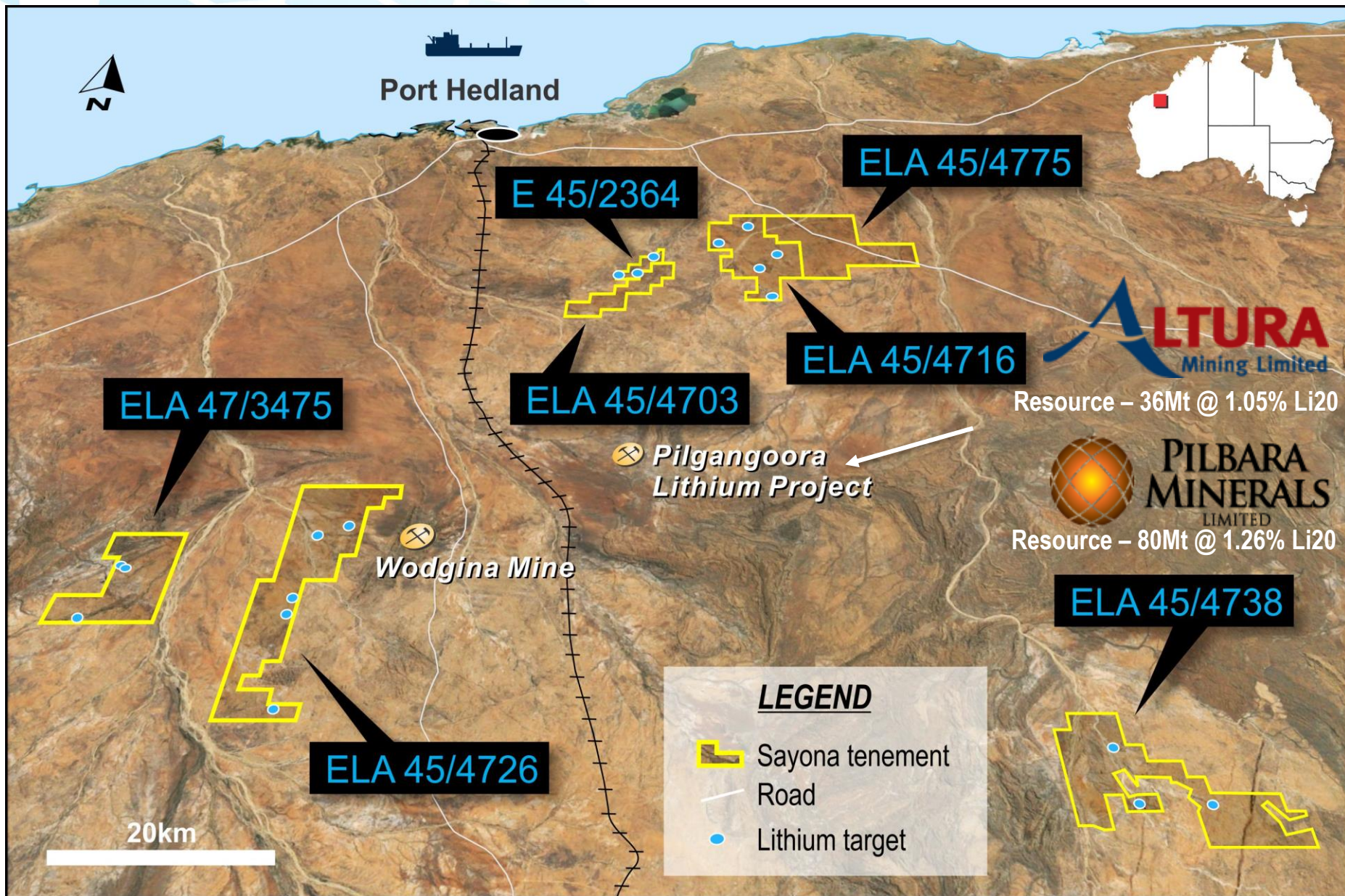
Well tested **geological model**

Albite
Spodumene
targets

Infrastructure
for access to
world markets

Pilbara Lithium Portfolio

In close proximity to the Pilgangoora deposits



Mount Edon Project

A region never explored for its lithium potential



79km²

**tenement
package**

historical tantalum
mining area

over
70

pegmatites

identified to date
from radiometrics

Potential for
tantalum

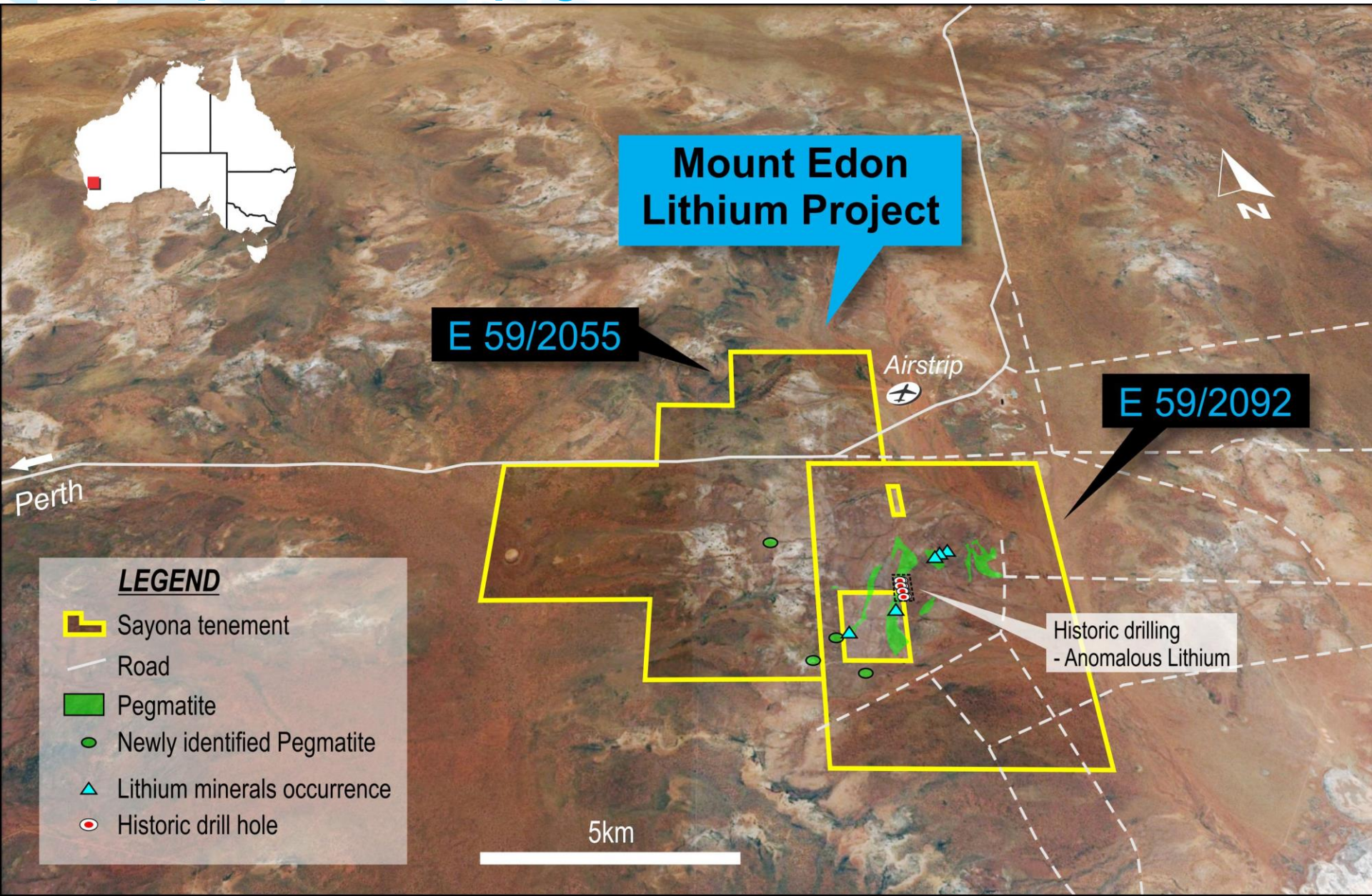
as a valuable
**by-product
credit**

Excellent

Infrastructure

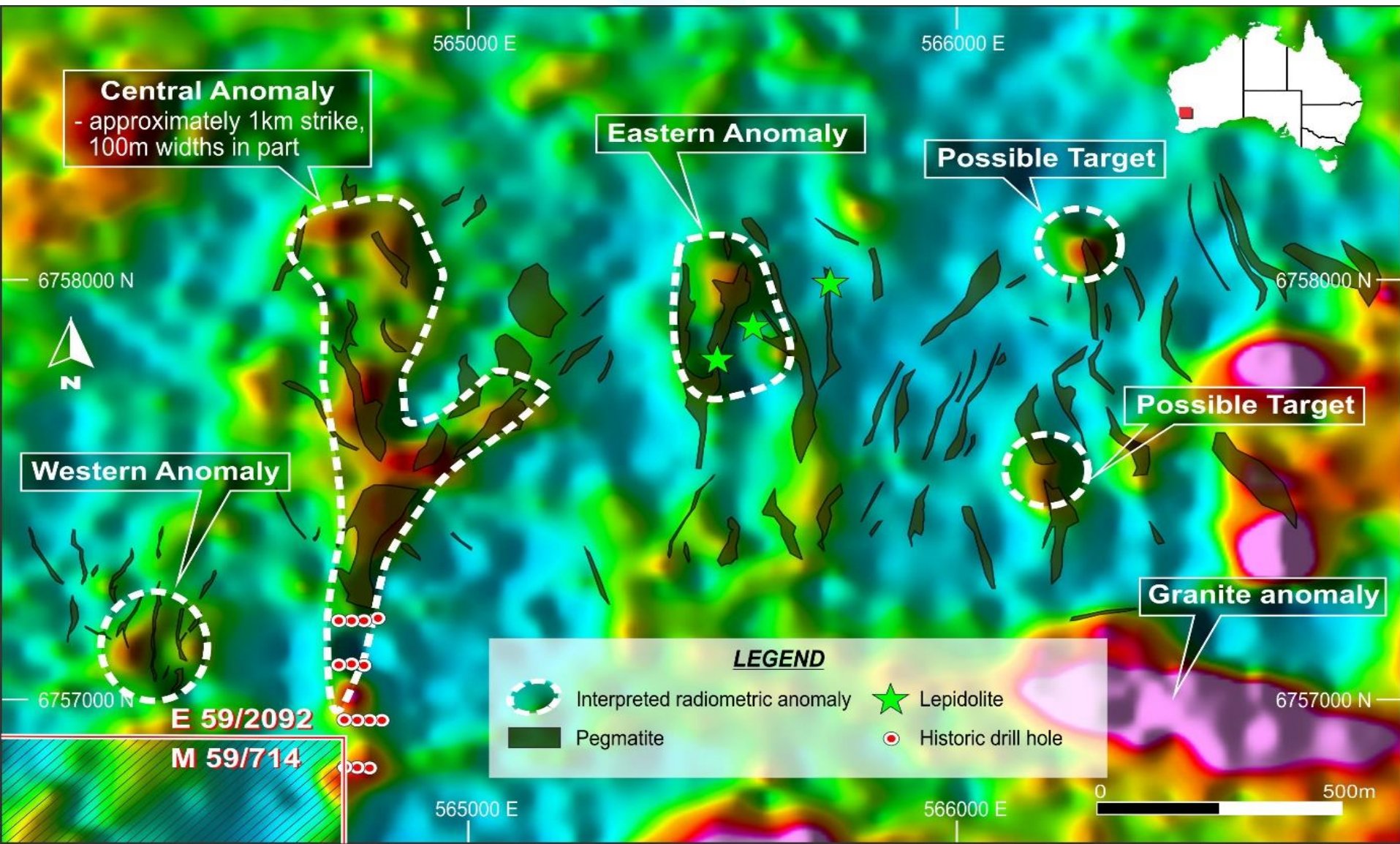
Mount Edon Project

A prospective new pegmatite field

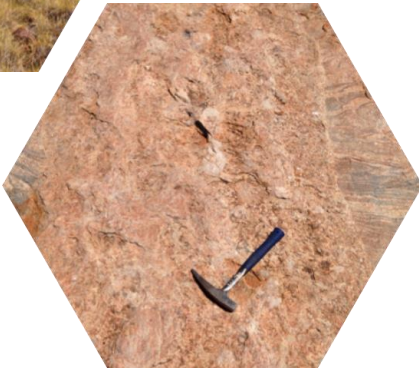


Mount Edon Pegmatite Targets Defined

Next phase exploration includes mapping and sampling



Western Australian Lithium - Next Steps



Strategic land position secured



**Exploration commenced -
reconnaissance and sampling
underway**



**Use technology to evaluate large
ground position and identify new
opportunities**



**Ranking to advance best targets for
drilling**



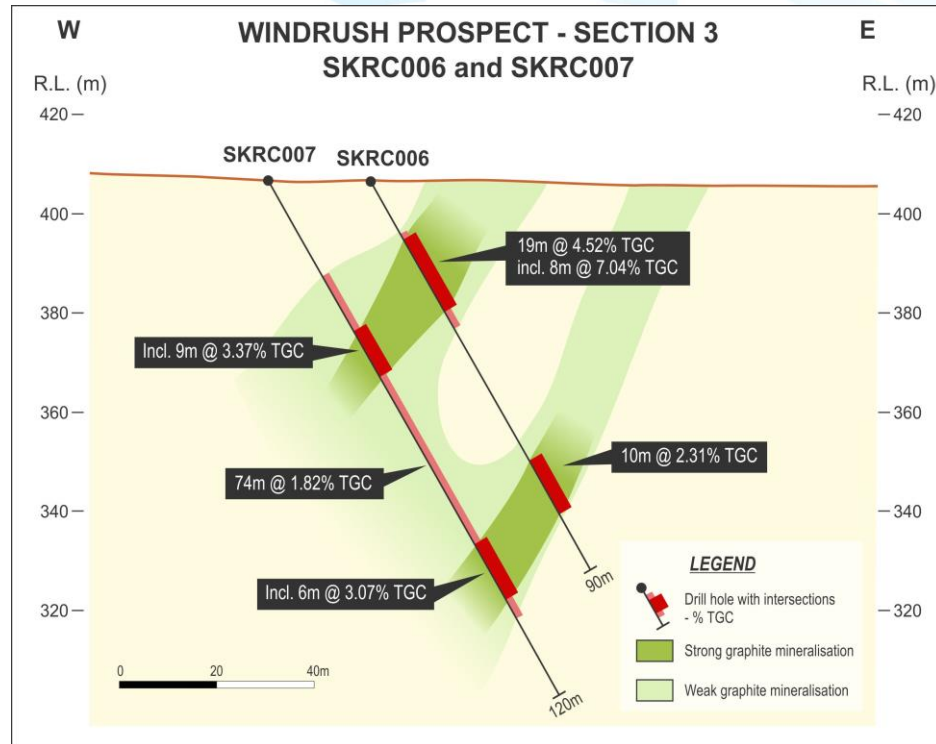
Drill testing



JORC Resources

East Kimberley Graphite Project

Metallurgical test work program underway



3,000 m
drilling completed in
Dec 2015

6 km of 20 km
target zone drilled

Best assay
12%TGC

278km²

**tenement
package**

Proven graphite
province

Best Intercepts:
16m @ 5%TGC
22m @ 3.4%TGC

Open at depth and
along strike

Coarse graphite
observed

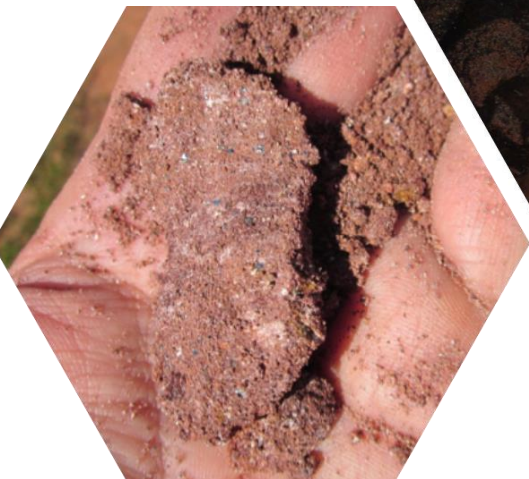
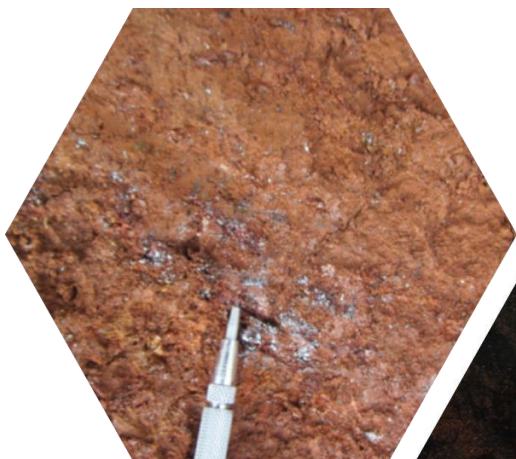
World-class
Infrastructure

for access to
**world
markets**



Itabela Graphite Project

Drilling intersects broad zones of graphite



2,440 m

drilling completed in
April 2015

49 holes drilled

Best results:

77m @ 2.9% TGC

48m @ 3.65% TGC

133km²

**tenement
package**

World's **second
largest** graphite
producing region

**Saprolite
Advantage**

NO drill or blast

NO crushing

LOW grinding

High proportion of
large flake

Infrastructure

for access to
**world
markets**

Corporate Snapshot

TRADING EXCHANGE

ASX: SYA/SYAO

CAPITALISATION

Price **4.7¢**

*as at close 15 May 2016

SHARES/OPTIONS

517 Million shares

110 Million options

Market cap **\$24M**

Cash **\$0.63M**

As at 31 Mar 2015

SHAREHOLDERS

DIRECTORS **44%**

TOP 20 **74%**

Strong Team With Track Record of Success

Corey Nolan

Chief Executive Officer

23 years' of resources industry experience

Corporate and capital markets experience

Previously Managing Director of South American focused explorer, Elementos

Dan O'Neill

Managing Director

Geologist with 35 years' of resources industry experience

Founding director of Orocobre

Director of Altura Mining

Simon Attwell

Exploration Manager

29 years' mineral exploration experience - success in generation, exploration and discovery of mineral deposits

Director of Australian Tantalum, which owned Pilgangoora leases and was subsequently acquired by Altura Mining

James Brown

Non-Executive Director

35 years' experience in the resources sector

22 years with New Hope Corporation

Managing Director of ASX lithium company, Altura Mining - \$200m market cap.

Allan Buckler

Non-Executive Director

40 years' experience in the resources sector

Built mining operations in Australia and Indonesia as former director and chief operations officer for New Hope Corporation

Director of Altura Mining

Paul Crawford

Executive Director

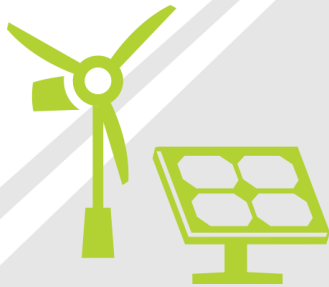
35 years' of resources industry experience

CPA and previously Company Secretary of companies including, Orocobre Ltd (founding director), Elementos and ActivEx

Share Price Drivers

- ✓ **Lithium exploration in Western Australia**
- ✓ **Completion of the Authier transaction**
- ✓ **Next phase of development at Itabela**
- ✓ **East Kimberley flake size analysis**
- ✓ **Active stock promotion**

Additional Information Slides On the Lithium Industry



Lithium ...

Critical in the Energy Revolution

Goldman
Sachs

“What if
I Told You.....
Lithium is the
New Gasoline”

Dec 2015

Lithium is now
considered a key,
strategic energy
metal in the clean
technology
economy that is
being fuelled by
advances in
electric vehicles,
energy storage
and electronics



Energy Storage –

The economic
value of energy
storage over a
10-year period in
the US could
reach **\$228**
billion, **21%** of the
\$1 trillion global
economic benefit

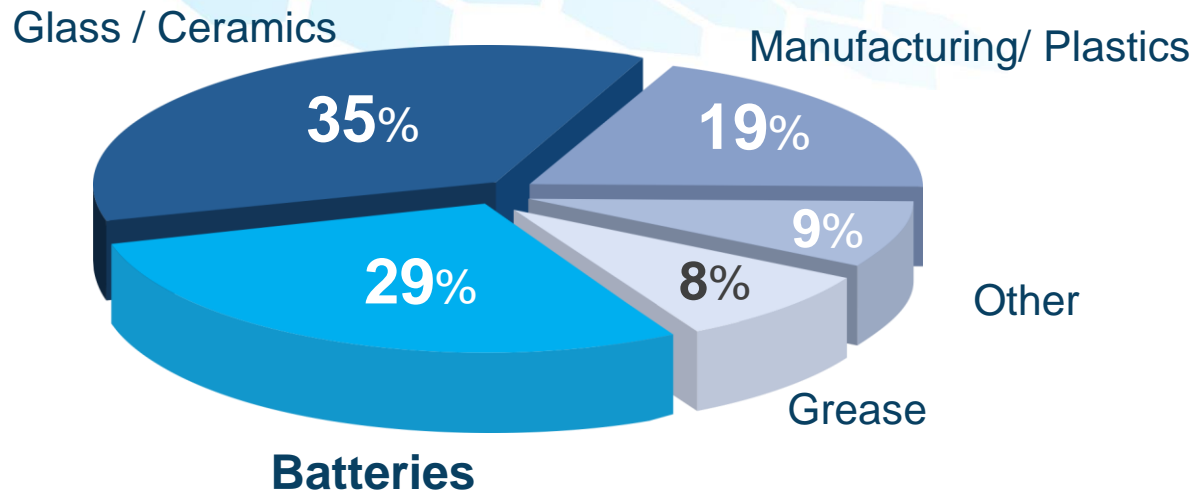
Disruptive Innovations II,
2014

The
Economist

“An
Increasingly
Precious
Metal”

Jan 2016

Lithium Consumption – The Future is Electric



Lithium-ion is the battery of choice



Super
energy
density



Lighter,
more
compact and
portable

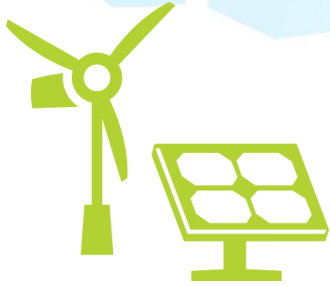


Longer life-cycle
and more
efficient



More
environmentally
friendly

Key Demand drivers through to 2025



Renewable grid storage

>30%
CAGR



Transportation –
electric and
hybrid vehicles

20-30%
CAGR



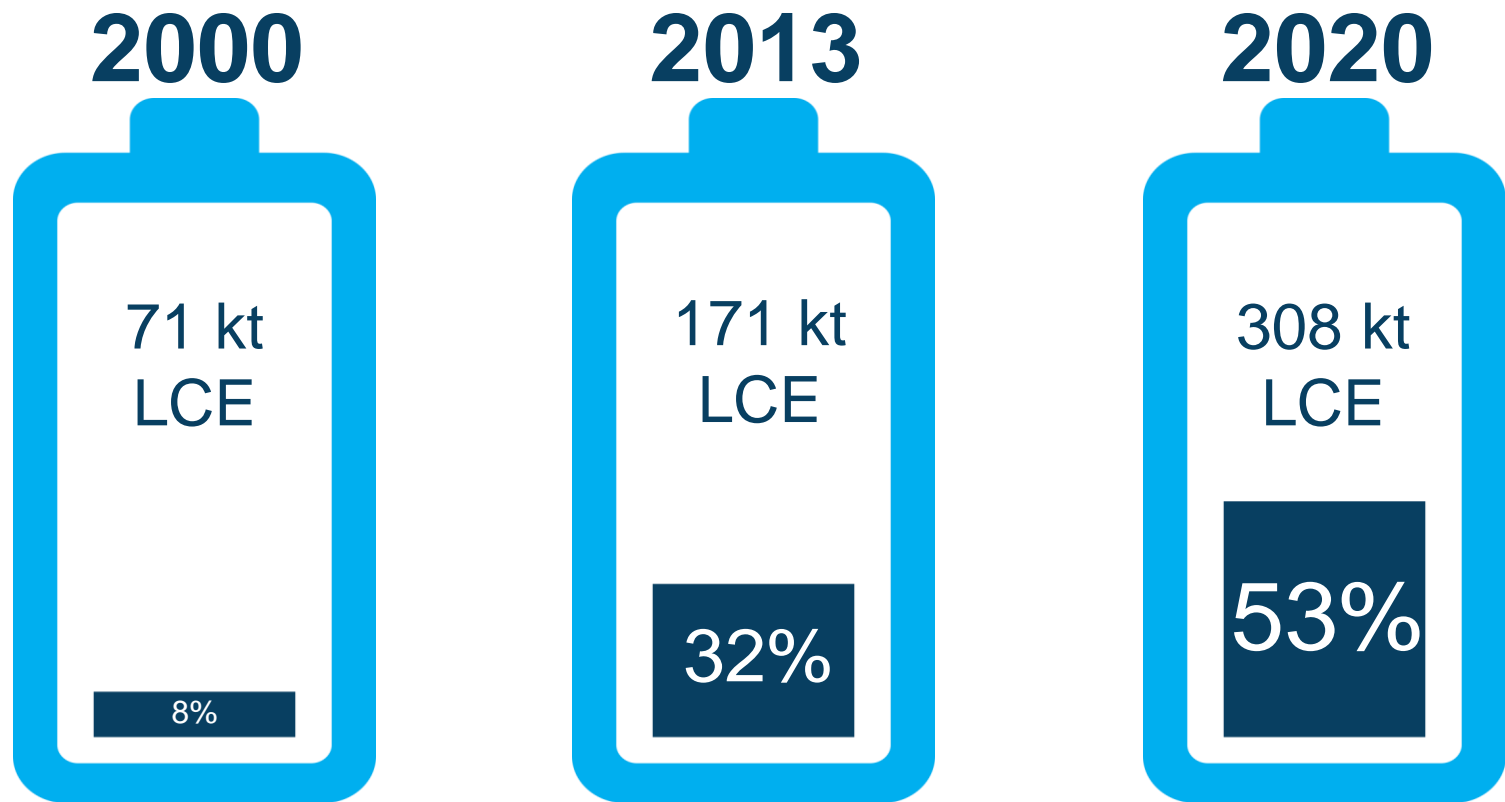
Consumer
electronics

8-10%
CAGR

Batteries are the fastest growing segment

“The *problem* with existing *lead-acid batteries* is that *they suck*”

Elon Musk



 Battery consumption as a % of total consumption

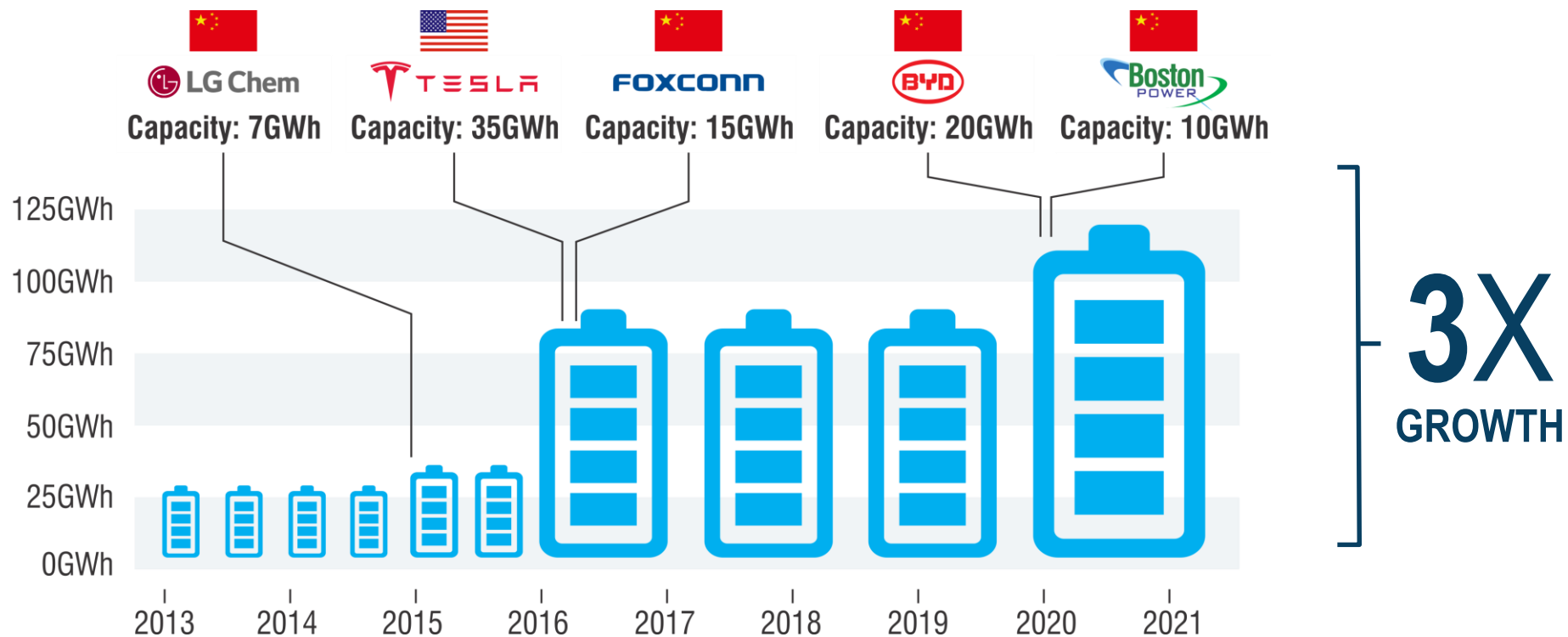
The Megafactories are Coming

“Solar power *[with] batteries* will be the *primary means* of sustainable energy production”

Elon Musk



Tesla's Nevada site



Dawn of a New Auto Era

“ Car design will *change more in the next 15 years* than it has in the past 100 — *electrification* will kick start the *biggest change in automotive design in history* ”

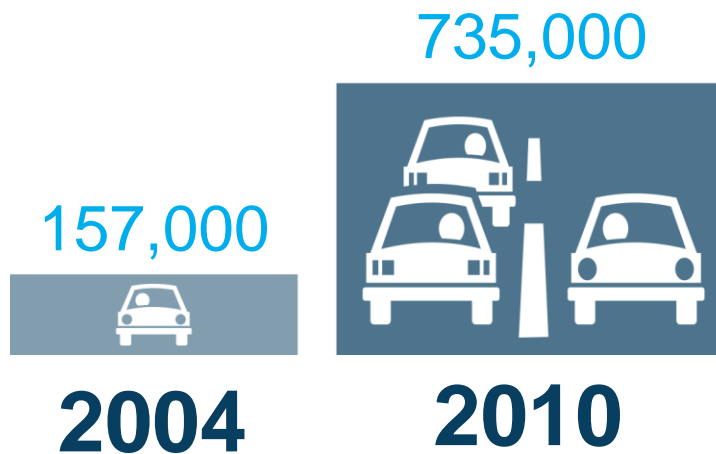
Ian Callum, head of design for Jaguar, April 2016



Electric & Hybrid Vehicles

20 MILLION **EV & HYBRID** CARS BY 2020

20 MILLION

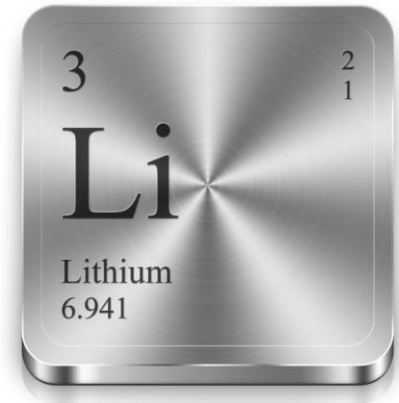


2020

Lithium Sources

LITHIUM IS A SOFT SILVER-GREY METAL:

- ✓ Low density and atomic mass
- ✓ High electrochemical potential
- ✓ High specific heat capacity



2 MAJOR SOURCES OF LITHIUM

Salt Lake (brine)



Hard rock pegmatite



**SIMPLE
PROCESSING**



**CONVERTS TO
LITHIUM-HYDROXIDE
FOR USE IN
LITHIUM-ION
BATTERIES**



Spodumene extracted
from pegmatites:

Few New Lithium SUPPLY Options Available

5 COMPANIES
PRODUCE

90%

OF WORLD
SUPPLY

END USERS SEEKING
NEW SUPPLY OPTIONS



4%

USA
(Brine)

14%

China
(Brine)



FMC



42%

Chile
Argentina
(Brine)

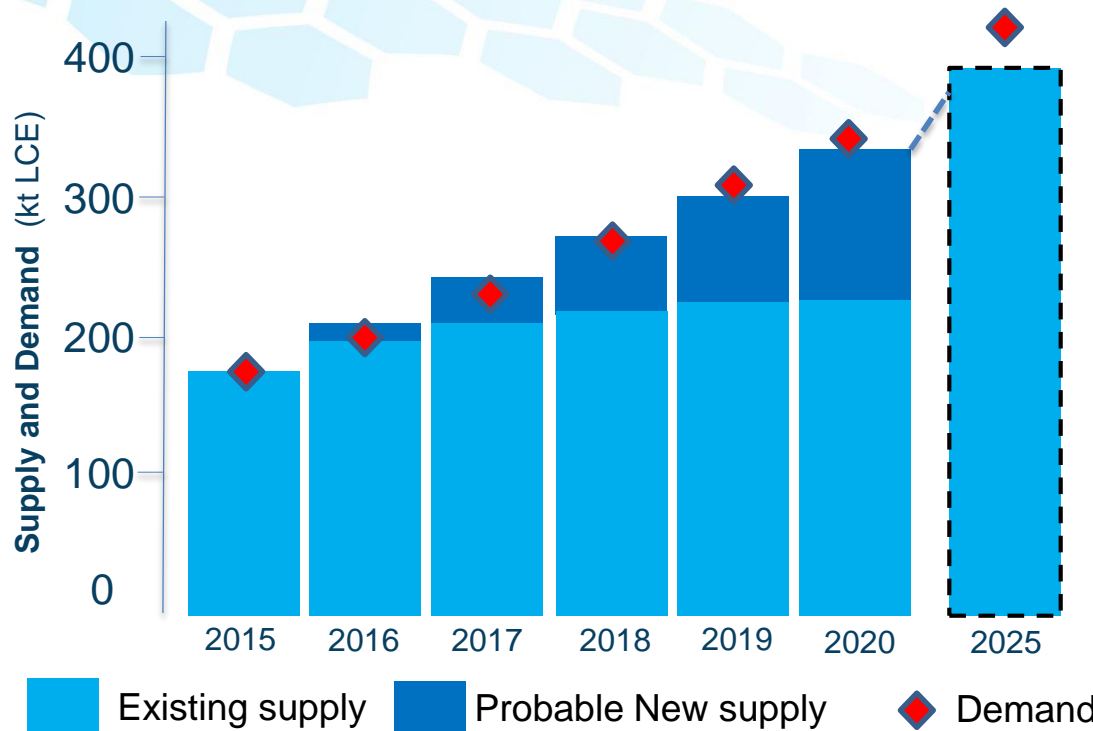
GALAXY



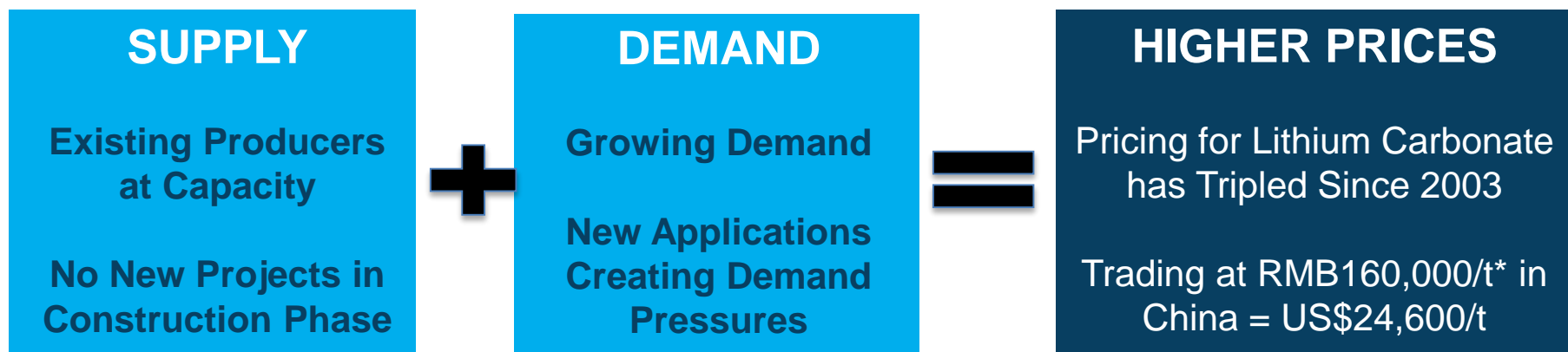
36%

Australia
(Hard Rock)

Supply & Demand – A Perfect Storm



BEYOND 2020
GAP BETWEEN
SUPPLY & DEMAND
EMERGES



Disclaimer

COMPETENT PERSON STATEMENTS

Simon Atwell for Australian projects - The information in this report that relates to Exploration Results is based on information compiled by Mr Simon Attwell, a Competent Person, and who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Attwell is an employee of Attgold Pty Ltd ("Attgold") which provides geological services to Sayona. Attgold is a financial beneficiary if Sayona exercises its option to purchase agreement over the East Kimberley Graphite project. Mr Attwell has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Attwell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Gustavo Delendatti for Itabela and Authier - 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.

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Reference to Previous ASX Releases

This presentation refers to the following previous ASX releases:

- "Proposal to Acquire Advanced Lithium Project in Canada", 3 May 2016
- "Itabela Drilling Defines Large Zones of Graphite Mineralisation", 11 May 2016

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.

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SAYONA
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