

ASX ANNOUNCEMENT

ASX: **SYA**

09 April 2019

DRILLING RESULTS BOOST PROSPECTS FOR NEW LITHIUM DEPOSIT AT TANSIM

Highlights

- Two sub-parallel pegmatite dykes with coarse grain spodumene mineralisation intersected at Viau-Dallaire prospect at Tansim Lithium Project, Canada, striking east-west for 350m
- New drilling highlights spodumene mineralisation zones in both dykes, including 12.35 metres @ 1.29% Li₂O at near surface outcropping dyke and 43.7m @ 0.82 % Li₂O, including 16.1m @ 1.26 % Li₂O in non-outcropping second deeper dyke
- Drilling program demonstrates Viau-Dallaire pegmatite system is open in all directions, with potential for discovery of additional sub-parallel hidden pegmatites
- Results boost prospects for potential new lithium deposit at Tansim, located 82km south-west of Sayona's flagship Authier Lithium Project.

Emerging lithium miner Sayona Mining Limited (ASX: SYA) announced today positive results from Phase 1 drilling at the Company's Tansim Lithium Project, boosting the prospects for an additional lithium deposit within close proximity to its flagship Authier project in Quebec, Canada.

Tansim was acquired in January 2018, comprising some 139 mineral claims covering 8,500 hectares, and is prospective for lithium, tantalum and beryllium. It is located just 82 kilometres south-west of Authier in the heart of Quebec's emerging lithium province.

The 11 diamond drill holes completed at Viau-Dallaire intercepted variable concentrations of spodumene mineralisation distributed in two sub-parallel dykes (including a deeper non-outcropping dyke) with best drilling intercepts including:

- Hole VD19-01 – 6.3m @ 1.28 % Li₂O from 3.9m including 2m @ 1.66 % Li₂O from 6m and 6.5m @ 1.28 % Li₂O from 13.5m, including 3.5m @ 1.78 % Li₂O from 13.5m (shallower dyke);
- Hole VD19-05 – 12.35m @ 1.29 % Li₂O from 4m, including 5m @ 1.63 % Li₂O from 9m (shallower dyke); and
- Hole VD19-10 – 43.7m @ 0.82 % Li₂O from 108.2m, including 16.1m @ 1.26 % Li₂O from 135.8m.

Assay results for the entire drilling program are detailed in Table 1.

Six drill holes successfully tested the outcropping Viau-Dallaire pegmatite at near-surface levels, while five step back drill holes tested the vertical extension of the shallow dyke.

Four of the latter intercepted a second non-outcropping deeper pegmatite dyke 40 to 50m wide and sub-parallel to the shallow one. The system is open in all directions.

Welcoming the results, Sayona's Managing Director Dan O'Neill said: "Tansim offers great promise as a highly prospective addition to our lithium project pipeline in Quebec, either as a standalone project or feeder project to Authier.

"We are delighted by these initial results and are planning more drilling at Tansim, as we work to unlock increased value for shareholders and develop a sustainable new lithium industry for the province."

Phase 1 Diamond Drilling Program

The Phase 1 diamond drilling program at Viau-Dallaire comprised 11 NQ diameter holes for 1,219m, based on the following objectives:

- Testing the outcropping spodumene bearing pegmatite at Viau Dallaire prospect along strike and to depth;
- Exploring for other potential mineralised dykes within the prospect; and
- Starting the collection of data for further metallurgical test work.

The pegmatite system at Viau-Dallaire comprises at least two albite-spodumene-quartz granite pegmatite dykes striking east-west around 350m and dipping 50° to the north. The host rocks are schist and ultramaphic metamorphic rocks. The shallower outcropping dyke width ranges between 10-20m whereas the second deeper dyke (no outcropping) has a width ranging between 40-50m.

Lithium mineralisation is related to pulses of zoned spodumene bearing albite-quartz granite pegmatite dykes. Higher lithium grades are related with high concentrations of coarse to very coarse spodumene crystals (up to 20cm long axis) in a mid to coarse grained pegmatite facies.

Lithium grade variability is related to changes in spodumene concentration.

Drilling Program Summary

The following summarises the key outcomes of the drilling program:

- Holes VD19-00, VD19-01, VD19-02, VD19-04, VD19-05 and VD19-06 tested the outcropping Viau-Dallaire pegmatite dyke at shallow levels following historical channel sampling of 10.3m @ 1.40% Li₂O, 11.15m @ 0.84%Li₂O and 18.95m @ 0.94% Li₂O (including 7.3m at 1.77% Li₂O) as well as Sayona's reconnaissance grab sampling, which comprised 14 samples returning grades ranging between 0.96 % Li₂O to 2.47 % Li₂O (see Sayona ASX release 20 August 2018). All the drill holes intercepted 5 to 20m of pegmatite with variable grades of Li₂O % at shallow levels (see Table 1 and Figures 3 to 7);
- Holes VD19-03, VD19-07, VD19-08, VD19-09 and VD19-10 (step back drill holes) successfully tested the vertical extension of outcropping Viau-Dallaire pegmatite dyke as well as intersected a second deeper dyke 40 to 50m wide at a vertical depth of 100m (Figures 4 to 7). Hole VD19- 03 was stopped before target depth due technical problems and did not hit the deeper pegmatite.

Holes VD19-00 to VD19-06 did not reach enough depth to intersect the deeper dyke at shallower levels.

Tansim Lithium Project

Tansim is located 82km south-west of Sayona's flagship Authier Lithium Project in Quebec. The project comprises 139 mineral claims covering 8,500 hectares, and is prospective for lithium, tantalum, and beryllium.

Historical exploration on the property has included mapping, sampling, geophysics and preparation of a Canadian NI 43-101 report.

Access is via a well-maintained paved road to Remigny or Bellecombe (50km south-east of Rouyn-Noranda), then by a series of bush and logging roads. A Hydro Québec 120 kv power line crosses the forest 1km north of the property.

Mineralisation is hosted within spodumene-bearing pegmatite intrusions striking east-west, dipping to the north and hosted by metasedimentary – metavolcanic rocks of the Pontiac sub-province.

The main prospects are Viau-Dallaire, Viau and Vézina. Sayona has conducted an airborne geophysics survey which confirmed a strong east-west magnetic anomaly coincident with historical surface mapping of pegmatites over an area 9km long and up to 700m wide (similar structural setting to Authier).

Sayona has also conducted reconnaissance selective sampling at the Viau-Dallaire, Viau and Gauthier prospects, with a total of 21 samples taken (refer ASX release 20 August 2018).

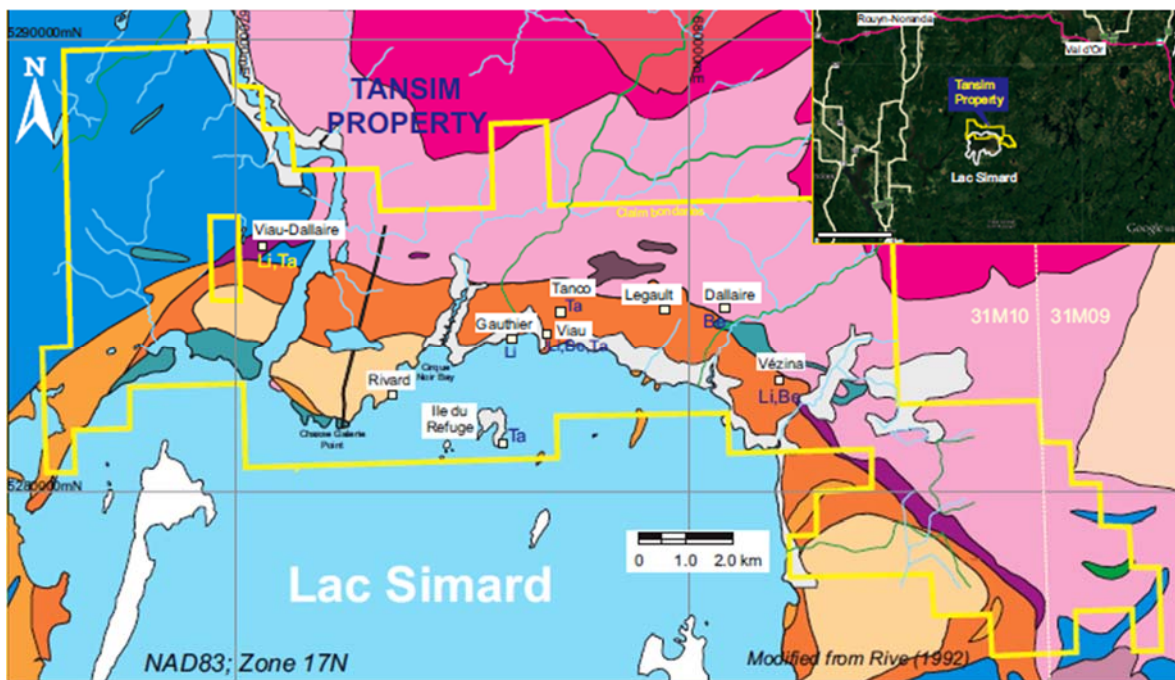


Figure 1: Main geological targets at Tansim; note the location of Viau-Dallaire prospect



Figure 2: Spodumene crystals at Viau-Dallaire outcropping pegmatite

Planned work

- Follow-up drilling at Viau-Dallaire prospect to extend existing pegmatite dyke and test for additional sub-parallel dykes;
- Additional exploration at Viau prospect; and
- First metallurgical test work.

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About Sayona Mining

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. The Company has lithium projects in Quebec, Canada and in Western Australia.

Please visit us as at www.sayonamining.com.au

COMPETENT PERSON STATEMENT

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 announcement may contain forward-looking statements. These forward-looking statements are based on Sayona's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Sayona, which could cause actual results to differ materially from such statements. Sayona makes no undertaking to subsequently update or revise the forward-looking statements made in the announcement, to reflect the circumstances or events after the date of that announcement.

REFERENCE TO PREVIOUS ASX RELEASES

This document refers to the following previous ASX releases:

- High-grade Lithium assay returned from reconnaissance sampling at Tansim, 20 August 2018

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.

DRILL HOLES AND ASSAY RESULTS

Table 1 – Drill hole collar location and intercept information (downhole Intersections in metres)

Drill Hole	East	North	RL	Azimuth	Dip	Depth	From (m)	To (m)	Thickness (m)	Grade (%Li ₂ O)
VD19-00	670812.9	5285796.2	309.7	180	-45	72	19	22	3	0.95
							19	20	1	1.33
VD19-01	670772.2	5285780.1	311.7	180	-45	72	3.9	10.2	6.3	1.28
including							6	8	2	1.66
							13.5	20	6.5	1.28
including							13.5	17	3.5	1.78
VD19-02	670731.3	5285783.0	309.8	180	-45	75	10	20	10	0.71
including							15	16	1	1.64
including							22	25	3	0.85
VD19-03	670720.6	5285817.5	307.2	180	-50	99	46	54	8	1.17
including							46	47	1	2.03
including							50	54	4	1.38
VD19-04	670683.0	5285771.0	308.5	180	-45	72	13.9	18	4.1	1.37
including							13.9	15	1.1	2.22
							21	30	9	0.95
including							24	27	3	1.6
VD19-05	670628.0	5285758.8	304.9	180	-45	81	4	16.35	12.35	1.29
including							4	6.1	2.1	1.61

Table 1 – Drill hole collar location and intercept information (downhole Intersections in metres)

Drill Hole	East	North	RL	Azimuth	Dip	Depth	From (m)	To (m)	Thickness (m)	Grade (%Li ₂ O)
And							5	6.1	1.1	2.24
including							9	14	5	1.63
And							12	14	2	2.02
VD19-06	670573.3	5285749.9	300.8	180	-45	75	3.85	5.9	2.05	0.89
including							3.85	4.9	1.05	1.08
							12	14.8	2.8	0.76
							20.2	24.45	4.25	0.87
including							22	23	1	1.2
VD19-07	670627.7	5285813.5	296.3	180	-50	172	42.75	46.0	3.25	1.25
							49	58	9	0.95
including							51	53	2	2.02
							109.5	115.0	5.5	0.77
including							112	113	1.0	1.38
							134.0	141.0	7.0	1.35
including							135	136	1.0	2.15
VD19-08	670627.5	5285816.4	296.2	180	-75	174.1	67	77.25	10.25	1.05
including							67	69	2	1.55
including							72	75	3	1.22
							119	126.1	7.7	0.67
including							124	126.1	2.1	1.09
							142	149.8	7.8	1.04
including							146	149.8	3.8	1.54
							155	163.5	8.5	0.91
including							155	156	1	1.98
including							158	162	4	1.16
VD19-09	670576.6	5285795.4	297.4	180	-55	162	43.8	51.25	7.45	1.05
including							49.95	51.25	1.3	2.17
							110.35	119.55	9.2	0.72
including							118.25	119.55	1.3	1.25
							124.75	127.4	2.65	1.44
VD19-10	670528.3	5285788.0	295.7	180	-55	165	45.5	58.8	13.3	1.04
including							48.15	49.75	1.6	2.13
including							55.4	56.45	1.05	2.00
							108.2	151.9	43.7	0.82
including							135.8	151.9	16.1	1.26

Note: Downhole widths are not true widths.

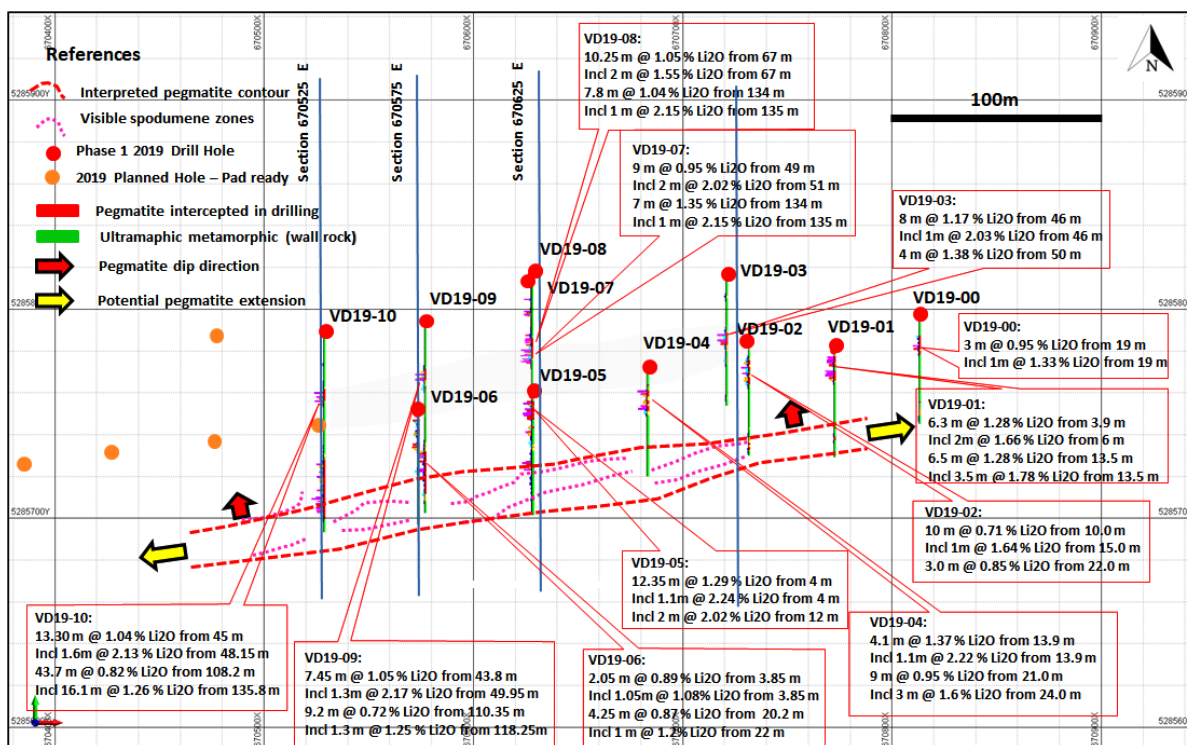


Figure 3: Drill hole collar location plan Phase 1 drilling Viau-Dallaire prospect, Tansim project.

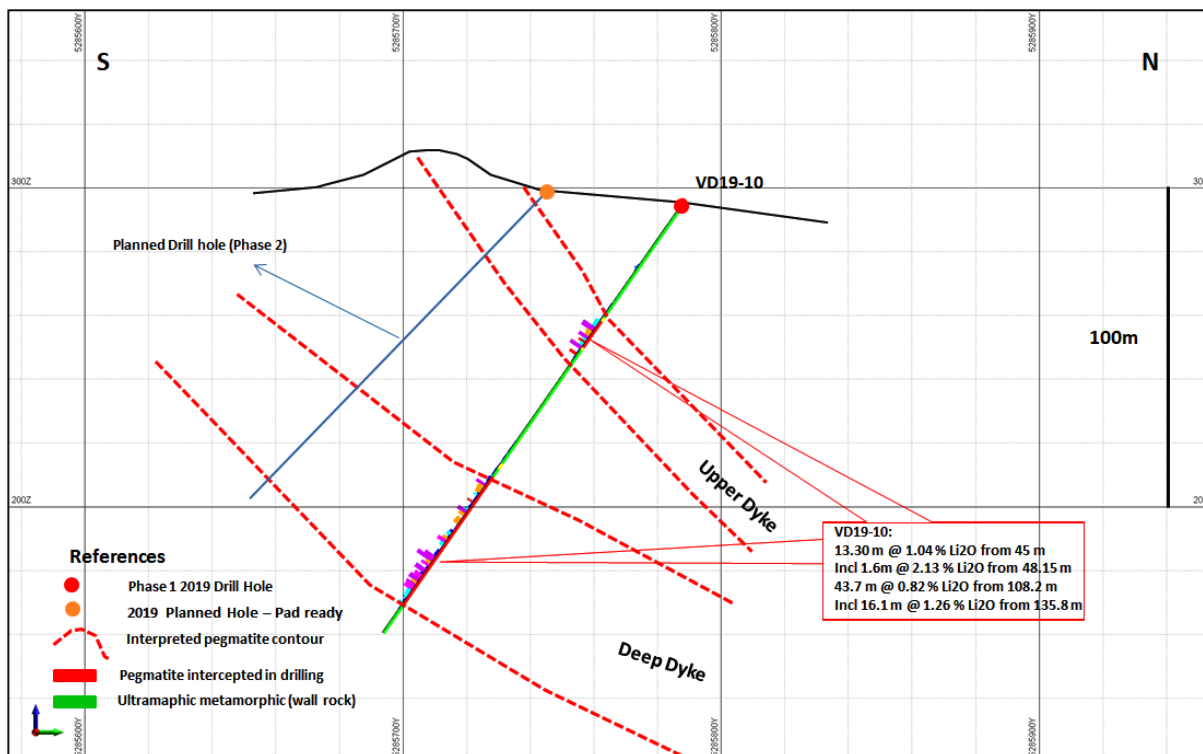


Figure 4: Section 670525 mE looking west showing geometry and Li₂O % mineralisation distribution for the 2 pegmatite dykes intersected during phase 1 drilling program at Viau-Dallaire prospect. Planned hole (orange collar) will test both dykes at shallower levels

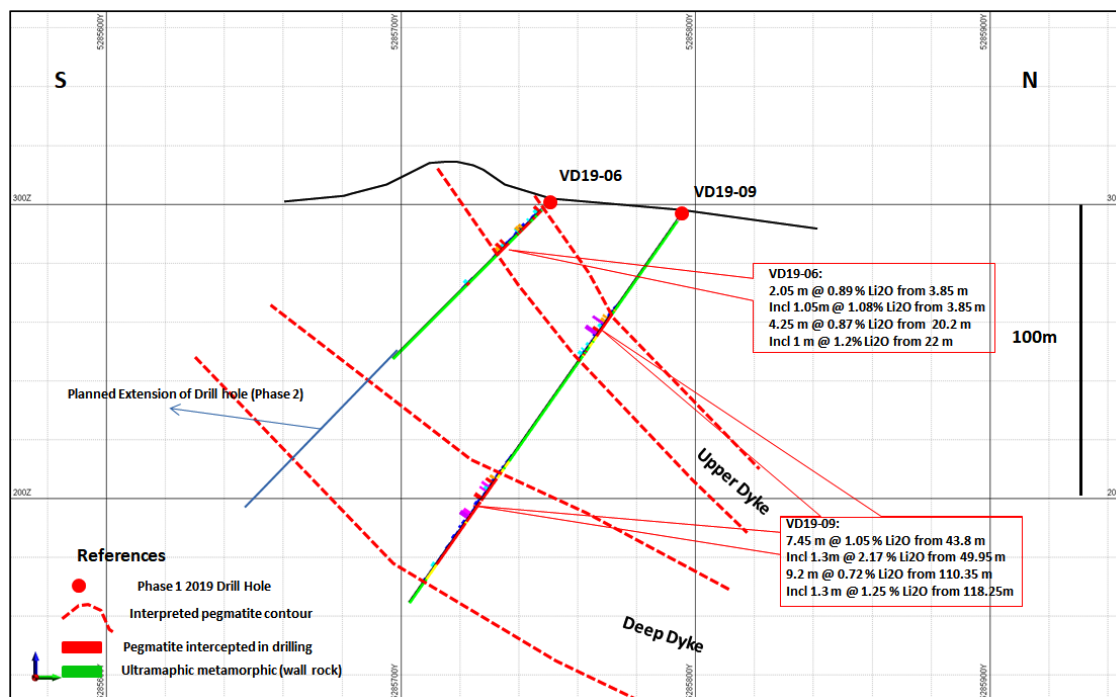


Figure 5: Section 670575 mE looking west showing geometry and Li₂O % mineralisation distribution for the 2 pegmatite dykes intersected during phase 1 drilling program at Viau-Dallaire prospect. Note Drill hole VD19-06 will be extended in order to test the deeper dyke at shallow levels.

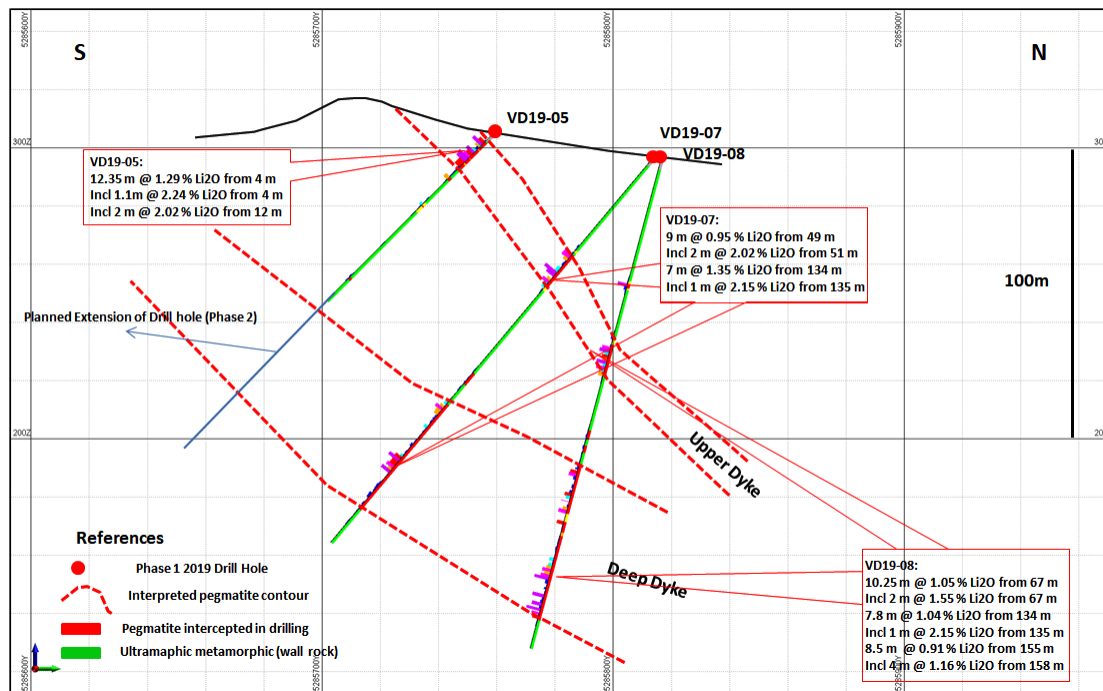


Figure 6: Section 670625 mE looking west showing geometry and Li₂O % mineralisation distribution for the 2 pegmatite dykes intersected during phase 1 drilling program at Viau-Dallaire prospect. Note Drill hole VD19-05 will be extended in order to test the deeper dyke at shallow levels.

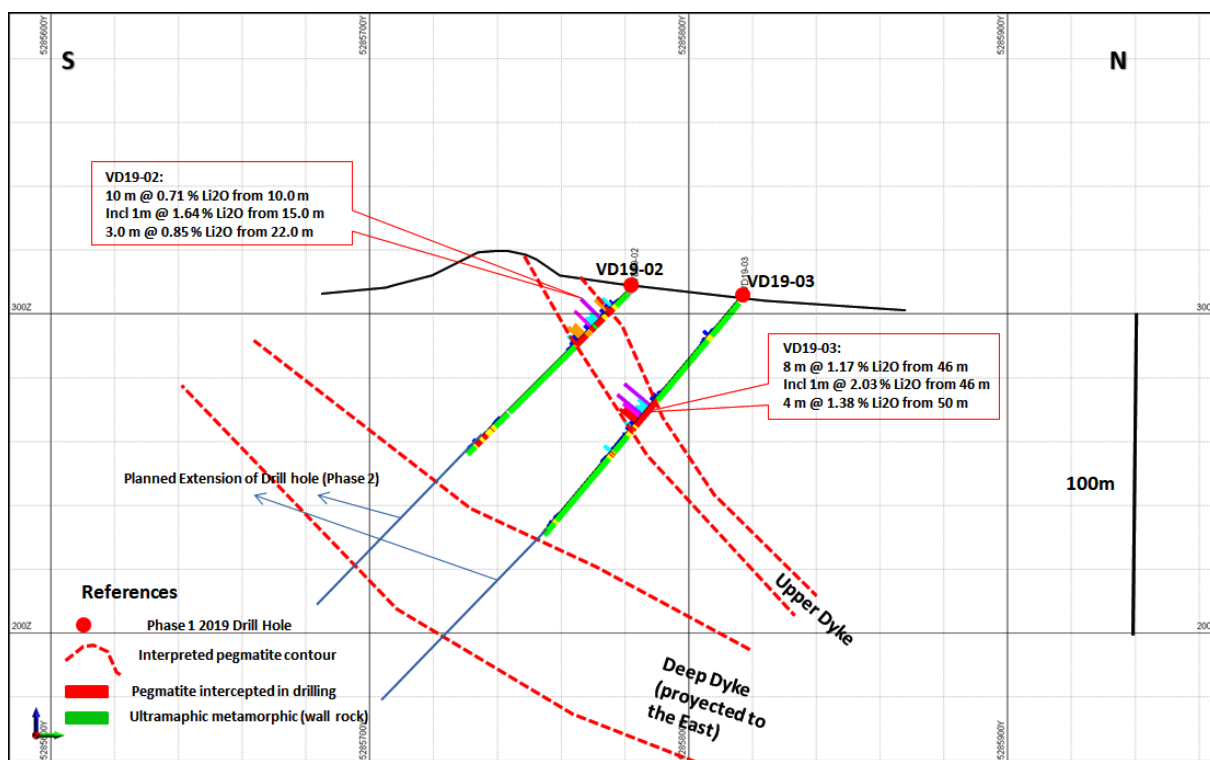


Figure 7: Section 670675 mE looking west showing geometry and Li₂O % mineralisation distribution for the 2 pegmatite dykes intersected during phase 1 drilling program at Viau-Dallaire prospect. Note Drill holes VD19-02 and 03 will be extended in order to test the deeper dyke at shallow and deep levels.

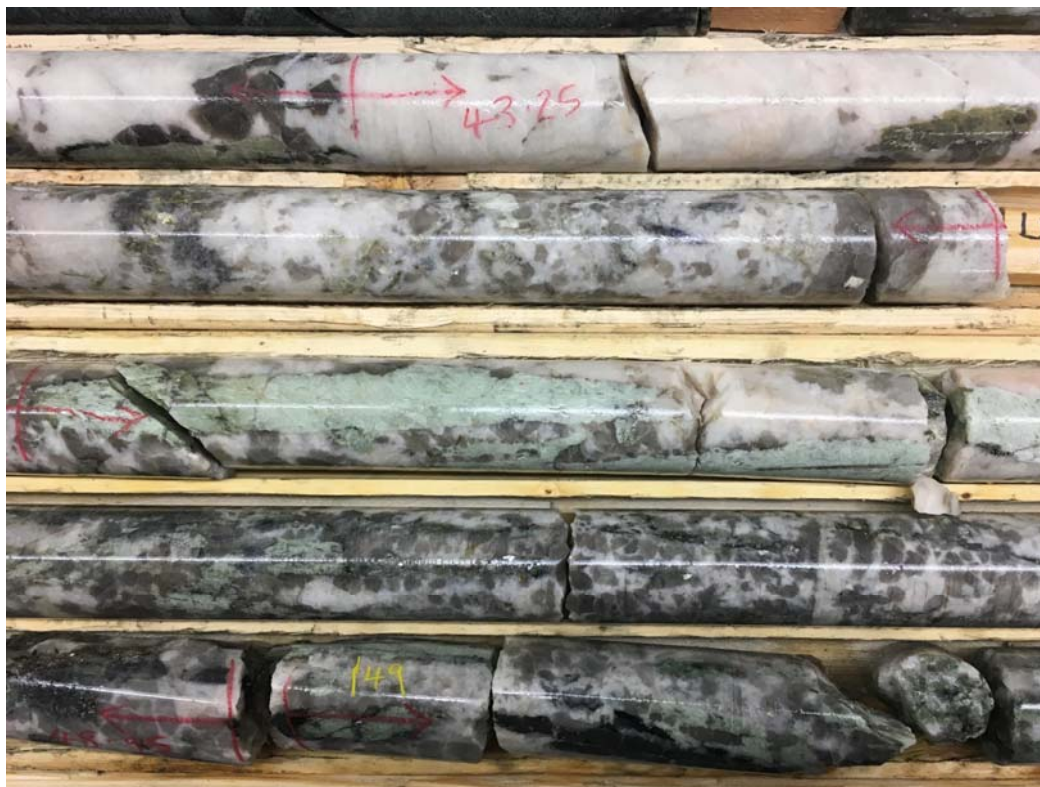


Figure 8: Large spodumene crystals at shallow dyke VD19-06.



Figure 9: Coarse grain spodumene crystals at deep dyke VD19-10.

JORC Code, 2012 Edition – Table 1 - Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> • All holes reported in this program have been Diamond Core Drillholes (DDH). • Diamond core typical sample length averages 1.0 metre starting 2 to 3 metres above and below of the contact of the pegmatite with the barren host rock. Zones within the pegmatite containing either higher concentrations of spodumene or xenoliths of barren host rock were selectively sampled in order to better understand lithium grade distribution. • High to low grade lithium-bearing mineralisation (spodumene) is visible during geological logging and sampling. • The core selected for sampling was split and samples of half core were dispatched to a certified commercial laboratory for preparation and analysis of lithium according to industry standard practices. Sample preparation and assaying techniques are within industry standard and appropriate for this type of mineralisation.
Drilling techniques	<ul style="list-style-type: none"> • Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details 	<ul style="list-style-type: none"> • Core drilling, core diameter size NQ. Standard tube and bit. • Core was not oriented.

	(eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	
Drill sample recovery	<ul style="list-style-type: none"> • Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> • Diamond drill hole core recoveries and RQD are logged. Measurements are taken systematically down hole between core blocks i.e. ~3 metre increments. • Core recovery has been above 99%. • Based on drilling method being diamond core and the near 100% core recovery the sampling is representative. • High competence of the core tends to preclude any potential issue of sampling bias.
Logging	<ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> • Geological logging, core recovery and RQD measurements completed for the 2019 drilling at Tansim project. • Geological logging of main characteristics such as rock type, spodumene abundance, mica abundance, etc has occurred in summary and detail at the pegmatite intervals and surrounding host rock. • For this campaign RQD and core recovery was systematically performed both, pegmatite and host rock. • The geological and geotechnical logging is at an appropriate level for the stage of development drilling being undertaken. • The logging of the geological features was predominately qualitative. Parameters such as spodumene abundance are visual estimates by the logging geologist. • Core is photographed after metre marks and sample intervals have been clearly marked on the core. The core was photographed dry and wet. The core boxes were identified

		<p>with Box Number, Hole ID, From and To using aluminum tags.</p> <ul style="list-style-type: none"> • The entire target mineralisation type core (spodumene pegmatite) and surrounding barren host rock has been logged, sampled and assayed. The footwall and hanging wall barren host rock has been summary logged.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> • Drill core NQ diameter samples cut to two halves with one half placed in a new plastic bag along with the sample tag sent for analysis; the other half was replaced in the core box with the second sample tag for reference. • Sampling boundaries are based in geological contacts of spodumene-bearing pegmatite with barren host rock. • In general at least two host rock sample was collected each side from the contacts with the mineralised pegmatite. • Sample preparation of drill core samples collected during the 2019 drilling program completed at the SGS Canada Inc laboratory ("SGS") facilities in Val D'Or, Quebec, follows industry best practice, involving oven drying, crushing and pulverizing there to respect the specifications of the analytical protocol and then shipped to SGS Mineral Services laboratories in Lakefield, Ontario, for analysis. • Sample sizes are considered appropriate with regard to the grain size of the sampled material. •
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and 	<ul style="list-style-type: none"> • Assaying of Sayona's 2019 drilling samples received at SGS were processed according to the following procedure at the SGS preparation facilities in Val D'Or, Quebec. All samples are inspected and compared to the chain of custody (COC) and logged into the SGS

	<p>model, reading times, calibrations factors applied and their derivation, etc.</p> <ul style="list-style-type: none"> • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<p>laboratory management system, then weighted and dried. Sample material is crushed to 75% passing 10 mesh (2mm), split to obtain a 250 g sub-sample which is then pulverized to 85% passing 200 mesh (75 microns).</p> <ul style="list-style-type: none"> • The analyses of the drilling samples were conducted at the SGS laboratory located in Lakefield, Ontario, which is an accredited laboratory under ISO/IEC 17025 standards accredited by the Standards Council of Canada. • The analytical protocol used at SGS Lakefield for Lithium (Li) is the GE ICP91A 29 element analysis - sodium peroxide fusion, which involves the complete dissolution of the sample in molten flux for ICP-AES analysis. The detection limits for Li are 10 ppm (lower) and 10,000 ppm (upper). • No geophysical or handheld tools were used. • Quality control protocol ("QA/QC") involve a review of laboratory supplied internal QA/QC and in-house controls consisting in the insertion of in-house reference standards (high and low grade, prepared with material of the Authier project and certified by lab round-robin) and samples of "barren" material (blanks), on a systematic basis with the samples shipped to SGS.
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> • All the pegmatite intersections and assay results have been reviewed by the Competent Person and Sayona's geologist and personnel. • Lithium (ppm) reported in assays is converted to Li_2O % by multiply Li (ppm) X 2.153 (conversion factor) • The entire drilling program conducted by Sayona in 2019 was logged by 2 geologists, a Sayona's employee and a contracted geologist

		<p>from Services Forestiers et d'Exploration GFE ("Services GFE"), controlled by Sayona's Competent Person and using technicians from Services GFE. RNC provided the office, core logging and storage facilities to the Company which are located at Amos, 175 km north by car from the Viau- Dallaire prospect Tansim project.</p> <ul style="list-style-type: none"> • The core boxes were photographed and are available for verification at Services GFE storage facilities, 80 km north of Tansim project. • No twinned holes were drilled during this 2019 drilling campaign by Sayona. • Primary data was recorded on laptop computers directly into standardized Excel logging templates with built in look-up codes. This information is merged with the assay certificate data into a Sayona's in-house database • No adjustments to assay data have been undertaken.
Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • Drill collar locations have been surveyed and the survey values are recorded as the final coordinates and hole orientation in the database by an independent and qualified land surveyor. • Downhole surveys (dip and azimuth) for 2019 drilling were collected as single shot readings using a Reflex tool. Measurements are made at the beginning (25 m below surface) and at the end of the hole length. An intermediate measure was done when drill hole length exceeded 150 m. • The grid system used is 1983 North American Datum (NAD83) • The level of topographic control offered by the collar survey is considered sufficient for the work undertaken at its current stage.

Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • Drill holes were drilled perpendicular to the lithium mineralised pegmatite as shown on the attached plan. • Drill collars were sited to provide the best geological information possible to test the grade, strike and vertical extensions of mineralisation. • The data spacing is sufficient to estimate geological and grade continuity of observed mineralisation. • Sample compositing has not been applied.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • Drilling grid orientation is perpendicular to the strike of the mineralisation determined by previous mapping and historical drilling. • No bias attributable to orientation of sampling upgrading of results has been identified.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • All reasonable measures have been taken to ensure sample security along the value chain. These measures include the sample collection by company's field personnel, recording of sample dispatch and receipt reports, secure delivering of samples to SGS laboratory facilities. •
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • No audit or review of the sampling techniques and data for this release has been carried out. • The quality control protocols implemented at Tansim Lithium project are considered to represent good industry practice and allow some assessment of analytical precision and accuracy. The assay data is considered to display acceptable precision. •

Section 2 - Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area. 	<ul style="list-style-type: none"> • The Tansim Lithium Property consists in one block of map designated claim cells located within the Temiscamingue region of Quebec, north of Lake Simard and 82 km south-west of the Company's flagship Authier lithium project, totaling 243 mineral claims covering 13,764 ha. The property extends 24 km east-west direction and 7 km north-south. • On January 23, 2018 Sayona signed an option-to-purchase agreement with Matamec Explorations Inc ("Matamec") to acquire 100 % of Tansim project through a staged acquisition strategy. • The agreement states that Sayona obtains an initial 50 % interest in the property through the expenditure of CAD\$ 105k for claim renewal costs of the property, as required by the Quebec department of natural energy and resources. This expenditure amount is reduced by the exploration amount (up to CAD\$ 65k) completed on the property prior to 31 January 2018. Sayona can then earn 100 % interest in the property by completing the milestones in the timeframes outlined below: <ul style="list-style-type: none"> • Investing CAD\$200k in exploration and pay CAD\$100k in cash to Matamec within the first 12 months; and • Investing CAD\$350k in exploration and pay CAD\$250k in cash to Matamec within 12 and 24 months of signing. • Sayona will be the operator of a joint venture to be signed between both parties to manage the property. Once Sayona earns 100 %, Matamec receives a 2% Net Smelter Return Royalty ("NSR") from the payable

metals extracted from the property. The NSR can be bought back for an amount of CAD\$ 1.0M per royalty percentage. Sayona will have the choice to buy back 1.0% or 2.0% NSR for an amount of CAD\$1.0M or CAD\$2.0M, respectively.

- If Sayona earns 50% but doesn't proceed any further with the purchase option, Matamec can buy the 50 % back property interest for CAD\$1 and Sayona will receive a 2% NSR.
- According to Quebec government records, no part of the land covered by the Tansim property is a park or mineral reserve. To our knowledge, the property is devoid payments or other encumbrances. The Tansim property is not subject to environmental liabilities .The Issuer, Matamec Explorations Inc., holds 100% of the claim titles of the Tansim property.
- An intervention permit must be obtained from the Quebec Province government in order to initiate a drilling campaign.
- There are no mineral resources or mineral reserves on the Tansim property according to the JORC 2012 and 2005 CIM Definition Standards.
- There are no existing mines workings, tailing ponds, waste deposits and important natural features and improvements relative to the outside property boundaries. There is sufficient unused land within the Tansim claim block for waste and tailing disposal and the construction of a mine and milling installations.
- The Tansim property contains mineralized zones manifested by outcrops, small pits and/or trenches.
- Sayona will apply for drilling and forestry permits in short term as per agreement schedule with Matamec.

Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The Property has been explored in the late 1950's and early 1960's when zoned granitic pegmatite dykes containing spodumene, beryl, and colombo-tantalite were found. In 1977, the discovery of tantalum and uranium-rich granitic pegmatites samples from the Ile du Refuge site sparked new interest from Noranda and particularly SOQUEM, the latter conducting geophysical surveys, mapping campaigns and litho-geochemical sampling during the early 1980's. In 2003, Matamec acquired a large package of land (the Tansim property) located north of Lake Simard and encompassing most of the previously investigated rare metal showings. Matamec has conducted exploration on the property including mapping, sampling (rock and soil), geophysics and the preparation of a Canadian NI43-101. The project has been subject of historical reconnaissance shallow drilling at Viau Dallaire , Viau and Ile du Refuge showings (1961, 1974 and 1979 respectively) for 446.5 metres of drilling in 12 diamond holes. There are no assay records of diamond core stored, except a visual description of spodumene in the 4 holes drilled at Viau Dallaire. Sayona conducted an airborne magnetic survey in December 2017 and the reconnaissance sampling reported in this announcement.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Tansim property is part of the Pontiac subprovince; a Late Archean metasedimentary-metavolcanic-granitoid-gneiss terrane situated along the southeastern margin of the Superior Province of Quebec. Mineralisation at Tansim is hosted within east-west trending complex

		<p>spodumene-bearing pegmatite intrusions.</p> <ul style="list-style-type: none"> The priority focus of the exploration program is to define drilling targets at the following priority prospects: <ul style="list-style-type: none"> Viau Dallaire – a 300 metre long dyke, dipping 40 degrees north, and 12-20 metres in thickness, hosted by metamorphic schists. Three channel samples include 10.3 metres @ 1.40% Li₂O, 11.15 metres @ 0.84% Li₂O & 18.95 metres @ 0.94% Li₂O (including 7.3 metres at 1.77% Li₂O); and Viau – pegmatites have been mapped up to 200 metres long and 30 metres wide. Two separate channel samples returned grades of up to 2.77% Li₂O and 1.37% Li₂O over 3.2 metres, respectively. The lithium mineralisation at the Viau Dallaire and Viau prospects are related to coarse spodumene bearing quartz-feldspar pegmatite. Higher lithium grades are related with high concentrations of mid-to-coarse spodumene crystals (up to 30 cm long).
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the 	<ul style="list-style-type: none"> In 2019, Sayona drilled 1,219 metres in 11 diamond holes. The aim of the program was to testing the outcropping spodumene bearing pegmatite at Viau Dallaire prospect along strike and to depth; exploring for other potential mineralised dykes within the prospect; and starting the collection of data for further metallurgical test work. Drill hole details are reported in the body of this announcement as Table 1. All historical exploration data has been compiled by Matamec. .

	Competent Person should clearly explain why this is the case.	
Data aggregation methods	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • No modification of results was conducted • No aggregation of data was conducted. • No weight averaging or high-grade cut has been applied to any of the sample assay results. • No metal equivalent values are reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> • Drilling has been sited to intersect the lithium mineralisation orthogonally. • Drilling widths reported are downhole intercept widths and true width is approximately 90 % of drilling width. • The general orientation and geometry of revised pegmatite bodies are described in the body of this announcement.
Diagrams	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> • A Collar Plan and typical cross-sections are presented in the body of this report.
Balanced reporting	<ul style="list-style-type: none"> • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> • The reporting is considered to be balanced.
Other substantive exploration data	<ul style="list-style-type: none"> • Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and 	<ul style="list-style-type: none"> • The Sayona 2019 phase 1 diamond drilling campaign was conducted after Sayona 2016 Stage 01 and Sayona prospecting, geochemical sampling and geophysical surveys, sawn blade

	<p>method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</p>	<p>channel and scout drilling that covered the Property targeted areas. This work confirmed the presence of several pegmatite occurrences across the Property.</p> <ul style="list-style-type: none"> • All the available historical data pertaining to the project area has been compiled by Matamec and used for all Sayona's announcements at date.
Further work	<ul style="list-style-type: none"> • The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> • Sayona's Project Development strategy will be initially focused at Viau Dallaire and Viau prospect. Work program includes: <ul style="list-style-type: none"> • Follow-up drilling at Viau-Dallaire prospect to extend existing pegmatite dykes and test for additional sub-parallel dykes; • Additional exploration at Viau prospect; and • First metallurgical test work.