



ASX ANNOUNCEMENT



13 JUNE 2017

MALLINA LITHIUM PROJECT DRILLING PROGRAM COMMENCED

Sayona Mining Limited (ASX: SYA) ("Sayona" or the "Company") is pleased to announce the commencement of its maiden drilling program at the Mallina project in Western Australia.

The 30 hole, 2,500 metre maiden drilling program has been designed to test the mineralisation potential of six of the spodumene pegmatites identified at Mallina to date. The prime focus of the program is targeting two large recently discovered pegmatite systems, including:

- Eastern No.2 Pegmatite - strikes over 1,300 metres with high-grade lithium assays up to 3.55% Li₂O; and
- Eastern No.3 Pegmatite – strikes over 1,400m strike length with high-grade lithium to 1.95% Li₂O.

Drilling will test for fresh rock for lithium mineralisation and characterise the geology of the pegmatite intrusions and define their broad geometry. Drilling will be carried out over the Eastern group of pegmatites and the Western Discovery area (figures 1 and 2). The program is expected to be completed in early July.

The Mallina project, located in the world-class Pilgangoora lithium district of Western Australia, hosts albite-spodumene pegmatite mineralisation (see Figure 3). The Company has an option to acquire an 80% interest in a portfolio of new prospects totalling 871 km² including the Mallina prospect.

For more information, please contact:

Chief Executive Officer

Phone: +61 (7) 3369 7058

Email: info@sayonamining.com.au

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.

SAYONA MINING LIMITED

Phone: +61 7 3369 7058

Email: info@sayona.mining.com.au

Address: Suite 68, 283 Given Tce, Paddington QLD 4064

Post: PO Box 1357, Milton, Qld 4064, Australia

www.sayonamining.com.au

ASX Code: SYA

Reference to Previous ASX Releases

This document refers to the following previous ASX release: "LARGE STRIKE LENGTH SPODUMENE PEGMATITE DISCOVERED AT MALLINA", 2nd May 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.

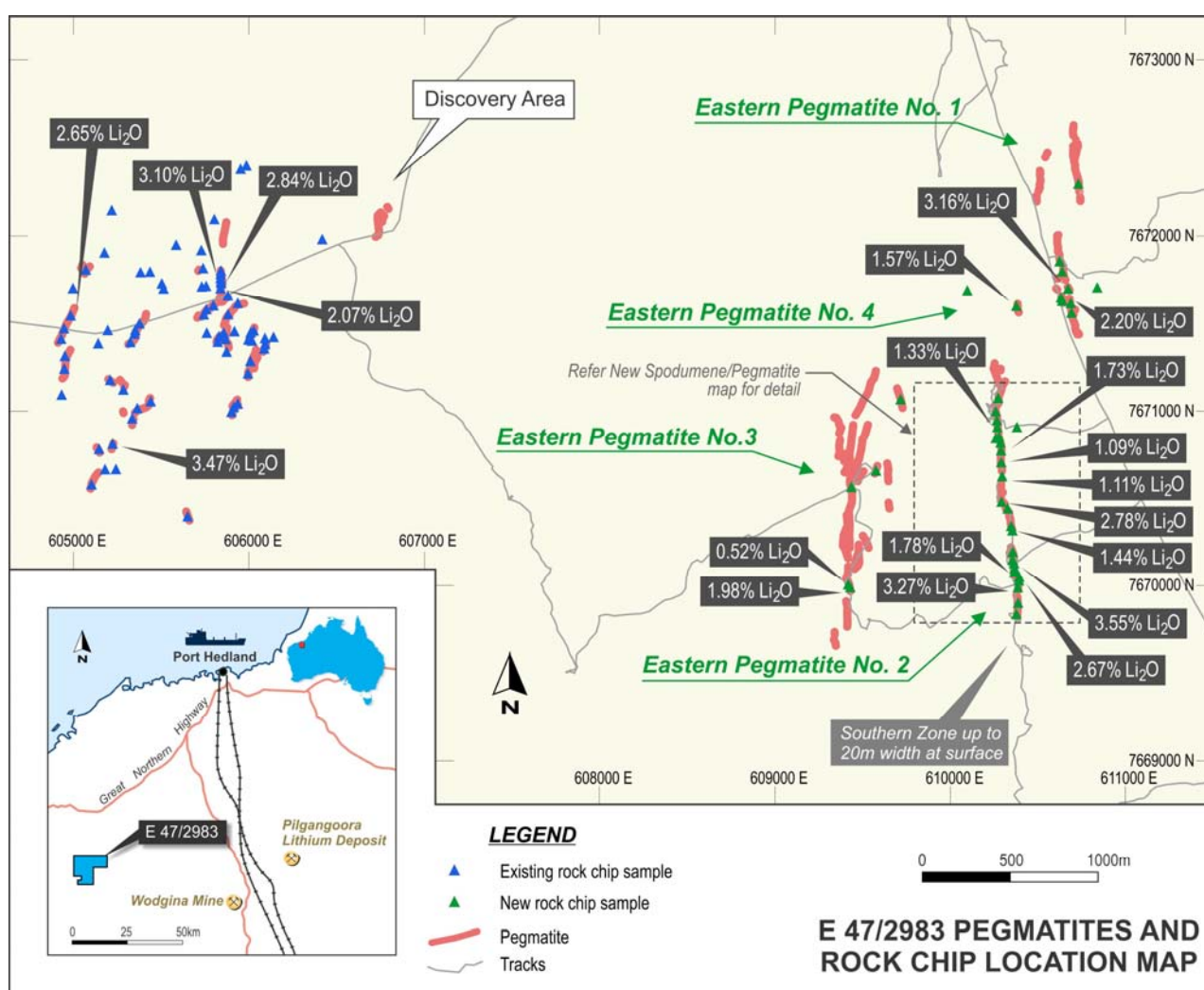


Figure 1: Mallina Project with Pegmatites and rock samples above 0.4% Li₂O

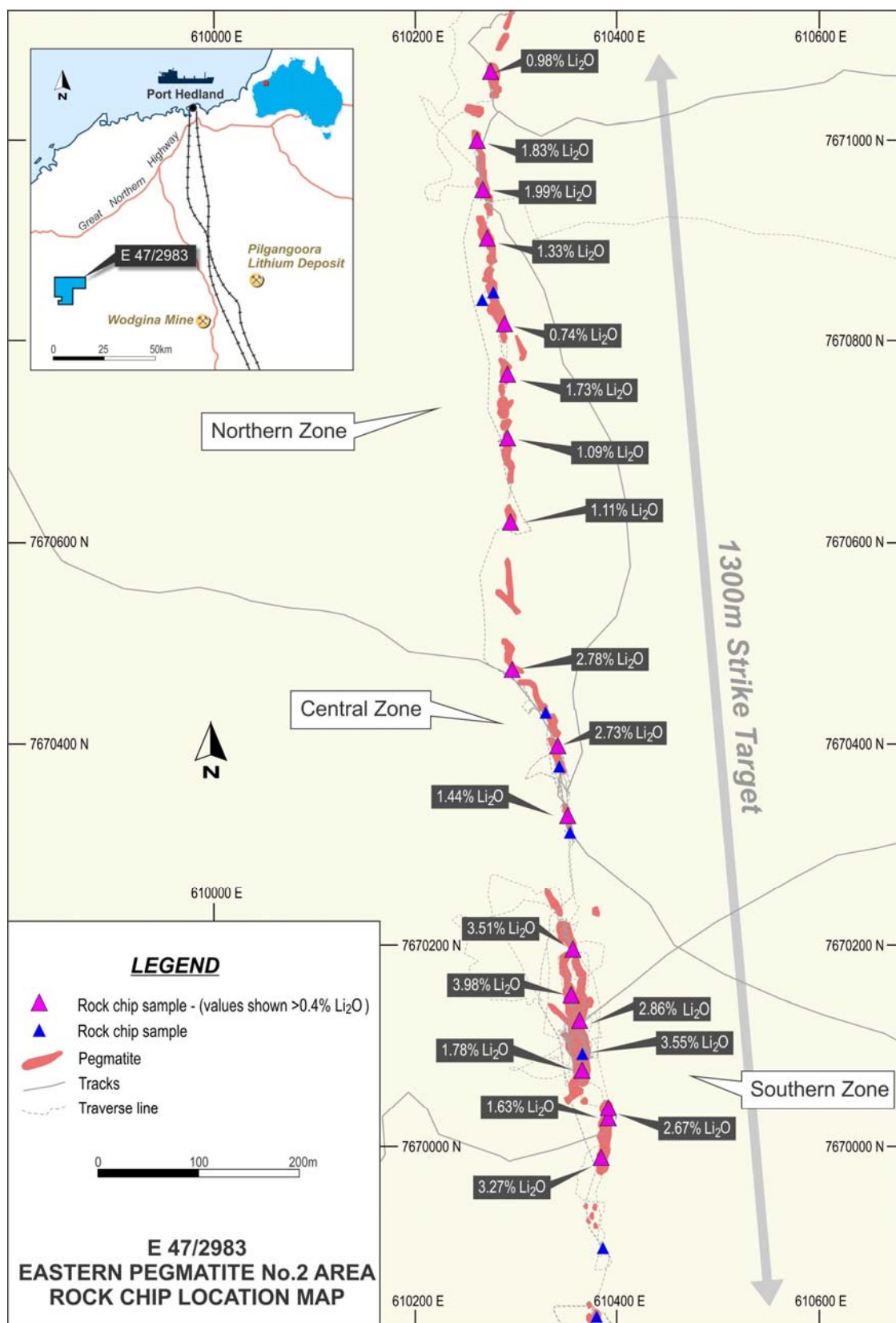


Figure 2: Eastern No.2 Pegmatite and Rock Samples over 0.4% Li₂O

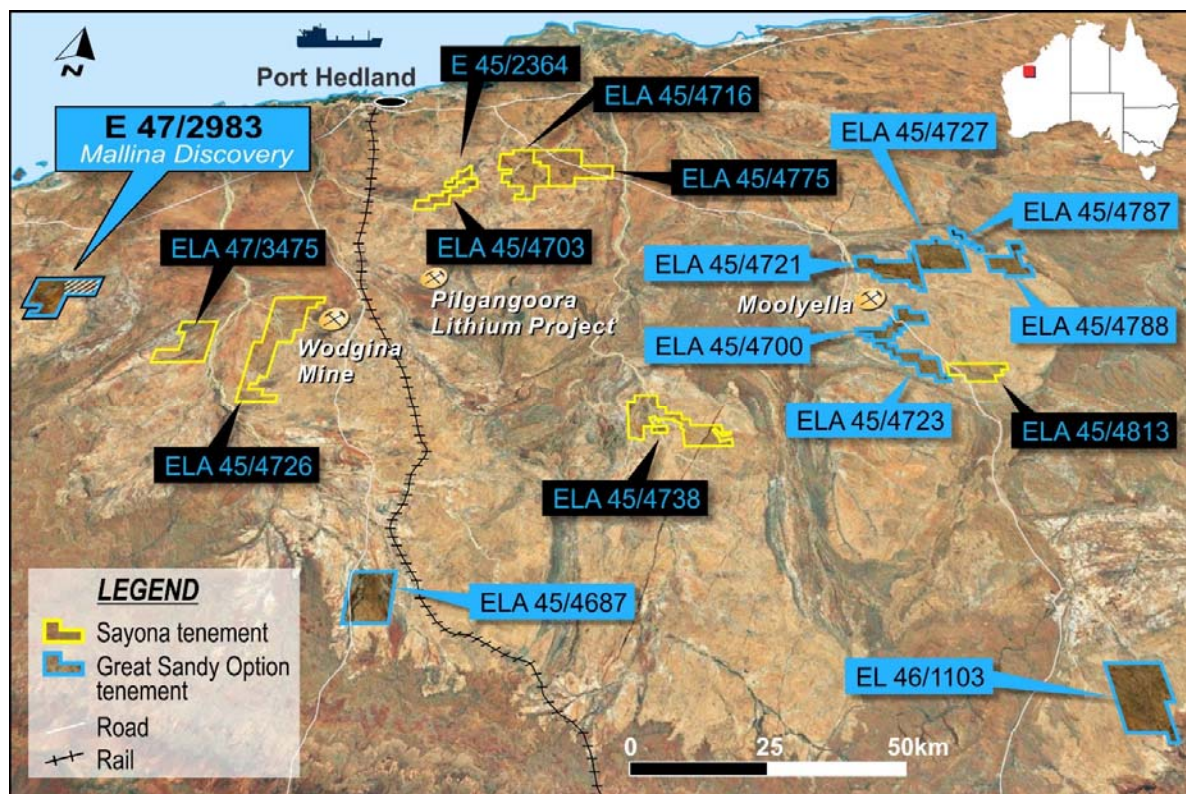


Figure 3: Location of the Company's projects including Mallina in the Pilbara region



Figure 4 – RC drilling rig on site