

30 July 2021

## **JUNE 2021 QUARTERLY ACTIVITIES REPORT**

### **Quarter Highlights**

#### **Québec, Canada**

- **Sayona Québec's acquisition of North American Lithium (NAL) approved by Superior Court of Québec**
- **Flagship Authier Lithium Project to be integrated with NAL facilities to create world-scale Abitibi lithium hub, facilitating downstream processing**
- **New drilling campaign underway at Authier project, with goal of expanding resource and enhancing profitability**
- **Expansion of Sayona's Tansim Lithium Project in Québec following acquisition of 75 additional claims**
- **Completion of Piedmont investment in Sayona Québec**

#### **Western Australia**

- **Earn-in agreement with Altura Mining to progress exploration of Pilbara lithium projects**
- **Sayona to invest A\$2M in gold exploration in search for Hemi-style gold mineralisation; magnetic drill targets identified.**

#### **Post-quarter**

- **Testing shows Authier spodumene capable of being processed into high purity 99.99% lithium hydroxide**
- **A\$50m raising to fund NAL acquisition and advance Abitibi lithium Hub**
- **Share Purchase Plan opens for registered shareholders, seeking up to A\$5m**

**Emerging lithium producer Sayona Mining Limited (ASX:SYA; OTC:DMNXF)** has further advanced its lithium expansion in Québec, Canada and gold exploration in Western Australia, as highlighted by its Activities Report for the June quarter 2021.

## NAL Acquisition

In a major milestone for the Company, court approval was granted for the joint bid for NAL by subsidiary Sayona Québec Inc. and Piedmont Lithium Inc. (Piedmont) (refer ASX announcement 30 June 2021).

The bid was undertaken jointly with leading US based lithium corporation, Piedmont. Sayona announced a strategic partnership with Piedmont in January this year to expedite the Company's growth plans in Québec and to enhance access to the US markets and investors (refer ASX announcement 11 January 2021). The final leg of this partnership arrangement was completed in June following the execution of the necessary agreements regarding Piedmont's investment in Sayona Québec Inc. (refer ASX announcement 8 June 2021)

The integration of NAL with Sayona's flagship Authier Lithium project will transform both operations and create a world-scale Abitibi lithium hub. It will also advance plans for downstream processing in Québec, taking advantage of its environmental and economic advantages including low cost, renewable hydropower, an established mining services industry and proximity to the North American battery market.

The acquisition of NAL will be achieved through a reverse vesting order type transaction structure, which will entail the implementation of a pre-closing reorganisation of NAL.

The bid value and cash component for the acquisition is summarised in the table below, with the figures to be updated as at the closure of the transaction (refer also ASX release 22 June 2021):

Element	Value	Cash to be paid at closing of transaction
IQ Assigned Debt (NAL's obligations under the senior and subordinated secured debts of Investissement Québec (IQ) on transaction closure)	C\$111,898,000	C\$36,000,000 cash The IQ Assigned Debt will be carried within the Group as an inter-company loan and eliminated on consolidation, with no net financial impact on a group basis
IQ debtor-in-possession (DIP) financing	C\$10,948,000	C\$10,948,000 cash (as at 11 June 2021, plus other amounts advanced until closing)
Contemporary Amperex Technology Canada Limited's senior secured debt	C\$47,000,000	C\$47,000,000 cash
Municipal tax arrears payable to City of La Corne, Québec	C\$413,000	C\$413,000 cash
Assumption of reclamation guarantees in favour of the <i>Ministère de l'Énergie et des Ressources naturelles</i> (Québec ministry of energy and natural resources)	C\$25,600,000	No cash component at closing. Establishment of insurance-based security bond
Assumption of certain construction liens, if valid	C\$753,000	No immediate cash component
Assumption of relevant NAL employee liabilities	Undefined	No immediate cash component. Future payroll and entitlement obligation
Total Bid Value	C\$196,199,000	C\$94,361,000 cash (plus other amounts advanced under the DIP until closing)

Total cash consideration is approximately C\$94,400,000, subject to final adjustments at transaction closure.

The transaction is expected to complete during Q3 2021, subject to the satisfaction of certain conditions including Sayona obtaining any necessary approvals under the ASX Listing Rules, clearances required under the Competition Act (Canada) and Investment Canada Act (Canada) and other customary closing conditions.

Sayona Québec has agreed to pursue the establishment of downstream processing facilities in the province, including the development of a spodumene conversion facility at NAL for the production of lithium hydroxide or lithium carbonate.

### **Authier Lithium Project**

Sayona's flagship Authier Lithium Project is set to play a key role in the Company's planned multi-project Abitibi lithium hub, which has the potential to generate new jobs and investment for the benefit of Québec, and to create wealth for shareholders.

A drilling campaign is currently underway at Authier to expand the current ore resource, improve the strip ratio and to accelerate production to enhance its profitability. Some 31 drill holes are planned for a total of approximately 4,500m of diamond drilling, with drilling expected to take around 10 weeks (refer ASX announcement 2 June 2021). The drilling campaign is also testing for potential repetition of lithium pegmatite in the southern lease sector.

All drilling is being conducted by Les Forages Pikogan, a member of the Algonquin Abitibiwinni community of Pikogan (First Nation Abitibiwinni), with whom Sayona has an exploration agreement. The agreement provides benefits for the Pikogan, both economic and in terms of sustainable development, and is a tangible demonstration of Sayona's commitment to the First Nations community.

In late March, Sayona announced plans to conduct product trials with leading battery researcher Novonix Limited (ASX:NVX), focused on delivering a clean and green 99.97% lithium hydroxide battery suitable for North American EV makers (refer ASX announcement 31 March 2021).

In early July, post period end, the Company announced the results of testing that confirmed spodumene from Authier can be refined to produce high purity, 99.99% lithium hydroxide\* (refer ASX announcement 7 July 2021). Spodumene samples from Authier were processed into lithium hydroxide by Australian hydroxide technology provider ICS Lithium, using its sustainable, closed loop refining system. The samples were then analysed at CSIRO's Mineral Resources laboratories in Perth, Western Australia, which confirmed their exceptional purity.

A portion of the lithium hydroxide sample has now been dispatched to Novonix Battery Technology Solutions in Nova Scotia, Canada, to be processed along with other cathode-precursor materials into NMC622 lithium-ion batteries using Novonix's pilot cell line. The Novonix tests will evaluate the sample's conformity with lithium-ion battery standards and its performance in commercial cells, highlighting the project's ability to deliver a high-purity product suitable for leading battery cathode makers in North America.

*\* Disclaimer: The purity of the material is defined as the weight of LiOH.H<sub>2</sub>O in the sample divided by the total sample weight, comprised of lithium values as LiOH.H<sub>2</sub>O-plus-impurities, expressed as a percentage. To five figures the sample purity is 99.990%. The analysis does not extend to anions other than the hydroxide ion OH. It does not determine levels of chloride, carbonate or nitrate, while sulphur present is assumed to be as sulphate ion. Sodium and potassium values are likely to be present as nitrates while any carbonate present would arise from contamination from atmospheric CO<sub>2</sub>; the processing facilities cannot entirely exclude exposure of samples to the atmosphere. Impurity levels are generally so low that they are at the threshold of measurement capabilities by the analytical equipment employed, so variations are to be expected in repeat analyses on material from the one sample batch.*

## Tansim Lithium Project

The Tansim Lithium Project, located 82 kilometres south-west of the Authier project, continues to expand, with Sayona considering it a potentially highly valuable component of its Abitibi lithium hub.

During the quarter, Sayona announced the acquisition of an additional 75 claims at Tansim. The project now comprises 350 claims spanning 20,256 ha (refer ASX announcement 6 April 2021). The new Tansim claims are situated on the northern and south-east flank of the project. They secure prospective areas marginal to the Réservior Decelles Batholith, a suite of monzogranite intrusions typical of the parent magma associated with spodumene bearing pegmatite systems at a worldwide scale.

The new claims also cover a similar stratigraphy to the Viau and Viau-Dallaire prospects. It is anticipated new tracks traversing the area will allow rapid and efficient exploration for spodumene pegmatites over the new area.

A 26-hole diamond drill program for 4,200m is planned for Tansim, with some 3,400m at the Viau-Dallaire prospect and approximately 800m at the Viau prospect. The program aims to expand the lithium mineralisation at Viau-Dallaire and provide material for mineralogical study and metallurgical test work to support a Mineral Resource estimate.

An Exploration Target\*\* for the Viau-Dallaire prospect has been estimated at between 5 million tonnes and 25 million tonnes, at an estimated grade of 1.2-1.3% Li<sub>2</sub>O (refer ASX release 19 November 2019).

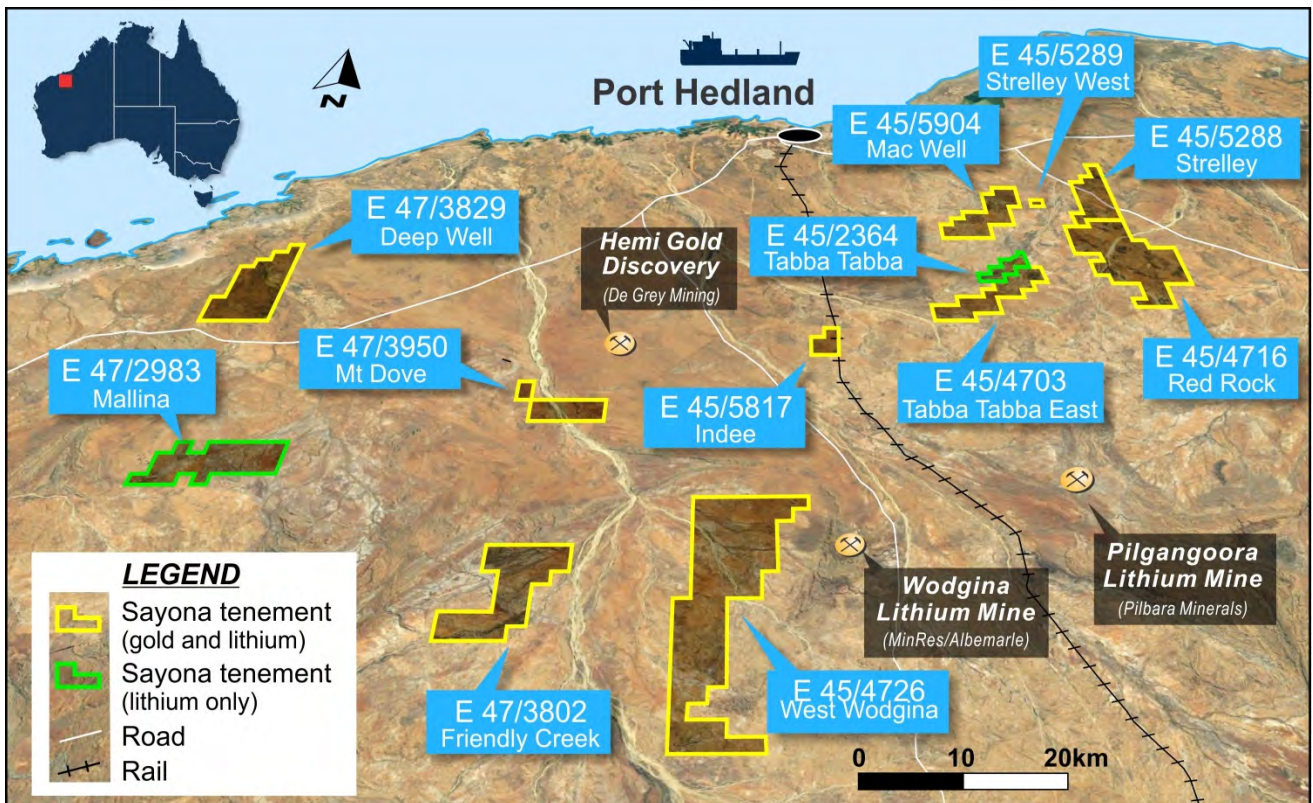
*\*\* The potential quantity and grade of the Exploration Target is conceptual in nature and is therefore an approximation. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in an estimation of a Mineral Resource.*

## Western Australian Projects

Sayona's leases in Western Australia cover 1,186 sq km and comprise lithium and gold tenure in the Pilbara and Yilgarn areas and graphite prospective tenements in the East Kimberley region.

### Pilbara Exploration

Sayona's Pilbara portfolio comprises 12 leases totaling 1016 sq km in area within the world class Pilgangoora lithium district. Ten of the tenements, covering 911 sq km have associated gold rights and are proximal to De Grey Mining's 6.8Moz Hemi gold discovery. The Pilbara tenements are shown in Figure 1 below.



*Figure 1: Sayona tenements in Western Australia*

Sayona's Pilbara holdings have recently been increased with the pegging of the Mac Well tenement application, located to the northeast of the Hemi area. The Mac Well application complements nearby Sayona tenements in consolidating tenure along the regional scale Tabba Tabba shear zone and its associated prospective intrusives.

#### Earn-in Agreement with Altura Mining

In June, Sayona announced it had entered into a new earn-in agreement with Altura Mining Limited over the Company's Pilbara lithium tenure (refer ASX announcement 2 June 2021). The new agreement covers the core of the lithium tenements reflected in the previous 2019 earn-in agreement (refer ASX announcement 8 August 2019), spanning more than 1,000 square kilometres.

Under the new agreement, Altura has the right to earn a 51% interest by spending a minimum of A\$1.5 million on exploration over three years, with Sayona retaining the remaining 49% project interest. Altura must spend at least A\$500,000 and complete a minimum of 1,500m of drilling at the Mallina Lithium Project.

The Mallina area is the most advanced project, with multiple zones of spodumene pegmatite identified within a 25 sq km zone. Drill planning has commenced with a focus at the Area C prospect, where shallow spodumene mineralisation (4m @ 2.18% Li<sub>2</sub>O from surface in RC drillhole SMRC040) remains open at depth and to the north and south.

Sayona will retain 100% of the gold and other non-lithium rights within the tenement area.

#### Pilbara Gold Exploration

Sayona's Pilbara gold leases are prospective for intrusion related gold mineralisation, similar in style to that identified at the Hemi gold discovery. This style of mineralisation is hosted within altered late stage hi-Mg diorites

of the Indee Suite.

Sayona’s tenement portfolio remains effectively untested for its gold potential with large areas masked by surficial cover. Gold tenure is displayed in Figure 2 below:

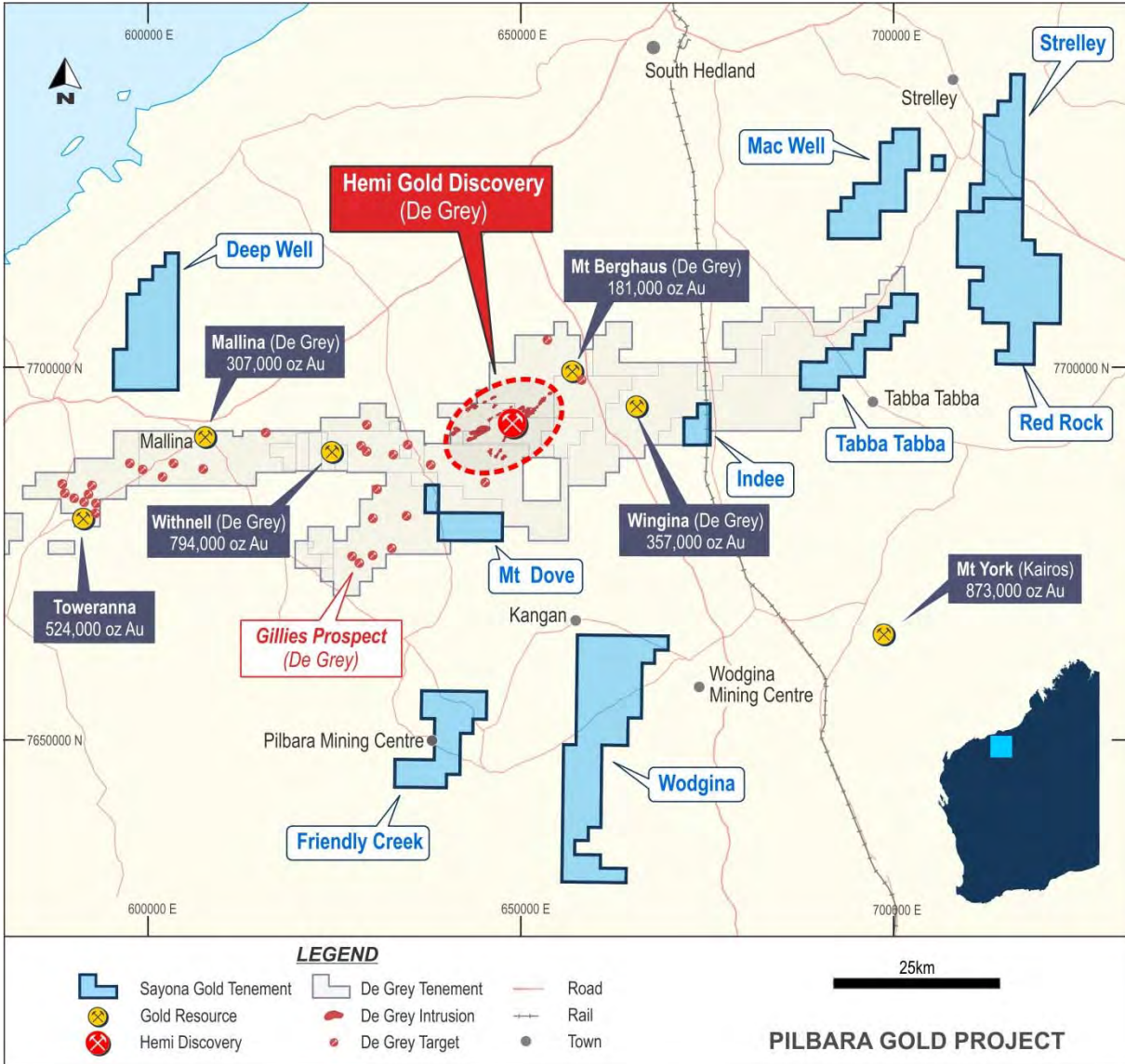
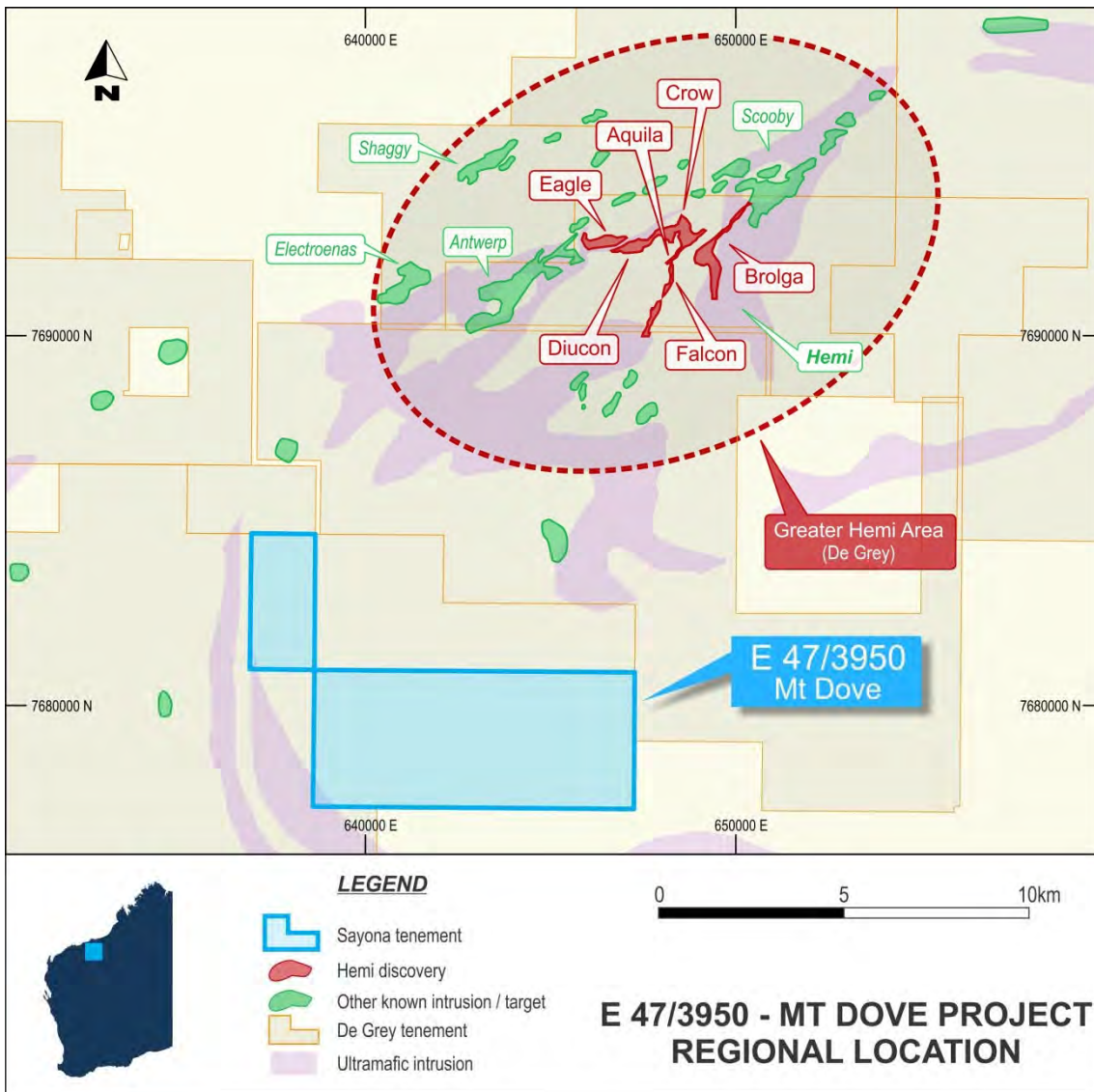


Figure 2: Pilbara gold leases

During the quarter De Grey Mining reported a maiden resource estimate at Hemi of 6.8Moz gold, with 9Moz Au within the greater Mallina Gold Project. These results cement the Pilbara as a Tier 1 exploration province.

The Mt Dove project is the closest Sayona lease to Hemi, being 10km south-west of the Falcon prospect and 12 km south-west of the Brolga prospect. It is within 5km of the greater Hemi project area, a 15km trend which includes Hemi and adjacent intrusions. A number of targets have also been identified by De Grey within their tenure to the north, the north-east and to the west of the Mt Dove lease (see Figure 3 below).



*Figure 3: Mt Dove lease and surrounding De Grey targets and Hemi Discovery*

The Company is using its knowledge of late-stage intrusions, built up in the search for pegmatite mineralisation, to fast track identification of Hemi-style targets. At Hemi, part of the mineralisation identified to date has an associated magnetic feature and Sayona’s initial exploration includes the use of airborne magnetics to identify similar targets.

#### Airborne Magnetics Surveying

During the quarter Sayona commissioned Magspec Airborne Surveys to complete a high resolution (50m spaced flight lines) 3,900 line km airborne magnetic survey over the entire area of the Deep Well project and part of the Mt Dove project, where prior high resolution data is not available.

The survey was completed on 4 April 2021 and processing and interpretation of the Mt Dove magnetics data has been undertaken by Graham Jenke, a senior consulting geophysicist with Southern Geoscience Consultants.

### Mt Dove Project Airborne Magnetic Interpretation

The Mt Dove tenement displays a range of magnetic features, the majority of which are interpreted to relate to localised accumulations of magnetite within sand dune systems and in fossil river terraces along the margins of the Yule River. Preliminary interpretation of data has identified five magnetic features and a number of north-east trending structures and dykes that may have acted as pathways for intrusions within the tenement area (see Figure 4 below).

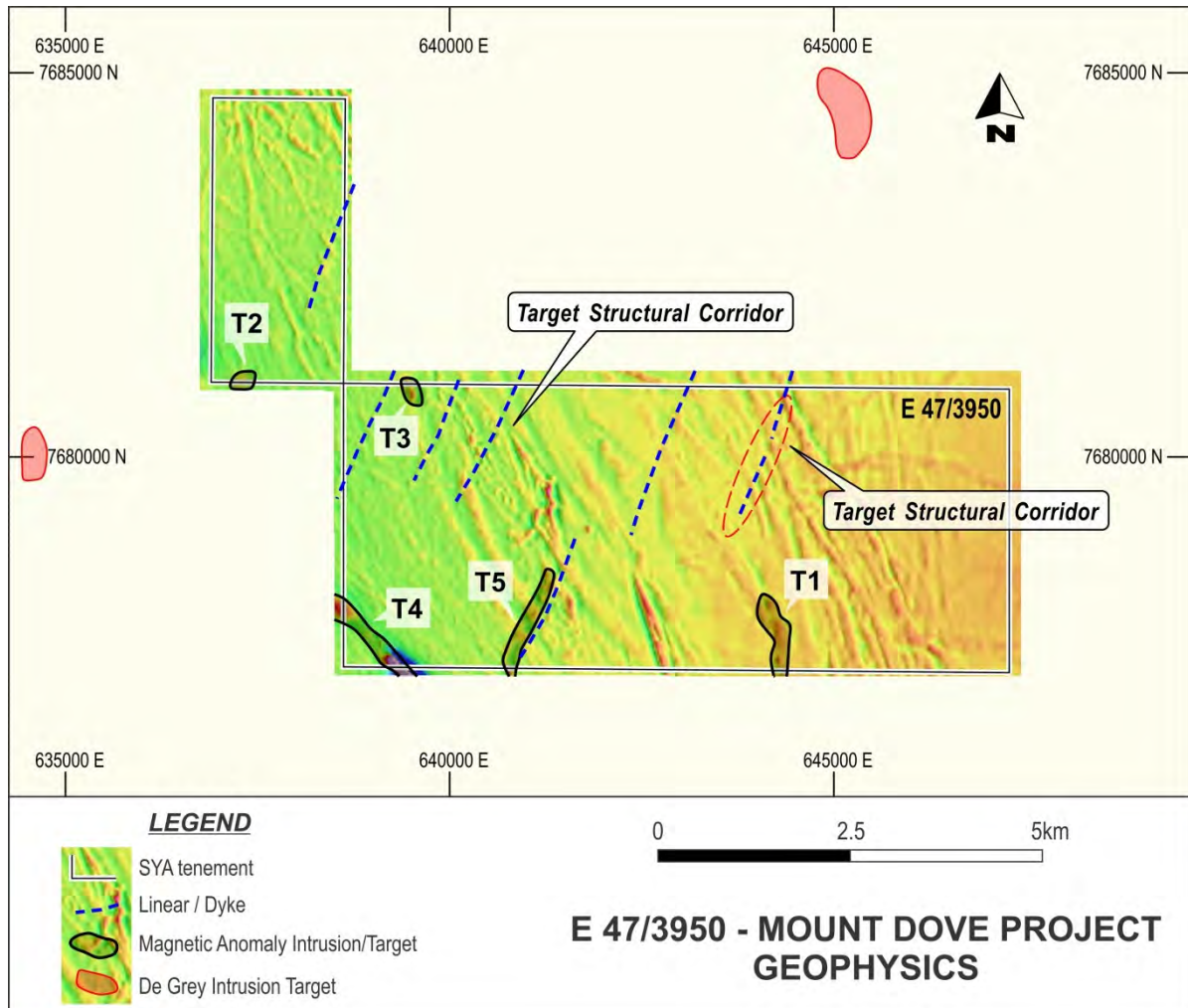


Figure 4: Mt Dove Project with RTP AGC magnetics and targets

Target T4 is the strongest response within the tenement and extends for some 1km of strike extent. Outside of Mt Dove, GSWA mapping has identified quartz veining along strike to the south-east, but within the project area the anomaly remains unresolved.

Anomaly T1 centres on a single line feature at 644290E 7677360N (MGA z50 GDA94) and weak features to its north which may be surficial in nature. The T3 and T5 targets are weaker and may reflect regolith sources. Further geophysical processing is being undertaken to further define these features.

The western 9.4 sq km of the Mt Dove tenement lies within the Yandeyarra Aboriginal Reserve. An access agreement is required before exploration can be undertaken over this area, which covers approximately 25% of the total lease area of 38.4 sq km.



Deep Well Project Airborne Magnetic Interpretation

At Deep Well, preliminary interpretation of the geophysical data has identified 11 discrete magnetic anomalies, as shown in Figure 5 below.

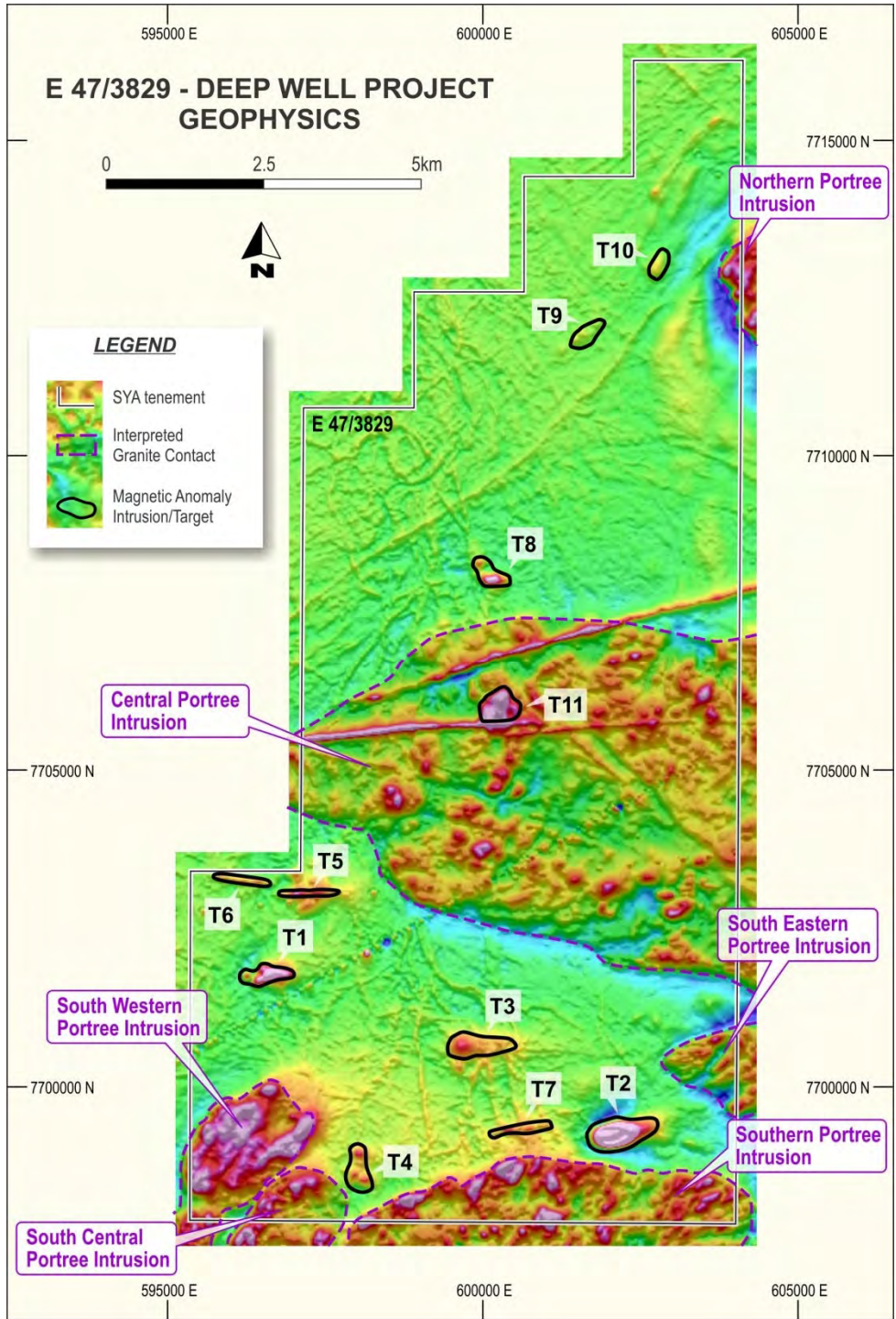


Figure 5: Deep Well Project with RTP magnetics and targets

The magnetics data has also helped resolve bedrock geology of the tenement area which is obscured by surficial cover. A large area of the western tenement area is interpreted to be underlain by Mallina Basin sediments, which have been intruded by six main intrusions of the Portree Suite.

The Portree intrusions are the same age as the target Indee Suite intrusives. The magnetic signature of each of the Portree intrusions is variable and includes intrusions with magnetic margins and variable magnetic intensity, indicating a potential range in intrusive rock types.

The large area of Mallina Basin sediments between the Portree intrusions provides encouragement to identify further subtle features and alteration contact zones with continued processing of geophysical data and as new information from drilling comes to hand.

### Next Steps

The recent success in identifying 16 new magnetic anomalies (refer ASX release 12 May 2021) has encouraged the ramping up of Western Australian gold exploration, with the Company committing to a A\$2 million budget for calendar 2021. Planned exploration includes drill testing of airborne magnetic anomalies at the Mt Dove and Deep Well Projects on the completion of statutory requirements and heritage clearance.

Additionally, regional programs are underway to advance identification of geology, structures and prospective intrusions for the drill ready exploration phase. Specifically these include:

- **Mt Dove Project:** commence 3,500m aircore/RC drill testing of five magnetic features, structural targets and test for bedrock gold anomalism;
- **Deep Well Project:** commence 3,200m aircore/RC drill testing of 11 magnetic anomalies with Hemi-style characteristics and six stocks of the Portree intrusive complex within the tenement area;
- **Tabba Tabba Project:** located 30km north-east of Hemi; first geophysical surveying, geological studies, geochemistry and provisional aircore drilling, testing for hi-Mg diorites on structural corridors paralleling the Tabba Tabba shear zone;
- **Wodgina and other areas:** geophysical surveying to advance geological and drill targeting.

This exploration is focused on testing anomalies and building the geological knowledge and potential in the search for hi-Mg diorite intrusions, host to the Hemi discovery.

### Other Western Australian Projects

#### Mt Edon Lithium Project

No exploration was carried out at the Mt Edon lithium project during the quarter. This project forms part of the Altura earn-in agreement tenure.

#### Corkwood Graphite Project

Sayona is reviewing the Corkwood project to determine the best way of maximising the value of its 100% held interest. No fieldwork was carried out during the quarter.

### Corporate

#### Rights Issue

In March 2021, Sayona launched a fully underwritten renounceable rights issue to raise up to A\$20.4 million (before costs) to support the development of the Company's lithium projects in Québec and to advance its bid for North American Lithium (refer ASX announcement 25 March 2021).

The rights issue offered 638,443,876 ordinary fully paid shares on the basis of one new share for every six existing shares held by eligible shareholders on the record date at an issue price of 3.2 cents (A\$0.032) per new share. The offer was fully underwritten by Canaccord Genuity (Australia) Limited. .

In April, Sayona announced the rights issue had closed oversubscribed, with applications received for 686,377,536 new shares, representing gross proceeds of around A\$21.96 million (refer ASX announcement 22 April 2021).

Sayona's major shareholder, Piedmont Lithium, exercised its full entitlement under the offer.

Proceeds from the offer will be used to facilitate the expansion of the Authier Lithium Project and emerging Tansim Lithium Project, together with supporting Sayona's bid for NAL.

The new shares were issued and allotted on 27 April, with trading commencing on the ASX on 28 April and holding statements issued on 29 April.

### **Conversion of Convertible Notes**

In June, following completion of the final leg of its strategic partnership arrangement, Piedmont issued conversion notices in respect of the convertible notes issued under various subscription agreements (refer ASX announcement 10 June 2021)

### **Application to list Options**

In May, Sayona applied to the Australian Securities Exchange (ASX) for the listing of previously unlisted options, providing such option holders with enhanced liquidity and potential additional funding for the Company's growth strategy (refer ASX announcement 13 May 2021).

The ASX granted the listing of 107,158,042 options, which were issued in August 2019 as part of a capital raising. The options are exercisable at A\$0.03 each and expire at 5.00pm AEST on 23 July 2022. These options will trade under the ASX code SYAOD.

The original option issues were made to applicants as issuer sponsored holdings, under a Shareholder Reference Number (SRN). Option holders can transfer these holdings to their CHES accounts.

### **CPA Increase & Extension**

In June, the Company announced it had utilised its Controlled Placement Agreement with Acuity Capital to raise A\$5,800,000 by agreeing to issue 95,000,000 SYA shares to Acuity Capital at an issue price of \$0.061 (refer ASX announcement 30 June 2021). Funds raised were applied to working capital, including the Company's ongoing activities in Québec and Western Australia.

### **Post-Quarter A\$50 million raising**

In July, subsequent to period end, Sayona undertook a placement to raise A\$45 million through the issue of 600,000,000 new fully paid shares at an offer price of A\$0.075 per new share (refer ASX announcement 12 July 2021). The placement was significantly oversubscribed, with Sayona receiving strong support from institutional investors in North America, Europe and Asia together with Australia.

Ensuring all shareholders receive the same opportunity to participate in the Company's growth, Sayona also launched a capped Share Purchase Plan (SPP) to raise up to A\$5 million at the same offer price as the Placement. The SPP opened on 21 July 2021, providing the opportunity for eligible shareholders to subscribe for up to A\$30,000 worth of new shares without incurring brokerage or other transaction costs (refer ASX release 21 July 2021).

### **Extraordinary General Meeting**

Sayona has also announced an Extraordinary General Meeting will be held at its Brisbane head office on Tuesday, 17 August 2021 at 10am AEST. Refer to the ASX announcement released 16 July 2021 for further details.

### **Appendix 5B Disclosures**

During the quarter, the Company made payments of \$176,000 to related parties (item 6.1), representing director remuneration.

During the quarter, the Company spent \$1,800,000 on exploration and project development costs, primarily on its Québec lithium projects. Details of activities have been outlined above.

This announcement is authorised by Sayona's Board of Directors.

For more information, please contact:

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### **About Sayona Mining**

Sayona Mining Limited is an emerging lithium miner (ASX:SYA; OTC:DMNXF), with projects in Québec, Canada and Western Australia.

In Québec, Sayona's assets comprise the Authier Lithium Project and its emerging Tansim Lithium Project, supported by a strategic partnership with American lithium developer Piedmont Lithium Inc. (Nasdaq:PLL; ASX:PLL). Sayona and Piedmont have also successfully undertaken a joint bid to acquire North American Lithium, which hosts a former lithium mine and concentrator.

In Western Australia, the Company holds a large tenement portfolio in the Pilbara region prospective for gold and lithium. Sayona is exploring for Hemi-style gold targets in the world-class Pilbara region, while its lithium projects are subject to an earn-in agreement with Altura Mining Limited.

For more information, please visit us at [www.sayonamining.com.au](http://www.sayonamining.com.au)

### Reference to Previous ASX Releases

This report refers to the following previous ASX releases:

- Potential for New Lithium Deposit at Viau-Dallaire – 19 November 2019
- Piedmont Lithium Invests in Sayona; Partnership to Boost Québec Projects – 11 January 2021
- Drilling Program to Expand Québec Lithium Resources – 27 January 2021
- Sayona expands Tansim Project as Lithium Demand Accelerates – 11 March 2021
- Study confirms Tansim Project’s High Lithium Potential – 11 March 2021
- A\$20.4m fully underwritten Renounceable Rights Issue – 25 March 2021
- Novonix tests Authier’s potential for lithium hydroxide battery – 31 March 2021
- Sayona advances exploration activity in Canada and Australia - 6 April 2021
- Rights issue closes oversubscribed – 22 April 2021
- Magnetic Drill Targets Identified at Pilbara Gold Projects – 12 May 2021
- Listing of Options and Appendix 2A – 13 May 2021
- Sayona bid for NAL to be submitted for court approval – 27 May 2021
- Drilling Underway at Authier Project – 2 June 2021
- Sayona embarks on next phase of Pilbara gold exploration – 7 June 2021
- Completion of Piedmont Investment in Sayona Québec – 8 June 2021
- Application for quotation of securities – SYA – 10 June 2021
- Update on Sayona bid for NAL acquisition – 22 June 2021
- Sayona obtains court approval for NAL Acquisition – 30 June 2021
- Tests confirm Authier delivers high purity lithium hydroxide – 7 July 2021
- A\$50m raise to fund NAL acquisition and advance Abitibi lithium hub - 12 July 2021
- Notice of Extraordinary General Meeting/Proxy Form – 16 July 2021
- Share Purchase Plan opens – 21 July 2021.

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

#### Exploration Targets

The information in this report that relates to Exploration Targets 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 being undertaken 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, as competent person for this announcement, has consented to the inclusion of the information in the form and context in which it appears.

## Tenement Schedules

Australian Tenement Schedule				
Tenement	Name	Status	Interest at Beginning of Quarter	Interest at end of Quarter
E59/2092	Mt Edon	Granted	80% of pegmatite minerals Only	80% of pegmatite minerals Only*
E59/2055	Mt Edon West	Granted	100% (pegmatite minerals only)	100% (pegmatite minerals only)*
E45/2364	Tabba Tabba	Granted	100% (pegmatite minerals only)	100% (pegmatite minerals only)*
E45/4703	Tabba Tabba East	Granted	100%	100%*
E45/4716	Red Rock	Granted	100%	100%*
E45/4726	West Wodgina	Granted	100%	100%*
E80/4511	Western Iron	Granted	100%	100%
E80/4949	Corkwood	Granted	100%	100%
E47/3802	Friendly Creek	Granted	100%	100%*
E47/3829	Deep Well	Granted	100%	100%*
E47/3950	Mt Dove	Granted	100%	100%*
E45/5288	Strelley	Application	100%	100%*
E45/5289	Strelley West	Application	100%	100%*
E47/2983	Mallina	Granted	100% (pegmatite minerals only)	100%* (pegmatite minerals only)*
E45/5817	Indee	Application	0	100%*
E45/5904	Mac Well	Application	0	100% (Application)*

\*= Tenement Subject to Altura Lithium Farm-In

<b>Canadian Tenement Schedule - Authier</b>		
<b>Tenement</b>	<b>Location</b>	<b>Interest in Tenement</b>
2116146	Authier	100%
2116154	Authier	100%
2116155	Authier	100%
2116156	Authier	100%
2183454	Authier	100%
2183455	Authier	100%
2187651	Authier	100%
2187652	Authier	100%
2192470	Authier	100%
2192471	Authier	100%
2194819	Authier	100%
2195725	Authier	100%
2219206	Authier	100%
2219207	Authier	100%
2219208	Authier	100%
2219209	Authier	100%
2240226	Authier	100%
2240227	Authier	100%
2247100	Authier	100%
2247101	Authier	100%
2472424	Authier	100%
2472425	Authier	100%
2480180	Authier	100%
2507910	Authier	100%



Canadian Tenement Schedule - Tansim

Tenement	Interest	Tenement	Interest	Tenement	Interest
1133877	50%	2440854	50%	2440993	50%
2415443	50%	2440855	50%	2440994	50%
2415444	50%	2440856	50%	2450758	50%
2436732	50%	2440857	50%	2519251	100%
2436733	50%	2440858	50%	2519252	100%
2436734	50%	2440859	50%	2519253	100%
2438472	50%	2440860	50%	2519254	100%
2438473	50%	2440890	50%	2519255	100%
2438474	50%	2440891	50%	2519256	100%
2438475	50%	2440892	50%	2519257	100%
2438476	50%	2440893	50%	2519258	100%
2438477	50%	2440894	50%	2519259	100%
2438478	50%	2440895	50%	2519260	100%
2438723	50%	2440896	50%	2519261	100%
2440836	50%	2440897	50%	2519262	100%
2440837	50%	2440898	50%	2519263	100%
2440838	50%	2440899	50%	2519264	100%
2440839	50%	2440900	50%	2519265	100%
2440840	50%	2440901	50%	2519266	100%
2440841	50%	2440902	50%	2519267	100%
2440842	50%	2440903	50%	2519268	100%
2440843	50%	2440907	50%	2519269	100%
2440844	50%	2440908	50%	2519270	100%
2440845	50%	2440909	50%	2519271	100%
2440846	50%	2440919	50%	2519272	100%
2440847	50%	2440920	50%	2519273	100%
2440848	50%	2440925	50%	2519274	100%
2440849	50%	2440930	50%	2519278	100%
2440850	50%	2440935	50%	2519279	100%

Tenement	Interest	Tenement	Interest	Tenement	Interest
2519280	100%	2519303	100%	2519314	100%
2519281	100%	2519304	100%	2519315	100%
2519282	100%	2519305	100%	2519316	100%
2519283	100%	2519306	100%	2519317	100%
2519284	100%	2519307	100%	2519318	100%
2519285	100%	2519308	100%	2519319	100%
2519286	100%	2519309	100%	2519320	100%
2519287	100%	2519310	100%	2519321	100%
2519288	100%	2519311	100%	2519322	100%
2519289	100%	2519312	100%	2519323	100%
2519290	100%	2519313	100%	2519324	100%
2519291	100%	2519314	100%	2572665	100%
2519292	100%	2519315	100%	2572666	100%
2519293	100%	2519316	100%	2572667	100%
2519294	100%	2519317	100%	2572668	100%
2519295	100%	2519303	100%	2572669	100%
2519296	100%	2519304	100%	2572670	100%
2519297	100%	2519305	100%	2572671	100%
2519298	100%	2519306	100%	2572672	100%
2519299	100%	2519307	100%	2572673	100%
2519300	100%	2519308	100%	2572674	100%
2519280	100%	2519309	100%	2572675	100%
2519281	100%	2519310	100%	2572676	100%
2519282	100%	2519311	100%	2572677	100%
2519301	100%	2519312	100%	2572678	100%
2519302	100%	2519313	100%	2572679	100%

Tenement	Interest	Tenement	Interest	Tenement	Interest
2572680	100%	2579264	100%	2601784	100%
2572681	100%	2579264	100%	2601785	100%
2572682	100%	2579264	100%	2601786	100%
2572683	100%	2579264	100%	2601787	100%
2572684	100%	2579264	100%	2601788	100%
2572685	100%	2579264	100%	2601789	100%
2572686	100%	2579264	100%	2601790	100%
2572687	100%	2579264	100%	2601791	100%
2572688	100%	2579264	100%	2601792	100%
2572689	100%	2579264	100%	2601793	100%
2572690	100%	2579264	100%	2601794	100%
2572691	100%	2579264	100%	2601795	100%
2572692	100%	2579264	100%	2601796	100%
2572693	100%	2579264	100%	2601797	100%
2572694	100%	2579264	100%	2601798	100%
2572695	100%	2579264	100%	2601799	100%
2572696	100%	2579264	100%	2601803	100%
2572697	100%	2579264	100%	2601784	100%
2572698	100%	2579264	100%	2601785	100%
2572699	100%	2579264	100%	2601786	100%
2572700	100%	2579264	100%	2601787	100%
2572701	100%	2579264	100%	2601788	100%
2572702	100%	2579264	100%	2601789	100%
2572703	100%	2579264	100%	2601790	100%
2579261	100%	2579264	100%	2601791	100%
2579262	100%	2579264	100%	2601792	100%
2579263	100%	2579264	100%	2601793	100%

Tenement	Interest	Tenement	Interest		
2601795	100%	2601820	100%		
2601796	100%	2601821	100%		
2601797	100%	2601822	100%		
2601798	100%	2601823	100%		
2601799	100%	2601824	100%		
2601803	100%	2601820	100%		
2601804	100%	2601821	100%		
2601805	100%	2601822	100%		
2601806	100%	2601823	100%		
2601807	100%	2601824	100%		
2601808	100%	2601820	100%		
2601809	100%	2601821	100%		
2601810	100%	2601822	100%		
2601811	100%	2601823	100%		
2601812	100%				
2601813	100%				
2601814	100%				
2601815	100%				
2601816	100%				
2601817	100%				
2601818	100%				
2601819	100%				
2601820	100%				
2601821	100%				
2601822	100%				
2601823	100%				
2601824	100%				
2601795	100%				
2601796	100%				

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

<b>SAYONA MINING LIMITED</b>
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ABN

<b>26 091 951 978</b>
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Quarter ended ("current quarter")

<b>30 JUNE 2021</b>
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<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(1,800)	(3,697)
(b) development		
(c) production		
(d) staff costs	(176)	(833)
(e) administration and corporate costs	(314)	(1,202)
1.3 Dividends received (see note 3)		
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		315
1.8 Other – Deposit made in relation to NAL bid		(2,429)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(2,288)</b>	<b>(7,844)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	(12)	(23)
(d) exploration & evaluation		
(e) investments		
(f) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) investments		
(e) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(12)</b>	<b>(23)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	25,312	34,998
3.2 Proceeds from issue of convertible debt securities	2,843	8,044
3.3 Proceeds from exercise of options	53	1,280
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(844)	(1,891)
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		(18)
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other		
<b>3.10 Net cash from / (used in) financing activities</b>	<b>27,364</b>	<b>42,413</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	9,880	493
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(2,288)	(7,844)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(12)	(23)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	27,364	42,413

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	20	(75)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>34,964</b>	<b>34,964</b>

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	34,864	9,880
5.2	Call deposits	100	
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>34,964</b>	<b>9,880</b>

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	176
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	<b>Total financing facilities</b>		
7.5	<b>Unused financing facilities available at quarter end</b>		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	2,288
8.2 Payments for exploration & evaluation classified as investing activities (item 2.1(d))	
8.3 Total relevant outgoings (item 8.1 + item 8.2)	2,288
8.4 Cash and cash equivalents at quarter end (item 4.6)	34,964
8.5 Unused finance facilities available at quarter end (item 7.5)	
8.6 Total available funding (item 8.4 + item 8.5)	34,964
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b> Note: If entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.	15.3

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2, and 8.8.3 above must be answered.

### Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

30 July 2021

Date: .....

Paul Crawford – Company Secretary

Authorised by: .....  
 (Name of body or officer authorising release – see note 4)

### Notes

- This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An



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**Mining exploration entity or oil and gas exploration entity quarterly cash flow report**

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entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.