



# ASX ANNOUNCEMENT



25 OCTOBER 2016

## DRILLING INTERSECTS THICK ZONE OF MINERALISATION IN AUTHIER GAP ZONE

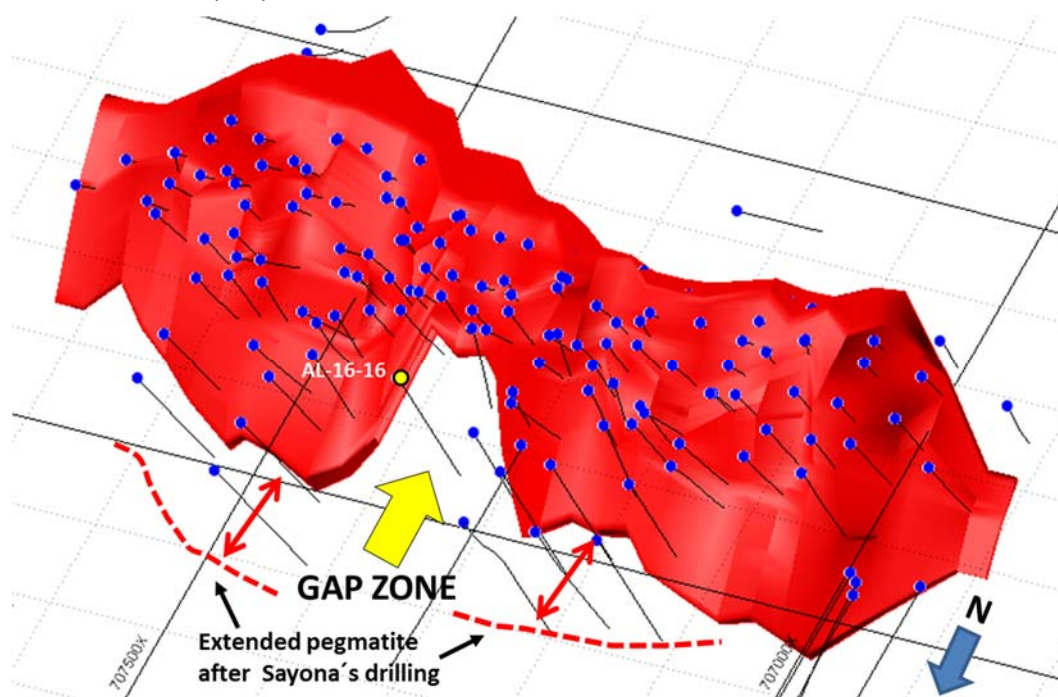
Sayona Mining Limited (ASX: SYA) ("Sayona" or the "Company") is pleased to announce that drilling between the eastern and western resource zones in the main pegmatite has intersected a thick zone of spodumene mineralisation at the Authier lithium deposit.

Hole 16 has intersected a 40 metre thick zone of spodumene mineralisation in the main pegmatite at a downhole depth of 160 metres. Historical drilling has previously failed to intersect mineralisation within the middle to deep levels of the gap zone, and it was interpreted that the resource didn't connect between the eastern and western zones (see Figure 1). Spodumene mineralisation was visible throughout the intersection and interpreted as medium to high grade lithium, and drill core has been sent to the laboratory for assaying.

The new interpretation will enhance the value of the project by:

- Adding additional resource. The mineralisation within the zone is interpreted to extend approximately 150 metres in strike length and down to 200 metres depth; and
- Simplify the mine plan and optimisation of the life-of-mine stripping ratio.

An additional drill hole within the western border of the gap zone (hole 18) is being drilled for resource definition purposes.



**Figure 1:** 3D view of Authier pegmatite showing drill hole 16 location in the gap zone and the approximate boundaries of the main pegmatite following the current drilling program

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ASX Code: SYA

The Company's drilling objective is to significantly expand the size of the Authier JORC Resource and extend the mine life, and potentially the scale of a future operation. A pre-feasibility study is underway to study the technical and commercial viability of the base case development scenario, and is due for completion late in 2016.

For more information, please contact:

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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.

The Company's primary focus is the development of the advanced stage Authier lithium project in Quebec, Canada. Authier mineralisation is hosted in a spodumene-bearing pegmatite intrusion with more than 18,000 metres of drilling in 139 holes.

The Authier JORC compliant Mineral Resource estimate is tabulated below at a 0.5% Li<sub>2</sub>O cut-off grade.

Authier JORC Mineral Resources Estimate (0.5% Li <sub>2</sub> O cut-off grade)			
Category	Million Tonnes	Grades Li <sub>2</sub> O	Contained Li <sub>2</sub> O
Measured	2.08	0.95%	19,730
Indicated	5.16	0.97%	50,092
Inferred	1.88	0.93%	17,480
<b>Total</b>	<b>9.12</b>	<b>0.96%</b>	<b>87,302</b>
Cautionary Note - Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimated will be converted into a Mineral Reserves estimate.			

Authier is amenable to simple open-cut mining and processing methods, and is situated in close proximity to development infrastructure. The Company is currently completing a pre-feasibility study due for completion in late 2016.

In addition, the Company controls a portfolio of lithium and graphite exploration projects in Western Australia.

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## Reference to Previous ASX Releases

This release refers to the following previous ASX releases:

"Authier JORC Resources", 5 July 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.

## **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.